
BMO Financial Group

2022 Sustainability Report and Public Accountability Statement



As one of North America's largest banks, BMO plays a central role at the heart of communities and throughout society.

This report tells you how we're leveraging our position as a leading financial services organization to create opportunities, lift communities and foster a more sustainable world – how we **Boldly Grow the Good in business and life.**

[3 Message from the CEO](#)

[4 Message from the General Counsel](#)

[5 About BMO](#)

Driven by our Purpose, BMO is building a digitally enabled, future-ready bank and is committed to driving positive, lasting change.

Read about BMO, our Purpose, and our progress against our Bold Commitments to build a thriving economy, sustainable future, and inclusive society.

[6 Who we are](#)

[7 Our Purpose](#)

[8 BMO's Bold Commitments for 2025](#)

[9 Strategy](#)

Sustainability is embedded in our strategy. Read about how sustainability supports how we're continuing to build a high-performing, digitally enabled bank that's ready for the future.

[10 Our strategy](#)

[16 Supporting the Sustainable Development Goals](#)

[17 Convening and collaboration for sustainability](#)

[18 Awards for our work](#)

[19 Four Focus Areas](#)

We focus our sustainability efforts on areas that are important to our business, our customers, and our stakeholders.

Read about how we determine what's important, how we engage with our stakeholders, and the progress we made in 2022.

[20 Determining our priority sustainability topics](#)

[21 Engaging our stakeholders](#)

[22 Tracking our progress](#)

[27 Thriving economy](#)

[38 Sustainable future](#)

[57 Inclusive society](#)

[70 Foundation of trust](#)

[87 Glossary](#)

Defines the terms we use and our approach to measuring performance.

[94 Public Accountability Statements](#)

Our 2022 Public Accountability Statements describe some of the contributions we made to the Canadian economy and society this year.

In this report

We, us, our, bank and BMO mean Bank of Montreal and its subsidiaries

Reporting period

Covers the fiscal year ended October 31, 2022

We published our last report in March 2022. Past reports are available on our website <https://our-impact.bmo.com/reports>

Reporting frameworks

Global Reporting Initiative (GRI)

Sustainability Accounting Standards Board (SASB) Standards

Task Force on Climate-related Financial Disclosures (TCFD)

Data

Unless otherwise noted:

as of October 31, 2022

enterprise-wide

may be rounded

dollar amounts are in Canadian dollars

◆ KPMG has provided limited assurance of this figure in 2022. KPMG's Independent Limited Assurance Report is on [page 91](#).

BMO's approach to sustainability is integrated into our business strategy and corporate governance.

[Sustainability reporting suite](#)

- Sustainability Report and Public Accountability Statement
- GRI Content Index
- SASB Disclosure
- Data Pack and Glossary
- Climate Report
- Sustainable Bonds Impact Report
- Principles for Responsible Banking Reporting and Self-Assessment

[Learn more here](#)

- Annual Report to Shareholders
- Management Proxy Circular



Message from the CEO



Our commitment to sustainability is guided by our Purpose, to **Boldly Grow the Good in business and life**, for our clients, colleagues and the communities we serve. Our Purpose informs our strategy, drives our ambition, and inspires our commitment to progress. Our business performance enables us to put our Purpose into action and supports our efforts to make progress for a thriving economy, a sustainable future and an inclusive society – underpinned by a foundation of trust.

In a year marked by global economic headwinds, Team BMO continued to make progress for our stakeholders across each of our sustainability focus areas. We maintained our ranking as one of the most sustainable companies in North America on the Dow Jones Sustainability Indices, earning top scores for our Environmental Reporting, Social Reporting and Financial Inclusion, and we were named to the Corporate Knights' Global 100 Most Sustainable Corporations. Our continued recognition as a global sustainability leader reinforces our commitment to sustainable business practices and financing activities.

As bankers, we are problem solvers – and are pragmatic in our approach to help solve the most pressing issues of our time, including climate change. We're leading the way in financing a just transition to a net-zero economy by working with clients developing new technologies and supporting traditional energy clients working hard to adapt their emissions profiles.

Last year, we published the BMO Climate Institute's inaugural report on decarbonizing Canada's housing market and rolled out climate essentials training for our colleagues and board of directors. As a member of the Net-Zero Banking Alliance, we also built the internal infrastructure required to quantify financed emissions across our portfolio, set energy lending targets, and advanced climate commercialization efforts.

Creating a better tomorrow requires bold commitments to progress. To contribute to a thriving economy, we established BMO EMpower – committing US\$5 billion over five years to improve economic equity and growth for minority businesses, communities and families in the U.S. Through direct lending, investing, giving and engagement, we surpassed our goal in just two years.

We're not stopping there – we've committed \$40 billion over five years to supporting progress in local communities across our bank's expanded U.S. footprint following our acquisition of California-based

Bank of the West. With a shared focus on progress for our clients, communities and the planet, we'll make significant strides on our sustainability journey together as one bank.

We're proud to play our part in building a society with zero barriers to inclusion and helping groups facing systemic challenges overcome them. Our gender inclusivity practices are consistently recognized by Bloomberg's Gender-Equality Index. For more than 30 years, we've provided dedicated banking services to Indigenous communities across Canada. Through trusted relationships built on mutual respect, we've worked to remove barriers to economic self-determination and supported the growth of Indigenous clients, colleagues and communities.

At BMO, our partnerships are built on trust. We recognize that ethical business practices translate into enduring relationships and the strong financial performance that enables us to deliver on our Purpose. That's why we're pleased to have been named one of the World's Most Ethical Companies by Ethisphere in 2022 for the fifth consecutive year.

Guided by our Purpose, we're looking forward to continuing to be a leader for a thriving economy, a sustainable future and an inclusive society. I hope the stories of progress and achievement you can find in the following pages help to inspire your own efforts to **Boldly Grow the Good in business and life**.

A handwritten signature in black ink, appearing to read "Darryl White".

Darryl White
Chief Executive Officer
BMO Financial Group

Message from the General Counsel and Executive Committee Sponsor for Sustainability



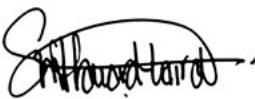
Since I took on the role of General Counsel in 2021, the same year we announced our Climate Ambition to be our clients' lead partner in the transition to a net-zero world, I have watched the momentum behind sustainability grow. BMO's climate strategy is now explicitly included as one of BMO's top five strategic priorities. I could not be prouder of how our commitment to sustainability and the work we do helps drive our Purpose and achieve our strategic goals.

The transition to a net-zero future presents unique risks and opportunities for resource-rich nations like Canada and the United States, where we must work to reduce carbon emissions while ensuring energy security and growing new ecosystems around the lower carbon economy of the future.

It is the very complexity of this challenge, and the important role financial institutions play in the economy as providers of capital, advisors and thought leaders, that prompted us to create the BMO Climate Institute, a centre of expertise bridging policy, science, and finance to help shape the market for climate solutions. As a financial institution, we can be an integral part of the climate conversation, and we were honoured this year to have been appointed co-chair of the Capital Allocation Working Group of Canadian financial services firms that is advising the Canadian government on how to best deploy private capital for a just transition.

Sustainability goes beyond climate to include social impact. Guided by our Purpose, we are supporting our local communities through lending, investing, giving and engagement. As the executive committee sponsor for BMO for Women, I am proud to share that in the past year we announced commitments of \$5 billion to support women entrepreneurs in Canada and up to \$100 million to launch *Business Within Reach: BMO for Black Entrepreneurs*. In the U.S., we introduced *BMO for Native-Owned Businesses* as part of our five-year, US\$5 billion BMO EMpower initiative, and achieved US\$66 million in lending for our Black, Latinx and women small business pillar.

BMO was recognized as the world's top ranked financial institution by the World Benchmarking Alliance's new global benchmark (WBA), for the work we do on the topic of sustainability and helping make progress in support of a just and sustainable economy. The 2022 Financial System Benchmark, announced at COP27, independently assesses 400 financial institutions from around the globe in three areas: governance, planetary boundaries and human rights and social issues. Recognition like this tells us we are on the right track. Our commitment to sustainability in all its forms is central to our Purpose and we are honoured to be recognized as a leader in this space.



Sharon Haward-Laird
General Counsel
Executive Committee Sponsor for Sustainability
BMO Financial Group

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

About BMO

BMO is building a digitally enabled, future-ready bank with leading efficiency, profitability and loyalty – all powered by a winning culture and driven by our Purpose. Our strategy connects our growth to driving positive, lasting change in the world.

This section tells you about BMO, our Purpose, and our progress against our Bold Commitments to build a thriving economy, sustainable future, and inclusive society with zero barriers.

[3 Message from the CEO](#)[4 Message from the General Counsel](#)[5 About BMO](#)[6 Who we are](#)[7 Our Purpose](#)[8 BMO's Bold Commitments for 2025](#)[9 Strategy](#)[19 Four Focus Areas](#)[87 Glossary](#)[94 Public Accountability Statement](#)

Who we are*

Established in 1817, BMO Financial Group is the eighth largest bank in North America by assets, with total assets of \$1.14 trillion. We are highly diversified, providing a broad range of personal and commercial banking, wealth management, global markets and investment banking products and services. We serve twelve million customers across Canada and the United States, and in select markets globally, through three integrated operating groups.

12 million

customers globally

8th largest

bank in North America
by assets

\$1.14 trillion

in total assets

1817

serving customers for
205 years and counting

Personal and Commercial (P&C) Banking

Provides financial products and services to customers across North America. Personal and Business Banking helps customers make real financial progress through a network of branches, contact centres, digital banking platforms and automated teller machines. Commercial Banking serves clients as a trusted advisor, offering industry expertise, a local presence and a comprehensive range of commercial products and services.

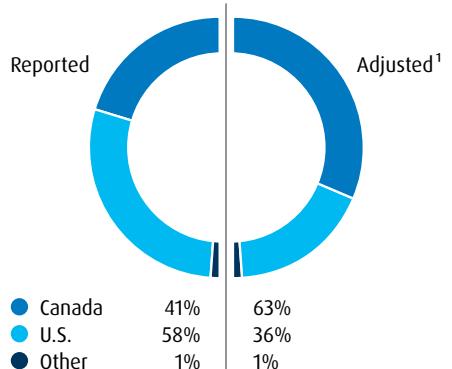
BMO Wealth Management (WM)

Serves a full range of clients, from individuals and families to business owners and institutions, offering a wide spectrum of wealth, asset management and insurance products and services aimed at helping clients plan, grow, protect and transition their wealth. Our asset management business is focused on delivering innovative client solutions and strategies.

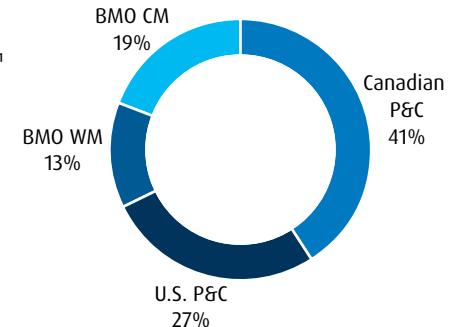
BMO Capital Markets (CM)

A North America-based financial services provider offering a complete range of products and services to corporate, institutional and government clients. BMO Capital Markets has approximately 2,800 professionals in 32 locations around the world, including 18 offices in North America.

Net Income by Geography – F2022



Reported Net Income by Operating Group² – F2022



*For the purposes of this report, numbers are as of October 31, 2022, BMO's fiscal year end. On February 1, 2023, BMO completed the acquisition of Bank of the West. The acquisition brings nearly 1.8 million customers to BMO and extends its banking presence through more than 500 additional branches and commercial and wealth offices in key U.S. growth markets.

¹ Adjusted results and measures are non-GAAP measures. For further information, see the Non-GAAP and Other Financial Measures section on page 93.

² Percentages determined excluding results in Corporate Services.

Bank of Montreal brands the organization's member companies as BMO Financial Group.

Our Purpose

BMO's Purpose to **Boldly Grow the Good in business and life** inspires us all to aim higher, to drive positive impact for our customers, employees and communities.

For a Thriving Economy

Providing access to capital and valuable financial advice – investing in businesses, supporting home ownership and strengthening the communities we serve, while driving innovation that makes banking easier.

Enabling entrepreneurs

BMO EMpower, our five-year, US\$5 billion commitment to inclusive economic recovery in the U.S., has already exceeded its early targets, with more than US\$5.5 billion committed in just two years. In Canada, BMO has committed \$100 million to launch *Business Within Reach: BMO for Black Entrepreneurs*. The program provides business owners with greater access to working capital, educational resources and professional partnerships to start up, scale up and grow.

Breaking down barriers

To help address barriers facing minority businesses, communities and families, we've committed \$5 billion to support women entrepreneurs in Canada, and an additional US\$5 billion over five years to address key barriers faced by minority businesses, communities and families in the United States, through the BMO EMpower program.

A fresh start

All our customers have unique needs and experiences, and we're focused on expanding financial inclusion with innovative banking products, services and resources. Through our BMO NewStart Program, we offer discounted or free banking products and services for permanent residents and foreign workers. This program is designed to help make setting up a new life in Canada easier.

For a Sustainable Future

Being our clients' lead partner in the transition to a net-zero world, delivering on our commitments to sustainable financing and responsible investing.

Digital First mindset

To help unlock climate solutions for clients and enable our Climate Ambition, BMO's sustainability team has partnered with our technology and operations group to develop a unique digital platform leveraging geospatial technology to better understand climate impacts and opportunities.

Green finance

Advancing our goal to mobilize \$300 billion in sustainable finance by 2025, in 2022 BMO acted as joint lead manager for the Government of Canada's inaugural Green Bond transaction, a landmark achievement. The \$5 billion transaction demonstrates Canada's environmental leadership, ensures government expenditures align with Canada's ESG goals and principles, and acts as a catalyst for the continued development of the sustainable finance market in Canada.

Financing the transition

BMO and Export Development Canada (EDC) are working together to help large and mid-sized Canadian businesses in carbon-intensive sectors transition to more sustainable business models, aligned with Canada's commitment to net-zero emissions by 2050. BMO is also the first financial institution to offer EDC's new Sustainable Financing Guarantee, which provides an initial \$1 billion in financing over three years to support sustainable initiatives across nine carbon-intensive sectors.

BOLDLY GROW THE GOOD IN BUSINESS AND LIFE

For an Inclusive Society

Committing to zero barriers to inclusion through investments, products, services and partnerships that remove systemic barriers for under-represented customers, employees and communities – and drive inclusion and equitable growth for everyone.

Diversity leadership

BMO's commitment to diversity and inclusion in the workplace was recognized once again by *Forbes*, which named BMO as one of America's Best Employers for Diversity for the fourth year in a row. And for the fifth consecutive year, we were recognized by the Human Rights Campaign Foundation as an industry leader in LGBTQ+ workplace equality in the United States, receiving a score of 100 on the 2022 Corporate Equality Index (CEI).

Eradicating poverty

We're committed to working with our communities to build a more equitable society. For 14 years, we've partnered with Cara Collective, a workforce development organization dedicated to eradicating poverty. In 2022, Cara Collective recognized BMO with its Good Neighbor Award for the BMORE program, which was co-created by BMO and Cara Collective two years ago to remove barriers to employment and increase access to careers in banking and finance.

Supporting newcomers

Helping to create a more equitable and inclusive society is core to BMO's Purpose. We've launched the BMO Newcomer Talent Program to help immigrants, refugees and displaced persons find new employment opportunities in Canada and the United States.



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

6 Who we are

7 Our Purpose

8 BMO's Bold Commitments for 2025

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

BMO's Bold Commitments for 2025

Our Bold Commitments are measurable business-led goals to grow the good. They evolve as community needs, BMO priorities, and market realities change. Our Bold Commitments will continue to align with our commitment to progress for a thriving economy, a sustainable future and a more inclusive society with zero barriers.

This dashboard shows our Bold Commitments for 2025 and our progress to date. We are proud of the progress we have made since the commitments were first introduced in 2019. Our commitments continue to evolve to meet the needs of our clients and stakeholders, ensuring we are constantly evaluating key drivers of our commitment to Boldly Grow the Good *in business and life*.

For a Thriving Economy

Providing access to capital and valuable financial advice – investing in businesses, supporting home ownership and strengthening the communities we serve, while driving innovation that makes banking easier



For a Sustainable Future

Being our clients' lead partner in the transition to a net-zero world, delivering on our commitments to sustainable financing and responsible investing²



For an Inclusive Society

Committing to zero barriers to inclusion through investments, products, services and partnerships that remove systemic barriers for under-represented customers, employees and communities – and drive inclusion and equitable growth for everyone



¹The total outstanding amount of all loans, deposits and term investments originated or administered by BMO for Canadian Indigenous communities and businesses through Canadian Commercial Banking, Canadian Business Banking and the On-Reserve Housing Loan Program.

²BMO Global Asset Management's (BMO GAM) responsible engagement overlay (re^o) service was included in the sale of BMO's Europe, Middle East and Africa asset management business, completed in fiscal year 2022. In light of this sale, BMO no longer reports on our responsible investing target to provide \$700 billion in assets under advice/management through BMO GAM aligned with sustainable objectives. BMO GAM remains focused on responsible investing through its suite of responsible investment branded funds which seek to generate long-term value for investors.

³The metric was broadened in 2022 to include the development of diversity and inclusion-focused learning (see Glossary).

⁴The metric was broadened in 2022 to include the engagement in "BMO Forward" plus a range of new learning programs that were launched to target future-focused skills (see Glossary).

Strategy

Sustainability is embedded in our strategy and is fundamental to our Purpose.

This section tells you how sustainability supports how we're continuing to build a high-performing, digitally enabled bank that's ready for the future.

[3 Message from the CEO](#)[4 Message from the General Counsel](#)[5 About BMO](#)[9 Strategy](#)[10 Our strategy](#)[11 Sustainability embedded in strategy](#)[12 Our focus on climate](#)[14 Driving zero barriers to inclusion](#)[15 Forging a new partnership with Indigenous peoples](#)[16 Supporting the Sustainable Development Goals](#)[17 Convening and collaboration for sustainability](#)[18 Awards for our work](#)[19 Four Focus Areas](#)[87 Glossary](#)[94 Public Accountability Statement](#)

Our strategy

At BMO, we continue to build a high-performing, digitally-enabled, future-ready bank with highly engaged employees and a winning culture. We are focused on helping our customers make real financial progress and financing our clients' growth and innovation while investing in our workforce. Anchored in our Purpose, we are driven by our strategic priorities for growth, strengthened by our approach to sustainability and guided by our values to build a foundation of trust with our stakeholders.

Our Purpose commitment to double the good

Our bold commitments for a thriving economy, a sustainable future and an inclusive society are reflected in our active, direct response to today's most pressing challenges.

For a Thriving Economy

Providing access to capital and valuable financial advice – investing in businesses, supporting home ownership and strengthening the communities we serve, while driving innovation that makes banking easier

For a Sustainable Future

Being our clients' lead partner in the transition to a net-zero world, delivering on our commitments to sustainable financing and responsible investing

For an Inclusive Society

Committing to zero barriers to inclusion through investments, products, services and partnerships that remove systemic barriers for under-represented customers, employees and communities – and drive inclusion and equitable growth for everyone

Anchored in our Purpose

BMO has a deep sense of purpose – to be a champion for progress and a catalyst for change.

We are leveraging our position as a leading financial services provider to create opportunities for our communities and our stakeholders to make positive, sustainable change, because we believe that success can and must be mutual.

Driven by our growth strategy

Consistent strong performance is essential to realizing our Purpose.

We aim to deliver top-tier total shareholder return and achieve our financial objectives by aligning our operations with, and executing on, our strategic priorities.

Strengthened by our approach to sustainability

Our commitment to sustainability is embedded in our strategy and is fundamental to our Purpose.

We identify the most significant effects of our business operations, products and services on our stakeholders and the communities in which we operate. We take steps to manage our business in a manner that is consistent with our sustainability objectives, while also considering the interests of our stakeholders. We apply a variety of environmental, social and governance (ESG) practices and benchmarks to capture opportunities and manage risks in key areas such as sustainable finance, climate change, human rights, and diversity, equity and inclusion.

Guided by our values

Four core values shape our culture and underpin our choices and actions:

- **Integrity**
- **Diversity**
- **Responsibility**
- **Empathy**

Our strategic priorities

Keeping the fundamentals of our strategy consistent, we renewed our priorities for fiscal 2023 to reflect our strong momentum and the changing environment:

- > **World class** loyalty and growth, powered by One Client leadership, bringing the full suite of BMO's products, services and advice to our clients
- > **Winning Culture** driven by alignment, empowerment and recognition
- > **Digital First** for speed, scale and the elimination of complexity
- > **Lead partner** in our clients' transition to a **net-zero world**
- > **Superior management** of risk, capital and funding performance

Sustainability embedded in strategy

At BMO, sustainability is embedded in our strategy. We seek to be an industry leader through our strong environmental, social and governance (ESG) approaches, and we apply a variety of ESG practices to capture opportunities and manage risks in key areas, such as sustainable finance, climate change, human rights, and diversity, equity and inclusion. Our *priority sustainability topics* are aligned to our strategic priorities. See page 20 to learn more about our process for identifying and confirming these priority topics.

Our strategic priorities and related priority sustainability topics

World class loyalty and growth, powered by One Client Leadership

Climate change	Financial inclusion
Consumer protection and transparency	Innovation and digitalization
Customer experience	Sustainable finance

Winning culture driven by alignment, empowerment and recognition

Climate change	Diversity, equity and inclusion
Community impact	Employee-centric value proposition
Customer experience	

Digital first for speed, scale and the elimination of complexity

Climate change	Employee-centric value proposition
Customer experience	Innovation and digitalization

Lead partner in our clients' transition to a **net-zero world**

Climate change	Operational efficiency
Environmental and social risk management	Sustainable finance

Superior management of risk, capital and funding performance

Business conduct	Environmental and social risk management
Climate change	Human rights
Consumer protection and transparency	Operational efficiency
Corporate governance	Sustainable procurement
Data security	

Helping shape the future of banking

In 2021, BMO was among the first Canadian banks to sign the United Nations [Principles for Responsible Banking](#) (UNPRB), an international framework for a sustainable banking system.

Signatories commit to embedding sustainability at the strategic, portfolio and transactional levels, across all business areas. The UNPRB enable any financial institution genuinely committed to sustainable and responsible banking to set targets and ambitions that accelerate progress on the [UN Sustainable Development Goals](#) and the [Paris Climate Agreement](#).

BMO published its first [PRB Reporting and Self Assessment](#) in 2022. Read more about how BMO is [convening and collaborating](#) to understand and address the issues that affect our business and the world around us.

Executive compensation and ESG

Embedded in our strategy and fundamental to the bank's Purpose, sustainability is integrated into BMO's executive compensation design. 25% of executive variable pay funding is tied to the achievement of our Purpose and strategic objectives which are non-financial goals. Each year we include ESG in our Purpose and strategic objectives, as well as in the individual goals for our executives, to capture opportunities and manage risks in areas such as sustainable finance, climate change, and diversity, equity and inclusion. This approach is central to delivering on our strategy, Purpose and bold commitments for a thriving economy, a sustainable future and an inclusive society (see page 41 of our [2023 Management Proxy Circular](#)).



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

[3 Message from the CEO](#)

[4 Message from the General Counsel](#)

[5 About BMO](#)

[9 Strategy](#)

10 Our strategy

11 Sustainability embedded in strategy

12 Our focus on climate

14 Driving zero barriers to inclusion

15 Forging a new partnership with Indigenous peoples

16 Supporting the Sustainable Development Goals

17 Convening and collaboration for sustainability

18 Awards for our work

[19 Four Focus Areas](#)

[87 Glossary](#)

[94 Public Accountability Statement](#)

BMO's Climate Ambition

To be our clients' lead partner in the transition to a net-zero world

Commitment

Acting on our commitment to a sustainable future, we're playing our part to drive the transformation toward a net-zero world.

- Maintain carbon neutrality and 100% renewable electricity purchases for our operations and pursuing a 30% emissions reduction goal by 2030.
- Target net-zero financed emissions in our lending by 2050 with intermediate targets for financed emissions reduction that will be achieved in partnership with clients.
- Commit to transparency in emissions measurement and performance.

Capabilities

BMO's Energy Transition and Sustainable Finance groups, supported by the BMO Climate Institute, provide thought leadership at the intersection of climate change and finance, allowing us to be the premier advisor to clients and partner on climate risk and opportunity.

- Leverage BMO's sophisticated analytical capabilities to understand the impacts of climate change.
- Generate insights that enable our business, clients and partners to adjust and flourish in the evolving climate landscape.
- Provide thought leadership informed by data-driven research and expertise.

Client Partnership

We are committed to helping our clients adapt to climate change, offering a tailored suite of green advisory, investment and lending products and services to support their transition to a net-zero global economy.

- Engage with customers to advance climate adaptation strategies.
- Enable our clients' net-zero transitions with a tailored suite of green advisory, investment and lending products.
- Be a 'one-stop-shop' for clients to meet the full range of ESG needs.

Convening for Climate Action

The BMO Climate Institute is driving insights and bringing together industry, government, researchers and investors to catalyze the climate conversation, collaborate on solutions and accelerate a socially and economically just net-zero transition.

- Unite BMO employees and equip them with knowledge to inform meaningful climate policy and business decisions.
- Develop solutions for climate-sensitive sectors in North America.
- Explore the synergies between climate and social justice goals.



[3 Message from the CEO](#)

[4 Message from the General Counsel](#)

[5 About BMO](#)

[9 Strategy](#)

[10 Our strategy](#)

[11 Sustainability embedded in strategy](#)

[12 Our focus on climate](#)

[14 Driving zero barriers to inclusion](#)

[15 Forging a new partnership with Indigenous peoples](#)

[16 Supporting the Sustainable Development Goals](#)

[17 Convening and collaboration for sustainability](#)

[18 Awards for our work](#)

[19 Four Focus Areas](#)

[87 Glossary](#)

[94 Public Accountability Statement](#)

Our history of climate action

2008	Established operational greenhouse gas footprint and set first emissions reduction target Became the first Canadian financial institution to achieve ISO 14001:2004 certification for a large office building	2010	Achieved carbon neutrality in operations Named to the CDP Global 500 Carbon Performance Leadership Index for the first time	2019	Established first sustainable finance target and established Sustainable Finance team Issued first sustainability bond Conducted first climate-related scenario analysis pilot Incorporated climate change into enterprise-wide risk taxonomy	2021	Joined the Partnership for Carbon Accounting Financials (PCAF) and began to quantify financed emissions Signed United Nations (UN) Principles for Responsible Banking Launched the BMO Net-Zero Ambition, aligned with BMO's Purpose Established the BMO Climate Institute to power the bank's ambition of being <i>our clients' lead partner in the transition to a net-zero world</i> Established an Energy Transition Group within BMO Capital Markets Joined the UN-convened Net-Zero Banking Alliance (NZBA) Added climate-related physical and transition risk to enterprise-wide risk taxonomy Established risk tolerance thresholds for climate-related key risk metric		
2007	First purchase of renewable energy	2009	Made a five-year, \$10 million commitment to become lead investor in the Greening Canada Fund for carbon offset projects Named to the CDP Global 500 Carbon Disclosure Leadership Index for the first time	2018	Began reporting in line with TCFD Delivered climate change risk and disclosure training to BMO's Board of Directors	2020	Achieved 100% renewable electricity across global operations Included climate change in BMO's risk appetite statement and introduced climate-related key risk metric BMO Global Asset Management became a founding member of Net Zero Asset Managers initiative (NZAM) Restricted direct financing for any project or transaction that involves exploration or development in the Arctic National Wildlife Refuge Developed digital climate risk analytics platform in collaboration with BMO's AI Labs	2022	Rolled out enterprise-wide "Climate Change Essentials" training for all BMO employees, management and Board of Directors Advanced climate commercialization strategy aligned with our Climate Ambition Developed white papers outlining decarbonization roadmaps for hard-to-abate sectors Announced acquisition of Radicle Group Inc., a leader in greenhouse gas measurement, advisory, carbon credit origination and environmental commodity trading Further diversified carbon neutrality strategy with purchase of carbon credits for 5,750 metric tonnes of carbon dioxide over five years from CarbonCure Introduced Board-approved Environmental and Social Risk Corporate Policy Founding Member of Climate Engagement Canada (CEC), serving on its steering committee Established and chaired the Government of Canada's Sustainable Finance Action Council (SFAC), and Net-Zero Capital Allocation Working Group

- [3 Message from the CEO](#)
- [4 Message from the General Counsel](#)
- [5 About BMO](#)
- [9 Strategy](#)
 - [10 Our strategy](#)
 - [11 Sustainability embedded in strategy](#)
 - [12 Our focus on climate](#)
 - [14 Driving zero barriers to inclusion](#)
 - [15 Forging a new partnership with Indigenous peoples](#)
 - [16 Supporting the Sustainable Development Goals](#)
 - [17 Convening and collaboration for sustainability](#)
 - [18 Awards for our work](#)
- [19 Four Focus Areas](#)
- [87 Glossary](#)
- [94 Public Accountability Statement](#)

Driving zero barriers to inclusion

BMO's *Zero Barriers to Inclusion 2025* is a multi-year strategy to accelerate initiatives that increase equity, equality and inclusion for all. We're focused on providing access to opportunities and enabling progress for our colleagues, our customers, and the communities we serve.

BOLDLY GROW THE GOOD

IN BUSINESS AND LIFE

Colleagues

We will foster an inspiring culture where everyone feels respected and heard. We will ensure an equitable employee experience – one that supports inclusion and wellness, with improved access to development and career advancement for colleagues facing systemic barriers.

Targeted Talent Strategies

Accelerating the recruitment, development and advancement of talent in underrepresented segments, while ensuring wellness and psychological safety in the workplace.

Education

Ongoing education in inclusive behaviour, anti-racism, and Black and Indigenous history.

Opportunities for Youth

Ensuring 40% of our student opportunities go to BIPOC youth.

Black and Latinx Advisory Council

Delivering employee experience, advancement and engagement opportunities for Black and Latinx talent.

Customers

We will provide our diverse customer base with greater access to inclusive banking products, services and resources. We're committed to meeting our customers' needs by addressing their unique expectations and experiences.

Practices

Unique Customer Programs

Advancing programs for Indigenous customers, increasing our investment in women entrepreneurs, and providing Safe Space and pronoun initiatives for 2SLGBTQ+.

Inclusive Policies and Practices

Creating and expanding inclusive, accessible and equitable experiences for the diverse customers we serve.

Black and Latinx Opportunity

Providing dedicated support for Black and Latinx entrepreneurs through increased access to working capital, educational resources and partnerships.

Communities

We will be leaders in creating a truly inclusive society by building strong relationships that foster inclusion, racial justice and Truth and Reconciliation, and by promoting inclusive local economic opportunities.

Partnering and Building Coalitions

Driving inclusive socio-economic development opportunities, and providing youth with financial education and mentoring.

Investment in Change

Helping build a more just society – especially for groups facing systemic barriers – with investments in organizations advancing health and educational equity, inclusive local economic opportunity, Truth and Reconciliation.

Supplier Diversity Program

Mentoring and integrating diverse suppliers into our supply chain and fulfilling spending commitments.

Indigenous Advisory Council (IAC)

Informing BMO policies and practices in education, employment and economic empowerment for First Nations, Métis and Inuit.

3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
10 Our strategy
11 Sustainability embedded in strategy
12 Our focus on climate
14 Driving zero barriers to inclusion
15 Forging a new partnership with Indigenous peoples
16 Supporting the Sustainable Development Goals
17 Convening and collaboration for sustainability
18 Awards for our work
19 Four Focus Areas
87 Glossary
94 Public Accountability Statement

- BMO partnered with local students and CPS Lives – a non-profit organization that brings together Chicago public school students with an artist to collaborate on a project – to create a mural at BMO's main Chicago branch expressing hope, unity and the desire for a more inclusive community.

Forging a new partnership with Indigenous peoples

BMO's second annual Indigenous Partnerships and Progress Report - Wicihitowin Ḍ̄'n'Δ̄Δ̄ - highlights the important work underway at the bank to help and support our Indigenous colleagues, customers and partners in building their own destinies. For 30 years, our Indigenous Banking Unit has been an ally in this process, striving to advance Indigenous economic growth and build trust with Indigenous communities, enterprises, and customers as they grow their economic self-determination and achieve their full potential. BMO engages with Indigenous peoples across three pillars – education, employment and economic empowerment – that rest on a platform of Zero Barriers to Inclusion for all.

Our long-standing commitment to Indigenous customers, colleagues, and communities is discussed further in this report:

- [30 Financial inclusion – Indigenous communities in Canada](#)
- [54 Environmental and social risk management](#)
- [59 Diversity, equity and inclusion](#)
- [85 Human rights](#)



Education

We have long identified education as central to our relationships with Indigenous peoples. To strengthen those relationships, we support access to post-secondary education for Indigenous students through regular giving, and we promote education about Indigenous peoples, cultures and history to our staff, clients and the wider public.

Breaking Down Barriers

Providing more equitable access to higher education for Indigenous students by offering scholarships and bursaries that provide them with the financial support they need to improve their academic qualifications and life skills, and meet the challenges of post-secondary studies.

Advancing Understanding

Growing cultural awareness by working with First Nations University of Canada to develop and fund *Nisitohtamowin*, a digital learning introduction to 500 years of colonial history in Canada from the perspective of Indigenous peoples. First offered to BMO employees, external interest has encouraged us to make this course available to the general public for free for the next three years.



Employment

We understand the importance of advancing reconciliation with Indigenous peoples through employment. Through recruiting Indigenous employees and providing them with opportunities for advancement, we are helping to advance the economic empowerment of Indigenous peoples and communities across the country.

Practices

Partnerships for Progress [Nurturing Indigenous Talent]

Creating more internship and career opportunities for Indigenous candidates by offering a range of virtual and remote roles and training programs that will help jump-start their careers and acquire in-demand technical skills for the 21st Century including the BMO partnership with AWS and PLATO for Indigenous students to learn future-focused skills such as cloud computing.

Culture of Inclusivity

Providing a welcoming, inclusive and safe environment by offering benefits that address the unique needs of Indigenous staff, a targeted talent recruitment and retention program – Miikana Career Pathways – that includes mentorship and one-on-one career coaching and guidance to Indigenous staff, and personal support through BMO's Sharing Circle, an Employee Resource Group for Indigenous employees and allies.



Economic Empowerment

We have a vital role to play in advancing Indigenous economic empowerment. The Indigenous Banking Unit was established in 1992 to do just that. For over 30 years we have partnered with and served Indigenous communities by providing financial products and services for Indigenous governments and organizations throughout the country.

Economic Self-determination

Launching products and services – such as BMO's Indigenous Personal Banking and On-Reserve Home Loan programs – along with new policies and practices related to procurement and sustainability that support Indigenous communities nationwide.

Supplier Diversity Program

Mentoring and partnering with a wide range of suppliers, and making dedicated efforts to seek out and engage with Indigenous-owned enterprises that can provide us with critical guidance and expertise, along with the goods and services we need to operate.

Supporting the Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) are a universal call to end poverty, protect the planet and ensure that all people are able to enjoy peace and prosperity.

We believe the success of the SDGs hinges on the mobilization of private sector finance, and in 2021, we were among the first North American banks to sign the UN Principles for Responsible Banking, which focus signatories on accelerating progress on the SDGs. Here are the nine goals that are most relevant to our business and where we believe we have the most impact.

	Our impact	Learn more	
1 No poverty 1.4	We have products and services tailored to underrepresented segments of our community.	Customer experience	Financial inclusion
5 Gender equality 5.1, 5.5, 5.a	We are a champion of diversity, equity and inclusion in our workforce. We also support women-owned businesses by providing access to financial services, and actively support initiatives aimed at empowering women and girls.	Diversity, equity and inclusion	Financial inclusion
7 Affordable and clean energy 7.2, 7.3, 7.a	BMO advises on, finances and invests in renewable energy projects and clean energy technologies. We are also committed to stimulating market demand and driving industry growth by purchasing renewable energy equivalent to our global electricity use.	Climate change Operational efficiency Sustainable finance	
8 Decent work and economic growth 8.3, 8.5, 8.7, 8.10	We create fair employment opportunities in our operations, support small businesses and entrepreneurs to promote economic growth.	Employee-centric value proposition Financial inclusion	Human rights Sustainable procurement
10 Reduced inequalities 10.2, 10.3	We aim to remove barriers to social and economic inclusion among our employees. We offer products and increasingly digitized services, tailored to underrepresented segments, and partner with charitable organizations on initiatives focused on inclusive local economic opportunity.	Community impact Customer experience Diversity, equity and inclusion	Financial inclusion Innovation and digitalization
11 Sustainable cities and communities 11.6	We manage our environmental impact and resource use, and we partner with our customers to build more sustainable buildings and promote community development initiatives.	Climate change Operational efficiency	
13 Climate action 13.1, 13.3	We are pursuing our Climate Ambition to be our clients' lead partner in the transition to a net-zero world.	Climate change Environmental and social risk management	Sustainable finance
16 Peace, justice and strong institutions 16.4, 16.5	We adopt high standards of ethical and responsible conduct for ourselves, our customers and our partners to enhance the effectiveness and accountability of institutions.	Business conduct Consumer protection and transparency Corporate governance	Data security Financial Crimes Unit Human rights
17 Partnerships for the goals 17.6	We work with industry, government, academia and investors to understand and address the issues that affect our business and the world around us, to accelerate change and support the achievement of the SDGs. This includes sharing knowledge, expertise, technology and financial resources to scale positive impact.	Convening and collaboration for sustainability	

The [UN 2030 Agenda for Sustainable Development](#) outlines 17 SDGs and 169 targets in areas of critical importance for humanity and the planet.



- 10 Our strategy
- 11 Sustainability embedded in strategy
- 12 Our focus on climate
- 14 Driving zero barriers to inclusion
- 15 Forging a new partnership with Indigenous peoples
- 16 Supporting the Sustainable Development Goals
- 17 Convening and collaboration for sustainability
- 18 Awards for our work
- 19 Four Focus Areas**
- 87 Glossary**
- 94 Public Accountability Statement**

Convening and collaboration for sustainability

We work with industry, government, academia and investors to try to understand and address the issues that affect our business and the world around us.

Net-Zero Banking Alliance (NZBA)

Industry-led and convened by the United Nations, the NZBA brings together leading banks who are committed to working with their clients to align their lending and investment activity with pathways to net-zero emissions by 2050.

Partnership for Carbon Accounting Financials (PCAF)

PCAF is a global partnership of financial institutions that work together to develop and implement a harmonized approach to assess and disclose the greenhouse gas (GHG) emissions associated with their loans and investments.

Equator Principles (EP) Association

The EP is a risk management framework adopted by financial institutions for determining, assessing and managing environmental and social risk in projects. A signatory since 2005, and was actively involved in the EP4 update, which included climate change, Indigenous rights, and environmental and social risk management in its scope.

United Nations Environment Program – Finance Initiative

In 2021, BMO was among the first Canadian banks to sign the UN Principles for Responsible Banking. We participate in several working groups:

- TCFD Program Working Groups – focusing on climate stress testing, the integration of physical and transition risk data, climate litigation and transition scenario analysis
- Positive Impact Working Groups – developing methodologies and tools to identify, monitor and manage corporate and portfolio impacts

- Target-Setting Working Groups – developing methodologies and tools for target setting and assessing portfolio alignment for biodiversity, financial inclusion and resource efficiency
- Taskforce on Nature-related Financial Disclosures (TNFD) – helping lay the groundwork for the launch of TNFD, which will strengthen disclosure of nature-related impacts and dependencies, and their associated financial risks.

World Economic Forum (WEF)

BMO is a WEF Partner, collaborating with leading global companies to ensure strategic decision-making on the most pressing world issues.

Financial Industry Associations

BMO is participating in working groups of the Canadian Bankers Association, Institute of International Finance and Bank Policy Institute focused on environmental and social risk, climate change and sustainable finance.

Responsible Investment Association

BMO is a sustaining member, serving in an advisory role to management on strategic RIA projects and programs.

International Sustainability Standards Board (ISSB)

BMO supports the ISSB in its aims to develop a common set of consistent, comparable and reliable global sustainability standards to meet stakeholder needs. BMO supported Canada's successful bid to host an office of the ISSB in Montreal, Quebec and remains engaged with the ISSB process.

Collaboration with universities

BMO is collaborating with several universities to advance progress and create a positive impact in a number of areas:

- University of Saskatchewan – BMO chairs in Regenerative Agriculture and BMO Soil Analytical Laboratory
- Dalhousie University – created the BMO Financial Group Graduate Scholarship in Agriculture
- Haskayne School of Business, University of Calgary – established the BMO Sustainable and Transition Finance Professorship
- Faculty of Science, McGill University – to advance responsible use of artificial intelligence
- Permafrost Institute, YukonU Research Centre – supported the establishment of the Permafrost Institute and permafrost research and solutions to address the challenges permafrost thaw is bringing to Canada's North
- Rush University System for Health – supporting the creation of the new Rush BMO Institute for Health Equity to eliminate health inequities and help people live longer and healthier lives.

Sustainable Finance Action Council (SFAC)

BMO is co-chairing the Canada's SFAC Net-Zero Capital Allocation working group. The mandate of this working group is to develop and align specific and practical recommendations for mobilizing capital flows to support the transition to net-zero.



BMO's Sustainability Leaders Podcast

BMO's Sustainability Leaders Podcast won Gold in the podcast category at the 2022 Hermes Creative Awards and Silver for the Best Business Podcast at the 19th Annual International Business Awards. Since launching in 2019, 92 episodes have been published, focused on advancing the dialogue on leading approaches to sustainability. Topics in 2022 included climate change, social equity, biodiversity and the transition to a net-zero world.
<https://sustainabilityleaders.bmo.com/en/home/sustainability-leaders-podcast/>

Awards for our work

This is some of the recognition we're receiving as we integrate sustainability across our business.¹

Global 100 Most Sustainable Corporations in the World	Dow Jones Sustainability Index	Gender-Equality Index	World's Most Ethical Companies®
Corporate Knights	North America – S&P Global	Bloomberg	Ethisphere®

#1 2022 Financial System Benchmark – World Benchmarking Alliance
#1 Corporate Partner (BMO Harris Bank) – United Way of Metro Chicago
#1 Canada Mobile Banking Emerging Features Benchmark 2022 – Insider Intelligence
#1 Human Rights Campaign Foundation (BMO Harris Bank) – Corporate Equality Index
#1 in Customer Satisfaction with Retail Banking Advice – J.D. Power 2022 Canada Retail Banking Advice Satisfaction Study
5-Star Rating in Employment for the 2022 Corporate Inclusion Index™ (BMO Harris Bank) – Hispanic Association on Corporate Responsibility (HACR)
Best Commercial Bank in Canada – World Finance Magazine
Best Employer for Diversity (BMO Harris Bank) – Forbes
Best Fintech Accelerator and Incubator – 2022 Finovate Awards
BEST Award – Association for Talent Development (ATD)
Best Private Bank in Canada – World Finance Magazine
Best Retail Bank in Canada – World Finance Magazine
Best Places to Work for Disability Inclusion (BMO Harris Bank) – The Disability Equality Index®
Best Unique Innovative Learning & Development Program (FCU Academy) – Brandon Hall Group Human Capital Management Excellence Awards
Best 50 Corporate Citizens in Canada – Corporate Knights
Bloomberg Gender-Equality Index (2023)
Campus Forward Award (2022) – RippleMatch
Corporation of the Year – Canadian Aboriginal and Minority Supplier Council (CAMSC)

Excellence in Innovation – Canadian Association of Career Educators and Employers (CACEE)
FTSE4Good Index Series – FTSE Russell
Gold certified, Progressive Aboriginal Business (PAR) program – Canadian Council for Aboriginal Business
Global 100 Most Sustainable Corporations in the World – Corporate Knights
Innovative HR Team – Canadian HR Reporter
Leadership Award for Stewardship (BMO GAM) – Responsible Investment Association
Leadership in Green Purchasing – Grand & Toy
Most Influential Black Executives in Corporate America (three BMO Financial Group leaders) – Savoy Magazine
Most Powerful Women in Banking – American Banker
Next 25 Canada's Top Employer Award Overall category – Future Workforce
Overall leader in 2021 Canadian Mobile Banking Scorecard – Javelin Strategy & Research
Overall leader in Canadian Mobile Banking Apps, Q4 2022 – The Forrester Digital Experience Review™
Social Bond of the Year, Local Authority/Municipality category – Environmental Finance
Sustainability Bond of the Year, Supranational and Local Authority/Municipality category – Environmental Finance
Top 25 Canada's Top Employer Award Business category – Future Workforce
Top 3 2022 Digital Broker (BMO InvestorLine) – Globe and Mail
Women Lead Here benchmark – Report on Business
World's Most Ethical Companies® – Ethisphere Institute®



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

- [3 Message from the CEO](#)
- [4 Message from the General Counsel](#)
- [5 About BMO](#)
- [9 Strategy](#)
 - 10 Our strategy
 - 11 Sustainability embedded in strategy
 - 12 Our focus on climate
 - 14 Driving zero barriers to inclusion
 - 15 Forging a new partnership with Indigenous peoples
 - 16 Supporting the Sustainable Development Goals
 - 17 Convening and collaboration for sustainability
 - 18 Awards for our work
- [19 Four Focus Areas](#)
- [87 Glossary](#)
- [94 Public Accountability Statement](#)

¹ All awards are from 2022 fiscal year unless otherwise stated. For a complete list, refer to [Awards and Recognition](#).

Four Focus Areas

Sustainability efforts at BMO focus on areas that are important to our business, our customers, and our stakeholders.

This section outlines how we determine what's important, how we engage with our stakeholders, and the progress we made in 2022 to advance our four focus areas: a thriving economy; a sustainable future; an inclusive society; and a strong foundation of trust.

3 Message from the CEO**4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

- 20 Determining our priority sustainability topics
- 21 Engaging our stakeholders
- 22 Tracking our progress
- 27 Thriving economy
 - 29 Financial inclusion
 - 38 Sustainable future
 - 40 Sustainable finance
 - 48 Climate change
 - 50 Operational efficiency
 - 53 Sustainable procurement
 - 54 Environmental and social risk management
 - 57 Inclusive society
 - 59 Diversity, equity and inclusion
 - 61 An employee-centric value proposition
 - 67 Community impact
 - 70 Foundation of trust
 - 72 Customer experience
 - 75 Consumer protection and transparency
 - 76 Innovation and digitalization
 - 77 Data security
 - 79 Financial Crimes Unit
 - 80 Corporate governance
 - 83 Business conduct
 - 85 Human rights

87 Glossary**94 Public Accountability Statement**

Determining our priority sustainability topics

Our sustainability efforts are focused on areas that matter most to our business, our customers, and our stakeholders. We determine our priority sustainability topics through an assessment based on the GRI's approach to materiality¹, which is intended to identify important topics for the purposes of sustainability reporting.

This approach means that this report includes voluntary disclosures on sustainability and ESG topics, including climate-related risks and opportunities, that may not be, and are not required to be, incorporated into our required disclosures where we use a definition of materiality established under applicable securities laws for the purpose of complying with the disclosure rules and regulations promulgated by applicable securities regulators and applicable stock exchange listing standards.

The 2022 significance matrix includes 16 priority sustainability topics, which we group into four focus areas: Thriving economy, Sustainable future, Inclusive society, and Foundation of trust. Topics in the lower left are emerging topics for BMO.



¹ Materiality for the purposes of this report is different than how we address materiality for disclosure requirements under securities laws.

- 3 Message from the CEO**
- 4 Message from the General Counsel**
- 5 About BMO**
- 9 Strategy**
- 19 Four Focus Areas**
 - 20 Determining our priority sustainability topics
 - 21 Engaging our stakeholders
 - 22 Tracking our progress
 - 27 Thriving economy
 - 29 Financial inclusion
 - 38 Sustainable future
 - 40 Sustainable finance
 - 48 Climate change
 - 50 Operational efficiency
 - 53 Sustainable procurement
 - 54 Environmental and social risk management
 - 57 Inclusive society
 - 59 Diversity, equity and inclusion
 - 61 An employee-centric value proposition
 - 67 Community impact
 - 70 Foundation of trust
 - 72 Customer experience
 - 75 Consumer protection and transparency
 - 76 Innovation and digitalization
 - 77 Data security
 - 79 Financial Crimes Unit
 - 80 Corporate governance
 - 83 Business conduct
 - 85 Human rights
- 87 Glossary**
- 94 Public Accountability Statement**

Engaging our stakeholders

We can learn what's important to our stakeholders through regular, open and meaningful communication. Here is a snapshot of how we engaged with our stakeholders in 2022.

	Customers	Employees	Communities	Shareholders and investors	Government, NGOs and industry	Suppliers
How we engaged in 2022	<p>Newsletters and email Events and conferences Research surveys and co-creation/usability testing Consultations, working groups and partnerships with service agencies Media, social media, webinars and podcasts Impact reporting</p>	<p>Email, quarterly calls, internal blogs and videos Town halls, team meetings, listening sessions and employee resource groups Events and conferences Surveys, learning programs, training and workshops, employee orientation sessions</p>	<p>Indigenous Advisory Council and Black and Latinx Advisory Council meetings Community partnerships and donations, volunteering, sponsorships</p>	<p>Email, conference calls and video conference calls Investor networks and stewardship Responding to investor requests for information</p>	<p>Panels and events Industry events Technical committees</p>	<p>Meetings and conferences Speaking engagements</p>
Topics we discussed	<p>Thriving economy <ul style="list-style-type: none"> Financial inclusion – support for Black entrepreneurs through BMO EMpower, regional ally partnerships to increase access to capital, fair lending and responsible banking, newcomer transition and employment opportunities, support for Ukrainian newcomers, reducing barriers to accessibility Sustainable future <ul style="list-style-type: none"> Sustainable finance – sustainable financing and responsible investing trends, clean tech innovations Operational efficiency – carbon footprint, carbon offsets and renewable energy purchases Foundation of trust <ul style="list-style-type: none"> Innovation and digitalization – online platform design Data security – cybersecurity education, fraud prevention, protection of customer data </p>	<p>Thriving economy <ul style="list-style-type: none"> Financial inclusion – supporting the economic recovery, focused on advancing small business and inclusive opportunity Sustainable future <ul style="list-style-type: none"> Sustainable finance – responsible investing trends and investing solutions Climate change – climate change risks, opportunities and implications for BMO Operational efficiency – circular economy and waste diversion Inclusive society <ul style="list-style-type: none"> Diversity, equity and inclusion – identifying barriers to inclusion, 2SLGBTQ+, racial justice, Indigenous digital learning program, inclusion, leadership and empowerment Employee-centric value proposition – Employee Value Proposition, rewards, recognition, BMO culture, employee satisfaction, mental health, stress, parenting, work-life balance, working remotely, learning and skills development Foundation of trust <ul style="list-style-type: none"> Data security – cybersecurity awareness and planning Financial crimes – fraud prevention Business conduct – ethics, working remotely, culture, code of conduct, whistleblowing initiatives </p>	<p>Thriving economy <ul style="list-style-type: none"> Financial inclusion – Indigenous topics, including cultural sensitivity learning, customer identification, residential schools, affordable housing, and modernization of community investment/U.S. Community Reinvestment Act Inclusive society <ul style="list-style-type: none"> Community impact – Mental health, inclusive local economic opportunity DEI – understanding Black experience in North America and how past injustices continue to create disparity within the systems in which we live today, deepened relationships with Pride community </p>	<p>Sustainable future <ul style="list-style-type: none"> Sustainable finance – sustainable financing, responsible investing, ESG risks and opportunities Climate change – risk and opportunity management, transition planning, target setting and standardization of climate-related disclosures Foundation of trust <ul style="list-style-type: none"> Corporate governance – alignment of executive compensation and ESG performance, human rights and Finance Against Slavery & Trafficking Data security – cybersecurity and fraud prevention </p>	<p>Strategy <ul style="list-style-type: none"> Principles for Responsible Banking – impact analysis Thriving economy <ul style="list-style-type: none"> Financial inclusion – target setting, affordable housing, support for Black, Indigenous and other underserved entrepreneurs and diverse customers Sustainable future <ul style="list-style-type: none"> Operational efficiency – carbon footprint, circular economy, waste diversion Sustainable procurement – BMO supplier diversity program, CDP Supply Chain program </p>	

3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
19 Four Focus Areas
20 Determining our priority sustainability topics
21 Engaging our stakeholders
22 Tracking our progress
27 Thriving economy
29 Financial inclusion
38 Sustainable future
40 Sustainable finance
48 Climate change
50 Operational efficiency
53 Sustainable procurement
54 Environmental and social risk management
57 Inclusive society
59 Diversity, equity and inclusion
61 An employee-centric value proposition
67 Community impact
70 Foundation of trust
72 Customer experience
75 Consumer protection and transparency
76 Innovation and digitalization
77 Data security
79 Financial Crimes Unit
80 Corporate governance
83 Business conduct
85 Human rights
87 Glossary
94 Public Accountability Statement

Tracking our progress

BMO plays an important role at the heart of our communities and throughout society. We can help people make real financial progress, and we take concrete action to address inequality, create opportunity and foster a more sustainable world. We use this Sustainability Scorecard to track how we deliver value for our shareholders, customers and employees. Targets in blue are part of our Bold Commitments for 2025, which you can read about on page 8.

Additional sustainability performance data can be found in our 2022 Sustainability Report Data Pack and Glossary available on our [website](#).

Economic value generated and distributed

		2022	2021	2020	Target
Financial strength (reported measures)	Net income (\$ millions)	\$13,537	\$7,754	\$5,097	For information on the Bank's financial performance, including medium-term financial objectives, please refer to the 2022 Annual Report to Shareholders
	Revenue (\$ millions)	\$33,710	\$27,186	\$25,186	
	Net revenue (\$ millions) ¹	\$34,393	\$25,787	\$23,478	
	Net efficiency ratio ¹	47.1%	60.1%	60.4%	
	Average return on equity	22.9%	14.9%	10.1%	
	Diluted earnings per share	\$19.99	\$11.58	\$7.55	
	Diluted earnings per share growth	72.7%	53.3%	(12.8)%	
Financial strength (adjusted measures)²	Net income (\$ millions)	\$9,039	\$8,651	\$5,201	For information on the Bank's financial performance, including medium-term financial objectives, please refer to the 2022 Annual Report to Shareholders
	Revenue (\$ millions)	\$26,533	\$27,157	\$25,186	
	Net revenue (\$ millions) ¹	\$27,216	\$25,758	\$23,478	
	Net efficiency ratio ¹	55.8%	56.5%	59.8%	
	Average return on equity	15.2%	16.7%	10.3%	
	Diluted earnings per share	\$13.23	\$12.96	\$7.71	
	Diluted earnings per share growth	2.1%	68.0%	(18.2)%	
Shareholder value	Total annual shareholder return	(3.1)%	75.9%	(14.6)%	
	Dividends declared per share	\$5.44	\$4.24	\$4.24	
Stakeholder value	Goods and services purchased (\$ millions) – Canada and United States	\$6,382	\$5,257	\$5,350	
	Salaries, benefits and other compensation (\$ millions)	\$8,795	\$8,322	\$7,944	
	Taxes and levies paid (\$ millions)	\$5,297	\$3,324	\$2,095	

¹ Reported and adjusted net revenue and measures calculated based on net revenue, including reported and adjusted net efficiency ratio, are non-GAAP measures and ratios. Net revenue is net of insurance claims, commissions and changes in policy benefit liabilities (CCPB). For further information, see the Non-GAAP and Other Financial Measures section on page 93.

² Adjusted results and measures are non-GAAP. For further information, see the Non-GAAP and Other Financial Measures section on page 93.

Tracking our progress

Thriving economy

		2022	2021	2020	Target
Financial inclusion	<i>Women</i>				
	Loans to women-owned businesses – Canada (\$ billions)	\$10.3	\$10.2	\$9.5	
	Women-owned businesses supported – Canada (#)	134,590	119,440	113,000	179,000 by 2025
	<i>Indigenous communities</i>				
	Indigenous banking business – Canada (\$ billions)	\$7.1	\$6.4	\$6.4	\$8 billion by 2025
	First Nations participating in BMO's On-Reserve Housing Loan Program – Canada (#)	108 	124	121	
	Indigenous communities with which BMO has a relationship – Canada (#)	268	270	250	
	<i>Small businesses</i>				
	Small business lending – Canada (\$ billions)	\$6.3	\$5.5	\$5.4	\$10 billion by 2025
	Small business cards and lending customers – United States (#)	31,253	23,300	21,500	40,000 by 2025
	Canadian defence community customers (#)	94,500	85,200	74,300	100,000 by 2025
	<i>Community investment¹</i>				
	Women, Black and Latinx-owned small business lending – United States (US\$ millions)	\$78	\$34	-	\$300 million by 2025
	Black and Latinx-owned commercial lending – United States (US\$ millions)	\$337	\$63	-	\$500 million by 2025
	Community development lending and investing – United States (US\$ billions)	\$3.1	\$1.4	-	\$3 billion by 2025
	Municipal and non-profit lending – United States (US\$ millions)	\$1,203	\$568	-	\$300 million by 2025
	Low- to moderate-income home mortgage lending – United States (US\$ millions)	\$391	\$207	-	\$500 million by 2025
	Philanthropic giving, community engagement, supplier/business diversity initiatives and diverse talent programs targeted at systemic change – United States (US\$ millions)	\$382	\$126	-	\$500 million by 2025
	<i>Financial literacy</i>				
	Participants in financial literacy sessions offered by BMO Harris – United States (#)	6,067	7,868	3,314	

 KPMG has provided limited assurance of this figure.

¹ Targets were set in 2020 for the launch of BMO EMpower and have not been updated for the Community Benefits Plan. For more information, visit our [website](#).

3 Message from the CEO**4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary**94 Public Accountability Statement**

Tracking our progress

Sustainable future

		2022	2021	2020	Target
Sustainable finance	Capital to clients pursuing sustainable outcomes (\$ billions)	\$90.92 	\$71.07	\$77.26	\$300 billion by 2025
	Capital deployed and committed for BMO Impact Investment Fund (\$ millions)	\$68.2	\$44.0	\$24.0	\$350 million by 2025
	Capital towards affordable and accessible housing (\$ billions)	\$2.6	-	-	\$12 billion by 2030
Climate change	Lending to carbon-related assets - Metric 1 (non-renewable energy and power generation focus) (%) ¹	1.4% 	1.9%	3.0%	
	Lending to carbon-related assets - Metric 2 (includes Metric 1 plus transportation, materials and buildings, and agriculture, food and forest products) (%) ²	19.8% 	-	-	
Operational efficiency³	GHG emissions from fuel (CO ₂ e) (Scope 1) ⁴	34,083 tonnes	33,661 tonnes	31,621 tonnes	30% reduction by 2030 vs. 2019 ⁵
	GHG emissions from electricity and steam (CO ₂ e) (Scope 2 location-based) ⁴	54,788 tonnes	63,634 tonnes	62,661 tonnes	
	GHG emissions from electricity and steam (tCO ₂ e) (Scope 2 market-based) ⁴	295 tonnes	88 tonnes	242 tonnes	
	GHG emissions from waste generated in operations (CO ₂ e) (Scope 3 category 5) ^{4,6}	667 tonnes	1,047 tonnes	676 tonnes	
	GHG emissions from business travel (CO ₂ e) (Scope 3 category 6) ^{4,7}	6,297 tonnes	1,919 tonnes	7,778 tonnes	
	Total operational GHG emissions (CO ₂ e)	95,835 tonnes	100,261 tonnes	102,736 tonnes	
	Carbon credits retired (CO ₂ e)	41,342 tonnes	36,715 tonnes	40,317 tonnes	
	GHG reductions from renewable energy credits purchased (CO ₂ e)	54,493 tonnes	63,546 tonnes	62,419 tonnes	
	Net operational GHG emissions (CO ₂ e)	0 tonnes	0 tonnes	0 tonnes	Carbon neutral operations annually
	Global electricity use procured from renewable sources	100%	100%	100%	100% annually

 KPMG has provided limited assurance of this figure.

¹ This metric formula was recommended in TCFD 2017 version and provides line of sight to non-renewable energy and power exposure. Carbon-related assets here is defined as the value of net loans and acceptances connected to the energy and utilities sectors as a percentage of total net loans and acceptances, net of allowance for credit losses for impaired loans. It does not include water utilities, independent power producers, electricity transmission and distribution companies, renewable electricity producers, nuclear electricity producers and waste management companies.

² This metric formula was recommended in the TCFD 2021 version and includes sectors covered in Metric 1 and other sectors including transportation, materials and buildings, and agriculture, food and forest products.

³ In 2021, we shifted the time period of our operational efficiency calculations in order to accelerate disclosure. Energy consumption, greenhouse gas emissions, waste and water consumption reported for 2021 and onwards reflect August 1 through July 31. We did not restate prior years which are calculated using fiscal year. All results reflect 12 months of operations, and are comparable.

⁴ An independent third-party, Morrison Hershfield, has provided reasonable assurance for all of BMO's Scope 1 and Scope 2 emissions and some of Scope 3 emissions. The verification statement can be found on our [website](#).

⁵ In 2022, we saw emissions reduction that surpassed the 2030 target, due in part to the implementation of improved cooling efficiency initiatives in our data centres, and largely attributable to COVID-19 related remote working conditions. Return to office could increase emissions in future years but the overall emissions reduction target from the 2019 baseline will continue to be pursued.

⁶ Scope 3 category 5 emissions include indirect GHG emissions from BMO's solid waste sent to municipal landfills (North America only).

⁷ Scope 3 category 6 emissions include indirect GHG emissions from employee business travel in non-company owned assets.

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement

Tracking our progress

Inclusive society

		2022	2021	2020	Target
Diversity, equity and inclusion¹	Gender equity in senior leadership roles – enterprise-wide ²	42.0%◆	41.2%	–	40-60% by 2025
	Gender equity in senior leadership roles – Canada and United States	42.2%	41.8%	41.7%	
	People of Colour in senior leadership roles – Canada	25.1%◆	24.2%	–	31% by 2025
	People of Colour in senior leadership roles – United States	26.5%◆	24.5%	–	30% by 2025
	Indigenous peoples across our workforce – Canada	1.4%◆	1.3%	1.2%	1.6% by 2025
	Persons with disabilities across our workforce – Canada and United States	5.6%◆	4.5%	4.7%	5-7% by 2025
	2SLGBTQ+ representation across our workforce – Canada and United States	4.3%◆	2.2%	–	3% by 2025
	Employees enabled to learn from difference ³	93.3%	89.6%	83.5%	100% by 2025
Employee-centric value proposition	Talent attraction and retention				
	Total number of new hires (#)	12,480	8,989	–	
	Open positions filled by internal candidates ⁴	42%	53%	55%	
	Total turnover rate – enterprise-wide ⁵	18.9%◆	18.9%	15.5%	
	Voluntary turnover rate – enterprise-wide ⁵	15.9%◆	15.0%	10.1%	
	Learning and development				
	Employees equipped with future-focused skills (#) ⁶	19,400	7,560	5,000	20,000 by 2025
	Employees who received annual performance reviews ⁷	100%	100%	100%	100% annually
	Hours of learning	1,823,320 hours	1,168,984 hours	902,131 hours	
	Average learning hours per full-time employee (FTE)	40.3 hours	27.0 hours	20.3 hours	
	Investment in learning and development (\$ millions)	\$67.3◆	\$60.2	\$65.8	
	Employee engagement				
	Employee engagement index ⁸	85%	80%	–	
Community impact	Community giving				
	Donations – Canada and United States (\$ millions)	\$69.3◆	\$66.3	\$66.0	
	Employee giving and volunteering				
	Employee volunteer hours ⁹	47,000+ hours	31,000+ hours	2,682 hours	
	Total pledged through BMO Employee Giving Campaign (\$ millions)	\$27.0	\$23.0	\$22.7	

◆ KPMG has provided limited assurance of this figure.

¹ In 2020, we announced new Zero Barriers to Inclusion goals for 2025 for representation that address gaps in the representation of Black, Indigenous, People of Colour, Latinx and 2SLGBTQ+ employees, customers and communities. In 2021, we began tracking our performance against these goals.

² Our Zero Barriers to Inclusion goal for gender equity in senior leadership roles is enterprise-wide.

³ The metric was broadened in 2022 to include the development of diversity and inclusion-focused learning. Performance in 2022 includes multiple programs (see Glossary).

⁴ In 2020, we updated our methodology to calculate open positions filled by internal candidates to exclude campus internship positions which by their nature are filled by external candidates.

⁵ In 2022, we updated our calculation of turnover rate to reflect changes in the organization's structure. This helps ensure a consistent and accurate comparison of data over time. Results for 2020 and 2021 have been restated to reflect this change.

⁶ The metric was broadened in 2022 to include the engagement in "BMO Forward" plus a range of new learning programs that were launched to target future-focused skills (see Glossary).

⁷ As a result of the digitization of our performance review process in 2020, this metric specifically reflects documented annual performance reviews. BMO employees also participate in ongoing performance and career development conversations.

⁸ In 2021, we transitioned to a new employee listening tool to understand how employees were feeling, what they needed, and how to improve their experience and productivity.

⁹ In 2021, BMO introduced a new volunteer tracking tool to more effectively capture total volunteering efforts across North America both virtual and in-person. Hours contributed in the U.S. except for U.S. pro bono represent calendar year.

3 Message from the CEO**4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary**94 Public Accountability Statement**

Tracking our progress

Foundation of trust

		2022	2021	2020	Target
Customer experience	Customer loyalty surveys completed (#) ¹	1,086,075	1,041,742	1,285,925	
	Net Promoter Score® – enterprise-wide	57	55	54	
Innovation and digitalization	Active digital users – North America (thousands) ²	3,606	3,419	3,229	
	Self-serve transactions – North America ²	89.9%	89.6%	87.5%	
	Digital adoption – Canada ³	70.3%	68.3%	66.3%	
	Digital adoption – U.S.	55.6%	51.8%	48.9%	
Data security	Information Security and Privacy Matters training (% completion) ⁴	99.7%	99.1%	–	
	Substantiated complaints regarding breaches of customer privacy and losses of customer data (#) ⁵	1 ◆	1	1	
	Phishing test exercises per employee ⁶	12	12	12	
	Average phishing test pass rate in the past 12 months	97.1%	94.6%	94.2%	
Corporate governance	Average tenure of members of Board of Directors	8 years	7 years	7 years	
	Women on Board of Directors (% of independent directors)	50%	50%	45%	No less than 1/3
	People of Colour on Board of Directors (% of independent directors)	8%	8%	–	
Business conduct	Ethics training (% completion) ⁴	99.7%	99.0%	–	
	Anti-Bribery and Anti-Corruption training (% completion) ⁴	99.7%	99.2%	–	
Human rights	Human rights learning hours	254,286 hours	222,699 hours	–	

◆ KPMG has provided limited assurance of this figure.

¹ Survey totals for 2020 also reflect surveys completed in prior programs, in line with our ongoing improvement process.

² In 2022, we aggregated the totals for the North American footprint. 2020 and 2021 values have been restated.

³ In 2022, the methodology for measuring digital adoption was revised to exclude joint account-only customers to align with an external benchmark. 2020 and 2021 values have been restated.

⁴ Completion rates above 95% are considered acceptable from a risk perspective.

⁵ In 2021, we updated the definition of substantiated complaints to include any complaints determined to be well-founded by a privacy regulator.

⁶ BMO's procedures and frequency for conducting phishing tests either meets or exceeds industry standards.

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Thriving economy

We are working to create greater opportunities for economic growth when we support the aspirations of our many diverse customers – women entrepreneurs, small business owners, and the members of Indigenous, Black, Latinx and other underserved communities and groups. We are committed to building an economy that works for everyone, and we are working to align our lending, investing and engagement activities with this commitment.

What we focus on

- 29 **Financial inclusion** – We offer financial services, business networks and educational initiatives that can help our customers build resilience and achieve financial stability. By supporting home ownership and providing accessible banking services and professional partnerships, we can create employment opportunities, help our customers make real financial progress – and grow the good in the communities we serve.

> Jesus Gonzalez, co-founder and operator of Milwaukee's Zócalo, a collective of food vendors

Photography: Kevin Netz



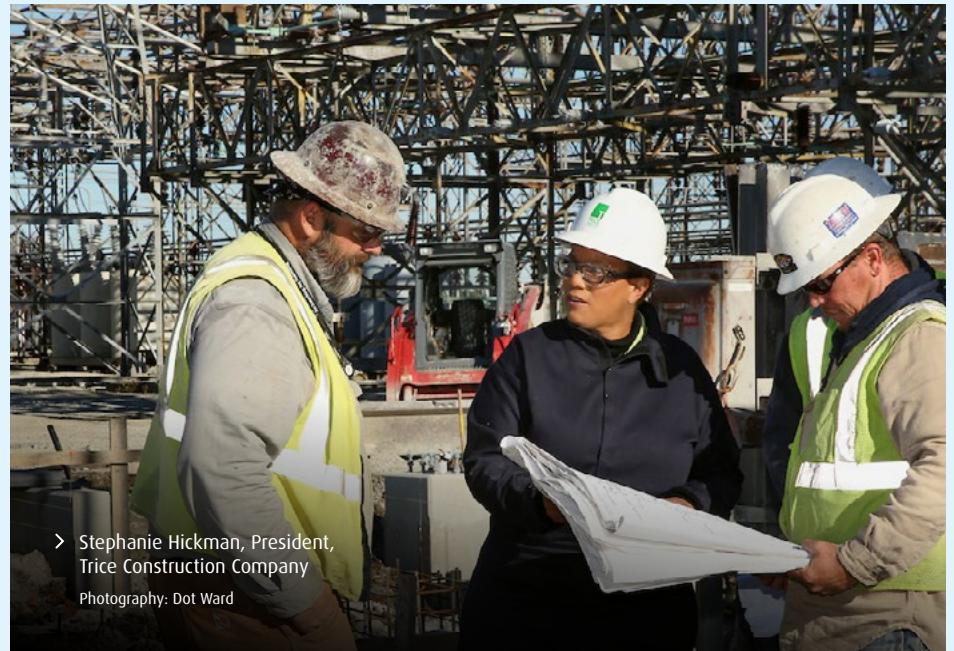
Alignment with SDGs

- | | |
|-----------|---|
| 1 | No poverty
1.4 |
| 5 | Gender equality
5.1, 5.a |
| 8 | Decent work and economic growth
8.3, 8.10 |
| 10 | Reduced inequalities
10.2, 10.3 |
| 17 | Partnerships for the goals
17.6 |

[See page 16](#)

- 3 Message from the CEO**
- 4 Message from the General Counsel**
- 5 About BMO**
- 9 Strategy**
- 19 Four Focus Areas**
 - 20 Determining our priority sustainability topics
 - 21 Engaging our stakeholders
 - 22 Tracking our progress
 - 27 Thriving economy
 - 29 Financial inclusion
 - 38 Sustainable future
 - 40 Sustainable finance
 - 48 Climate change
 - 50 Operational efficiency
 - 53 Sustainable procurement
 - 54 Environmental and social risk management
 - 57 Inclusive society
 - 59 Diversity, equity and inclusion
 - 61 An employee-centric value proposition
 - 67 Community impact
 - 70 Foundation of trust
 - 72 Customer experience
 - 75 Consumer protection and transparency
 - 76 Innovation and digitalization
 - 77 Data security
 - 79 Financial Crimes Unit
 - 80 Corporate governance
 - 83 Business conduct
 - 85 Human rights
 - 87 Glossary
 - 94 Public Accountability Statement

Building on success



➤ Stephanie Hickman, President,
Trice Construction Company
Photography: Dot Ward

Starting a business is challenging even under ideal circumstances. It's another thing entirely to build a successful business in the face of structural inequality. But that's exactly what four Chicago brothers did in 1967, when they founded Trice Construction Company. "They were young Black men with growing families, starting a business at the height of the civil rights movement," says Stephanie Hickman, daughter of one of the founders and Trice's owner. "Imagine the audacity!"



BMO



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement

Financial inclusion

BMO is committed to removing barriers to inclusion in the financial services industry. We offer specialized products and accessible services that address the needs of small businesses, individuals with diverse abilities and challenges, newcomers, and members of other underserved communities.

Women

Equal access to opportunity is essential to build a thriving and inclusive post-pandemic economy – and yet women continue to face barriers to inclusion.

BMO is committed to removing those barriers in the financial services industry, so that women can make real economic progress. In line with this commitment, we are focused on supporting women-owned businesses as they grow and thrive, and working to empower women as they build confidence in their financial futures.

In order to support gender parity for all BMO clients, we made a **Bold Commitment** to double the number of women-owned businesses we support. We formalized this commitment when we became a signatory to the UN Women's Empowerment Principles – the first Canadian bank to take this step. We were also the first financial institution to participate in the One Global Women Empowerment (OGWE) initiative at the Business 20 (B20) – a dialogue between the Group of Twenty (G20) intergovernmental forum and the global business community.

2022 BMO for Women statistics

\$10.3 billion

in loans to women-owned businesses in Canada

135 thousand

women-owned businesses supported in Canada

This is a BMO Bold Commitment – [see page 8](#)

Who has responsibility

Product groups within the various lines of business – for example, the Indigenous Banking and BMO for Women units in our Canadian Personal and Commercial Banking operating segment – working with BMO's Leadership Committee for Diversity, Equity and Inclusion, an enterprise-wide committee of 25+ senior executives

Oversight provided by Head of Canadian Business Banking and Head of U.S. Business Banking. The U.S. Regulatory Committee oversees BMO's initiatives and performance related to the *Community Reinvestment Act* (CRA).

What it includes

- Women
- Indigenous communities in Canada
- Small businesses
- Community investment
- Diverse customers
- Financial literacy

Through our *BMO for Women* program, we offer our customers access to targeted events, podcasts, resources, partnerships and grant programs. These recent initiatives have raised our customer satisfaction scores – and the number of women we serve as customers.

2022 highlights – Women

Supporting innovative women-owned fintech startups

- Supported women entrepreneurs in the United States through the *WMN-FINtech™ Program*, which selected five women-led companies as participants in its third year of fintech mentoring. Since its launch, program participants have raised more than \$29 million in capital and created over 170 jobs.

Investing in women entrepreneurs across Canada

- Committed \$5 billion over five years to support women business owners in Canada. This will help women entrepreneurs grow their businesses – and also drive growth in the Canadian economy.

Advancing our *BMO Celebrating Women* grant program

- Pledged \$230,000 in grants to support the growth of women-owned businesses. Women entrepreneurs across Canada and the United States can apply for one of 20 grants by sharing their high-level business growth plans.

Supporting women's empowerment

- Pledged support for the OGWE initiative, a digital platform launched by the B20 [Women in Business Action Council](#) during the B20-G20 dialogue on women's empowerment in the global economy. The platform is intended to help more women access business and economic opportunities.



3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
19 Four Focus Areas
20 Determining our priority sustainability topics
21 Engaging our stakeholders
22 Tracking our progress
27 Thriving economy
29 Financial inclusion
38 Sustainable future
40 Sustainable finance
48 Climate change
50 Operational efficiency
53 Sustainable procurement
54 Environmental and social risk management
57 Inclusive society
59 Diversity, equity and inclusion
61 An employee-centric value proposition
67 Community impact
70 Foundation of trust
72 Customer experience
75 Consumer protection and transparency
76 Innovation and digitalization
77 Data security
79 Financial Crimes Unit
80 Corporate governance
83 Business conduct
85 Human rights
87 Glossary
94 Public Accountability Statement



Indigenous communities in Canada

For 30 years, we have been building strong partnerships with Indigenous peoples across Canada.

We are focused on supporting Indigenous communities and individuals as they grow their community and economic development – and create a sustainable future for themselves, their families and coming generations.

The Canadian Council for Aboriginal Business (CCAB) has recognized BMO's approach with six consecutive gold-level Progressive Aboriginal Relations (PAR) three-year certifications.

Our engagement with Indigenous customers, colleagues and communities is based on three pillars – employment, education, and economic empowerment. These pillars also serve as the foundation of our commitment to advance Truth and Reconciliation across Canada. Our *Indigenous Advisory Council*, comprised of First Nations, Métis and Inuit leaders from across the country, provides guidance as we advance along this path. Building on the first pillar, our enterprise employment strategy calls for dedicated resources to recruit talented Indigenous job candidates. Once they are onboard, we encourage our Indigenous employees to participate in the *Miikana Career Pathways* – a high-touch program that offers one-on-one career support, development and advancement.

We offer our financial products and services to Indigenous communities through our banking network and our ongoing financial literacy programs, and we are always looking for ways to make our offerings more accessible. Our *On-Reserve Home Loan Program*, for example, provides innovative financing options for qualifying individuals who want to build, buy or renovate a house on-reserve. Our *Indigenous Personal Banking Program* offers personalized support and pricing for status and non-status members of all Indigenous communities in Canada.

We also support the economic growth of Indigenous communities by providing trust services, investment management solutions and long-term financing for on-reserve infrastructure and economic development.

Through our enterprise-wide learning programs and the *Sharing Circle* – an Employee Resource Group (ERG) for our Indigenous employees and their allies – we advocate for greater understanding, self-identification and celebration of Indigenous peoples and cultures.

We are committed to providing more than \$17.7 million in funding to charitable and non-profit Indigenous organizations over the next 10 years. BMO Capital Markets has contributed more than \$4 million to Indspire, an Indigenous educational charity, since its inception in 2005.

BMO Indigenous Banking

\$7.1 billion

in deposits, loans and investments in approximately 268 Indigenous communities across Canada
This is a BMO Bold Commitment – [see page 8](#)

Learn more from [Wicihitowin, BMO's 2022 Indigenous Partnerships and Progress Report](#)

2022 highlights – Indigenous communities in Canada

Promoting economic empowerment

- Achieved a BMO procurement target for 2023 – spending \$10 million for products and services with certified Indigenous-owned businesses – one year ahead of schedule. We will continue to grow our procurement spending and partnerships with Indigenous-owned businesses as part of our commitment to supplier diversity. See [Sustainable procurement](#).
- Mentored and connected nearly 30 current and potential Indigenous supply-chain partners to expand their capacity to meet our needs through *BMO Elevate*.
- Enhanced BMO's personal banking program with a dedicated landing page for online appointment booking and account applications.

Supporting Indigenous education and skill building

- Sponsored 12-week virtual boot camp in cloud computing for 22 Indigenous students through a partnership with Amazon Web Services (AWS), with training delivered by Indigenous-led [PLATO Testing](#) software firm. Of the 22 students, 18 chose to participate in a six-month BMO internship and learn to apply their IT skills on the job. More than half (67%) of these interns are now full-time BMO employees, and we are providing support for the remaining interns as they continue to search for full-time opportunities.

Supporting Indigenous communities, cultures and organizations

- Published *Wicihitowin ḳ̓wədə*, our second annual *Indigenous Partnerships and Progress Report*, highlighting BMO's commitment to Indigenous communities and describing some of the barriers – and opportunities – along the path to reconciliation.
- Partnered with First Nations University of Canada to provide *Nisitohtamowin* σ'č'č'č'č' – our digital learning program covering key aspects of Indigenous peoples' history in Canada – free to the public for the next three years, and to educate our employees about this history, in collaboration with our *Indigenous Advisory Council*.

Meeting the needs of Indigenous employees

- Provided Indigenous employees with expanded insurance coverage to include Indigenous healing practices and ceremonies.
- Eligible employees working on reserve receive an additional payment to assist them with retirement planning.

13

full-service branches, one business banking office, 20 ATMs, two mobile branches, 95 local branches serving Indigenous communities

6

consecutive Gold-level Progressive Aboriginal Relations (PAR) three-year certifications

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Small businesses

Small businesses are key drivers of growth in a thriving economy – and essential to building a sustainable future in communities across Canada and the United States.

Recognizing this, we are working to provide greater access to capital for small business owners, and through our special-purpose credit programs (SPCPs), we are creating opportunities for small businesses to grow, especially in underserved communities. These SPCPs can help our small business customers make real financial progress as they face economic challenges – inflation, and supply chain and staffing shortages – that continue to have significant negative impacts for business owners, especially for businesses owned by women and minority groups, which are being disproportionately affected.

We help our small business customers get past these systemic barriers by offering them access to a range of specialized accounts, plans and services. These include a credit card and line of credit tailored to the needs of small business owners, as well as online financial resources, educational initiatives and digital tools that are available on our dedicated program websites.

We continue to build out our *BMO Business Xpress* application platform, which has shortened the credit application and approval process – from several days to as little as 20 minutes – with sophisticated data analytics and automated adjudication strategies.

2022 Small business statistics

\$6.3 billion

small business lending in Canada

Target: Double small business lending in Canada to \$10 billion

This is a BMO Bold Commitment – [see page 8](#)

31.3 thousand

small business cards and lending customers in the United States

Target: Double the number of U.S. small business cards & lending customers

This is a BMO Bold Commitment – [see page 8](#)

2022 highlights – Small businesses

Expanding support for Black-owned businesses

- In Canada, launched *Business Within Reach: BMO for Black Entrepreneurs*, committing \$100 million to provide greater access to capital, educational resources and professional partnerships for historically underserved communities.
- Under the *BMO for Black Entrepreneurs* program, partnered with the Black Opportunity Fund to offer educational programming to Black business owners on financial planning, budgeting, sales and marketing.

Launching new lending program for Native-owned businesses

- In the United States, launched *BMO for Native-Owned Businesses* as part of *BMO EMpower*, offering greater access to working capital with credit cards and lines of credit up to \$50,000, leveraging expanded credit criteria and competitive interest rates.

Helping small businesses improve efficiency and profitability

- Eliminated fees for fund transfers and cut overdraft fees by more than half for U.S. customers with small business and consumer banking accounts.
- Offered enhanced products and services for our small business clients, including:
 - BMO Savings Builder* to encourage savings
 - BMO World Elite* credit card suite with business rewards
 - Tiered business chequing products with relationship-based benefits and pricing
 - Zelle for Business* to help clients send and receive payments quickly and easily

Streamlining small business lending

- Approved lending authorizations totalling \$2.8 billion for more than 33,500 businesses across Canada since launching *BMO Business Xpress*.



Community investment

While everyone has their part to play in building a more just society where people can flourish, banks play a unique role – we provide access to capital, help remove barriers to economic equity and help close the racial wealth gap. BMO looks for opportunities to accelerate positive change through lending, investing, giving and engagement in our local communities, striving to remove barriers to inclusion in the financial services industry.

In Canada, we continue to focus on addressing key barriers that are continually faced by minority-owned and women-owned businesses. Our continued support includes our commitment of \$5 billion over five years to support women business owners in Canada (see page 29), helping them grow their businesses and also drive growth in the Canadian economy. We also remain focused on helping communities of colour. The launch of our *Business Within Reach: BMO for Black Entrepreneurs* is part of our ongoing

commitment to championing Black-owned businesses in Canada (see page 31). The BMO NewStart® Program was also launched to help establish the financial future of newcomers to Canada (see page 36). Our support for Indigenous-owned businesses is further highlighted with our Bold Commitment to help grow Indigenous-owned businesses (see page 30).

In the U.S., our BMO EMpower program is a US\$5 billion commitment over five years to address key barriers confronting minority businesses, communities and families in the United States. It aims to overcome financing challenges faced by women and minority clients – including Black and Latinx business owners, people with low-to-moderate incomes and the organizations that support them – by earmarking lending capital for businesses, non-profits, homeowners and municipal development projects. The table below highlights our commitment across BMO EMpower's six programs and our activities in 2022. BMO exceeded our EMpower program targets, meeting our five-year goal within two years and deploying US\$5.5 billion in capital. We have plans to go further through strategic partnerships and community involvement. For more information, please visit our [website](#).

Capital deployed in 2022 for BMO EMpower – Five-year capital commitment

Business segment	Small business lending	Commercial lending	Community development lending and investing
5-year capital commitment (USD)¹	\$300 million	\$500 million	\$3 billion
Total capital deployed as of September 30, 2022	\$78.4 million	\$337.1 million	\$3.1 billion
Primary focus	Native American, Women, Black and Latinx-owned small business lending	Black and Latinx-owned commercial lending	Community reinvestment in affordable housing and neighbourhood revitalization
2022 highlights	<ul style="list-style-type: none"> Expanded lending to minority-owned small businesses with the launch of BMO for Native-Owned Business Program² on National Indigenous Peoples Day. The minority-owned small business lending program offers resources for small businesses owned by women or members of Black, Latinx and Native American minority groups BMO U.S. Women, Black and Latinx Small Business Lending Program has supported more than 2,100 small businesses with lines of credit averaging \$41,000 and credit cards averaging \$8,000 Launched Coach In Your Corner, offering small business owners access to one-on-one half-hour coaching sessions with a BMO U.S. employee. The sessions cover a range of topics, from starting and growing a business to applying for a business loan, and have involved more than 200 volunteer hours to date. 	<ul style="list-style-type: none"> Provided funding to Trio Investment Group – 100% minority-owned firm – through an unsecured revolving line of credit that will fund the acquisition of single-tenant, net-leased properties across the United States. The firm's first round of investments is focused on acquiring single-tenant assets that are leased to mid-market companies across the country Earned a full banking relationship with Trice Construction, a commercial concrete construction company owned by a group of African-American women. The relationship includes a revolving line of credit, an equipment finance term loan for capex purchases, and a new \$300 thousand automated clearing house (ACH) credit facility to support payments to vendors. 	<ul style="list-style-type: none"> Provided a construction bridge loan to finance development of Sam Rodgers Place, a 62-unit project in Kansas City, Missouri, for households from a mix of income levels. All units have rents ranging from \$627 to \$963, well below the FFIEC limit of \$1,726 for affordable housing. The project is one component of a comprehensive community development plan, anchored by a health care centre and affordable housing Supported a low-income housing financing structure, providing \$40 million for the rehabilitation of a historic property in St. Paul, Minnesota, that will include 191 affordable rental units.

(continued on [next page](#))

¹ Commitments were set in 2020 for the launch of BMO EMpower, and have not been updated for the Community Benefits Plan. For more information, visit our [website](#).

² Total capital deployed for small business lending does not include the Native-Owned Business Program which was announced in October 2022.



Business segment	Municipal and non-profit lending	Home mortgage lending	Corporate social responsibility
5-year capital commitment (USD)¹	\$300 million	\$500 million	\$500 million
Total capital deployed as of September 30, 2022	\$1.2 billion	\$390.9 million	\$382.2 million
Primary focus	Critical support for municipal and non-profit clients	Low- to moderate-income home mortgage lending	Philanthropic giving, community engagement, supplier/business diversity initiatives and diverse talent programs targeted at systemic change
2022 highlights	<ul style="list-style-type: none"> Provided a construction loan to a not-for-profit health care provider to finance the development of a new health care facility in Joliet, Illinois. Serving over 75,000 patients each year at their 12 facilities, the not-for-profit provides high-quality, affordable primary and community health services for people living in suburban Chicago and surrounding areas. 	<ul style="list-style-type: none"> Launched BMO U.S. Welcome Home Grant, a Special Purpose Credit Program (SPCP) to help improve access to home ownership for minority communities in Chicago and Phoenix. The program offers up to \$13,000 to assist with a down payment, which can be combined with other programs to provide homebuyers with as much as \$24,500 in assistance. BMO helped 44 homebuyers (33 were Black or Latinx) access the Welcome Home Grants, and provided a total of \$230,000 in assistance toward down payments in 2022. Partnered with Freddie Mac to lead series of Real Estate Agent seminars to educate agents of available homebuying programs in minority communities. First wave of events were conducted in Chicago, Phoenix and Minneapolis where we had over 150 agents in attendance. 	<ul style="list-style-type: none"> Title sponsor of Financial Empowerment Weekend, presented by the City of Chicago Treasurer's Office. Teams of BMO U.S. employees from Recruiting, Bank at Work, Black and Latinx Business Banking, and Community Reinvestment met with over 1,000 participants to discuss careers at BMO, BMO's down payment assistance programs for mortgage loans, and BMO's specialized lending and support programs for small business. Launched the second cohort of BMO Elevate. To date, close to 30 companies accredited as diverse suppliers through the program. Cara Collective, a workforce development organization, recognized BMO with its Good Neighbor Award for BMORE, BMO's innovative and inclusive workforce development program that recruits, trains and places individuals into customer service roles at BMO. The Good Neighbor Award recognizes organizations that help Cara Collective's mission to eradicate relational and financial poverty.

Community reinvestment under the U.S. Community Reinvestment Act (CRA)

In the U.S., under the CRA, federally insured depository institutions have an obligation to support the credit needs of the communities they are located in, including low-to-moderate income communities. BMO Harris Bank has earned an Outstanding rating in recent CRA examinations. Many of the same initiatives that have led to an Outstanding Rating are also part of BMO EMpower. For example, in the U.S., BMO partners with non-profit agencies to offer first-time homebuyers an average of US\$10,000 in down payment assistance. The financial education we provide with this assistance positions future homeowners for success and helps them save their money for the unexpected. We also participate in programs through the Illinois Housing Development Authority – and similar organizations in all of the states within BMO's footprint – to offer affordable mortgage options that make home ownership possible for more people living in minority communities, as well as in communities with low or modest levels of household income. In the U.S., BMO expanded our SPCPs and partnerships to better serve Native American, Women-, Black- and Latinx-owned small businesses, including launching a new specialized credit-lending product that provides expanded credit criteria and competitive interest rates for customers.

See page 37 for more information on BMO's financial literacy initiatives.

¹ Commitments were set in 2020 for the launch of BMO EMpower, and have not been updated for the Community Benefits Plan. For more information, visit our [website](#).

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

- 20 Determining our priority sustainability topics
- 21 Engaging our stakeholders
- 22 Tracking our progress
- 27 Thriving economy
- 29 Financial inclusion
- 38 Sustainable future
- 40 Sustainable finance
- 48 Climate change
- 50 Operational efficiency
- 53 Sustainable procurement
- 54 Environmental and social risk management
- 57 Inclusive society
- 59 Diversity, equity and inclusion
- 61 An employee-centric value proposition
- 67 Community impact
- 70 Foundation of trust
- 72 Customer experience
- 75 Consumer protection and transparency
- 76 Innovation and digitalization
- 77 Data security
- 79 Financial Crimes Unit
- 80 Corporate governance
- 83 Business conduct
- 85 Human rights

87 Glossary

94 Public Accountability Statement



Serving a diverse range of customers

We want to make banking equitable and accessible for everyone. We aim to consider the unique financial needs of our diverse customer base, and we are committed to serving every customer with respect, in a way that supports their dignity and helps them achieve financial independence and stability. The following table highlights the products, services, outreach and support we offer to address the unique needs of every BMO customer.

Client segment	Unique needs	Products, services and outreach	2022 highlights and support
Members of the Canadian defence community	<ul style="list-style-type: none"> Customers in the Canadian defence and security sectors, including Canadian Armed Forces veterans and members of the RCMP and Canadian Coast Guard 	<ul style="list-style-type: none"> Served 94,500 members of the defence community, nearing our target of doubling this customer segment to 100,000 by 2025 Approximately 90 Canadian Defence Community Branches (CDCBs), serving customers in approximately 33 military bases and units across Canada Dedicated websites and exclusive personal and business banking offers <p>Official bank of the Canadian Defence Community</p> <p>Canadian Defence Community Entrepreneurs</p> <p>BMO Support Our Troops Mastercard</p>	<ul style="list-style-type: none"> Saved customers more than \$16.8 million in monthly fees Since launching the <i>BMO Support Our Troops Mastercard Program</i>, BMO has contributed over \$825,000 to programs for improving morale and welfare Established hiring partnerships with Canadian Forces Morale and Welfare Services, Veterans Affairs Canada and others. Proud sponsor of RCAF Run, Navy Bike Ride and Canada Army Run Participated in the development of a <i>National Veterans Employment Strategy</i> at the invitation of the Minister of Veterans Affairs Canada Funded initiatives such as Military Family Appreciation Days, Last Post Fund, Veterans' House Canada, Wounded Warriors Canada and the Support Our Troops National Scholarship Program
People facing disability, accessibility, linguistic or literacy challenges	<ul style="list-style-type: none"> People with diverse abilities, and people who are faced with accessibility, linguistic or literacy challenges We define disability as any physical, mental, intellectual, cognitive, learning, communication, functional and/or sensory impairment or limitation that, in interaction with a barrier, hinders a person's full and equal participation in society 	<ul style="list-style-type: none"> Continued to meet accessibility standards across North America set out in the <i>Accessibility for Ontarians with Disabilities Act</i> and the Americans with Disabilities Act; currently working to ensure alignment with standards introduced in the <i>Accessible Canada Act</i> Maintained dedicated Accessibility Plan, which addresses subjects such as employee learning, workplace accommodation for people with disabilities, design of public spaces, accessible emergency information, and more 	<ul style="list-style-type: none"> Advancing our Accessibility Plan in line with the <i>Accessible Canada Act</i>, working to make Canada barrier-free by 2040 Developed consultative approach for engaging with stakeholders on how best to address accessibility challenges and make BMO as barrier-free as possible for people living with disabilities Continued to provide and enhance barrier-free access at branches and automated teller machines (ATMs), with features such as audio directions and braille on functional surfaces Continued to provide account materials, including cheques and statements, in alternative formats (English/French versions; large print, braille, audio and e-text formats); offered services through alternative channels, including audio-enabled ATMs and Telecommunications Relay Service¹ Enhanced sign language interpreting services (English ASL and French LSQ), allowing customers to schedule interpreting services with at least three days of advance notice
Senior citizens	<ul style="list-style-type: none"> Individuals 60 years of age or older, who are transacting for non-business purposes 	<ul style="list-style-type: none"> Continued to better serve senior customers, reflecting BMO's adherence to Seniors Code principles on our website 	<ul style="list-style-type: none"> Enhanced BMO website with information on common scams relating to seniors and ways to prevent financial elder abuse, and seniors-related information on branch closures Delivered employee training on issues affecting senior customers Improved monitoring processes for suspected financial abuse or fraud against senior customers

¹ **Sign language interpreting:** Customers may use their own interpreter or request a certified sign language interpreter be provided by BMO at any Canadian branch free of charge. In Canada, BMO interpreting services are available in English for American Sign Language (ASL) and in French for Langue des signes québécoise (LSQ). Virtual Sign Language interpreting also available through a partnership with the Canadian Hearing Services. **Alternative formats:** Upon request, we provide the following materials in alternate formats (in English and French): cheques in large print, with or without perforated lines to provide tactical guidance for writing; and in large print, braille, audio and e-text formats, we provide Everyday Banking statements; Business Banking statements; Registered Disability Savings Plan statements; BMO Mutual Fund statements; and credit card statements. **Additional provisions:** ATMs are audio enabled (for use with a customer's own personal headset) to help customers with vision loss. Telecommunications Relay Service is supported through our customer contact centres for the Deaf or hard of hearing.

3 Message from the CEO**4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

- 20 Determining our priority sustainability topics
- 21 Engaging our stakeholders
- 22 Tracking our progress
- 27 Thriving economy
- 29 Financial inclusion
- 38 Sustainable future
- 40 Sustainable finance
- 48 Climate change
- 50 Operational efficiency
- 53 Sustainable procurement
- 54 Environmental and social risk management
- 57 Inclusive society
- 59 Diversity, equity and inclusion
- 61 An employee-centric value proposition
- 67 Community impact
- 70 Foundation of trust
- 72 Customer experience
- 75 Consumer protection and transparency
- 76 Innovation and digitalization
- 77 Data security
- 79 Financial Crimes Unit
- 80 Corporate governance
- 83 Business conduct
- 85 Human rights

87 Glossary**94 Public Accountability Statement**



Client segment	Unique needs	Products, services and outreach	2022 highlights and support
Underserved communities, people with low or moderate household income¹	<ul style="list-style-type: none"> People facing financial challenges as a result of low wages, rising prices and economic uncertainty 	<ul style="list-style-type: none"> Maintained Outstanding rating for performance in compliance with the <i>Community Reinvestment Act</i> Revamped <i>Credit Builder Loan</i> to help customers build, establish or re-establish a positive credit history Maintained partnership with SpringFour, which connects customers in financial distress with resources that can help them achieve financial stability 	<ul style="list-style-type: none"> Launched new <i>Welcome Home Grant</i> programs in Chicago and Phoenix, offering grants to eligible borrowers to assist with down payments and closing costs Expanded <i>BMO for Black and Latinx Small Business Program</i> to cover all BMO U.S. operating markets, improving access to capital and educational resources and networks that can lower barriers and drive an inclusive economic recovery Became a signatory to the Aspen Institute's call for establishment of a Presidential Commission to create a national, interagency financial inclusion strategy Serving in Milwaukee as co-chair of Project REACH (Roundtable for Economic Access and Change), sponsored by the Office of the Comptroller of the Currency to promote better access to credit and capital. The project brings together leaders from the banking, business and technology sectors, as well as national civil rights organizations, to lower barriers that prevent full, equal and fair participation in the U.S. economy
Students in Canada	<ul style="list-style-type: none"> College and university students, including international students and students attending medical or dental school 	<ul style="list-style-type: none"> Dedicated Student Banking website offering students financial support, with tips on creating a budget, keeping track of spending, building a credit score – and being textbook-smart 	<ul style="list-style-type: none"> Offered digital pre-arrival account openings, enabling international students to open a bank account up to one year before they arrive in Canada Introduced the <i>BMO Student GIC</i>, available through the <i>BMO New to Canada</i> program to customers in China and India before their arrival in Canada as international students
Newcomers to Canada	<ul style="list-style-type: none"> Immigrants, permanent residents, foreign workers, students, displaced Ukrainians who need to regain financial footing 	<ul style="list-style-type: none"> Developed financial products and services for newcomers to Canada under our <i>NewStart® Program</i>, including: bank accounts with no monthly fee for one year, applications for a credit card with no Canadian credit history, fee waivers for global money transfers, special mortgage offers, and seamless digital international money transfer solutions 	<ul style="list-style-type: none"> Added to our support for the Ukrainian community with a personalized Canadian banking offer for newcomers from Ukraine to help them establish a solid financial footing quickly and easily. Our enhanced <i>NewStart Program</i> – which had only been available to permanent residents and foreign workers – is now also available to Ukrainians entering Canada on visitor visas Offered digital pre-arrival account openings for all newcomers, enabling them to open a bank account up to one year prior to arriving in Canada In partnership with ACCES Employment in Canada and Upwardly Global in the United States, introduced the <i>BMO Newcomer Talent Program</i> to help newcomers explore employment opportunities with BMO and elsewhere
Customers in crisis	<ul style="list-style-type: none"> Customers facing financial hardship because of an emergency situation 	<ul style="list-style-type: none"> Supported customers during natural disasters (flooding, hurricane) – notably in Hay River (Northwest Territories), High Level (Alberta), Atlantic Canada, Eastern Quebec and Florida – when customers faced severe weather conditions, which created significant financial stress, including loss or damage to personal and business property Conducted email and mailed letter outreach to customers in affected regions and updated our website with Emergency Relief Program information during these natural disasters to demonstrate "BMO is here to help" 	<ul style="list-style-type: none"> Worked with impacted customers to review their needs and discuss solutions, which included deferring personal loan payments and fast-tracking BMO insurance claims During Hurricanes Fiona and Ian, BMO offered disaster relief options through the Emergency Relief Program. This program provided temporary waivers, extended overdraft coverage and payment dates, and low interest rate loans to support customers impacted by these events

¹ Under the U.S. Community Reinvestment Act (CRA), the term low- and moderate-income refers to communities in certain geographies that have income levels that fall between certain ranges, as determined by the Census Bureau. A low-income community means there is a median family income of less than 50 percent of the area median income. A moderate-income community means that the median family income is at least 50 percent and less than 80 percent of the area median income.

3 Message from the CEO**4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary**94 Public Accountability Statement**



Giving newcomers to Canada a new start

A series of global crises has driven record numbers of people to resettle in North America. Grounded in BMO's Purpose, to boldly grow the good in business and life, we are taking steps toward a more inclusive economy by offering additional support for newcomers. We offer them access to specialized information, products and services, as well as training and job opportunities, to help them make social connections and build financial independence.

- We expanded and enhanced BMO's *NewStart® Program*, which provides newcomers with no-fee banking, unlimited free *BMO Global Money Transfers* and discounts on lending and home financing programs. In the past, this was only available to permanent residents and foreign workers, but *NewStart* is now also available to Ukrainians entering Canada on visitor visas.
- The *BMO New to Canada Program* offers digital pre-arrival account openings for all newcomers, enabling permanent residents, international students and foreign workers to open bank accounts up to one year prior to their arrival in Canada. With the program, customers in India and China are also able to open a *BMO Student GIC* before they arrive in Canada as international students.
- The *BMO Newcomer Talent Program* offers opportunities for employment with BMO – an important step forward on the path to financial self-sufficiency. A personalized landing page ([Canada](#) | [U.S.](#)) makes it easy for newcomers seeking a job to introduce themselves and explore employment opportunities. We are also able to match some candidates with opportunities available through BMO's partnership with two specialized employment organizations: [ACCES Employment](#) in Canada and [Upwardly Global](#) in the United States.

The newcomer programs we offer at BMO are adding to our history of support for humanitarian relief and resettlement. Over the past three years, BMO has committed more than \$1 million in donations to the American Red Cross, the Canadian Red Cross and the Canada-Ukraine Foundation.

Number of customers receiving complimentary or discounted services

Canada	2022	2021	2020
Seniors	1,247,221	1,221,210	1,194,641
University and high school students	287,644	288,102	321,222
Local and non-profit organizations	38,403	40,000	41,626



Photography: Sheena White, BMO

United States	2022	2021	2020
Under 25 (including college students)	65,216	59,217	53,538
Non-profit organizations	19,625	20,169	20,258

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Financial literacy

Financial literacy is key to providing access to greater financial awareness and social inclusion. We want to help our customers improve their financial literacy, so they can feel confident about their financial decisions and build financial resilience.

We promote financial literacy in several ways:

- Our *Women in Business* and *BMO for Women* websites offer a wide range of articles, videos and podcasts that can help improve financial literacy.
- We host *Meeting In a Box*, a networking initiative at our U.S. branches that provides financial literacy outreach to minority-owned small businesses throughout our eight-state footprint on four topics: personal credit vs business credit; short-term lending vs long-term lending; cash flow for a business; and special-purpose credit programs.
- We publish a free quarterly *Business Focus* newsletter, offering business resources, tips and advice, that is delivered directly to each participating customer's email inbox.
- We provide specialty landing pages for *Women In Business*, *Native-Owned Businesses* and *Black & Latinx Businesses*, with free resource hubs offering relevant articles, digital tools and templates, educational webinars, videos and podcasts.
- We sponsor several events across our U.S. footprint, such as Black Women's Expo, Latina Expo and Chicago City Treasurer's Financial Empowerment Weekend, as well as St. Louis Small Business Expo, which includes free workshops delivered by BMO employees.



2022 highlights – Financial literacy

Helping women business owners

- *BMO for Women* hosted a series of five informative webinars on topics such as cross-border banking, estate planning and the tax implications of the 2022 Canadian federal budget, with economic updates to help women business owners plan for 2022 and beyond.

Supporting Indigenous communities

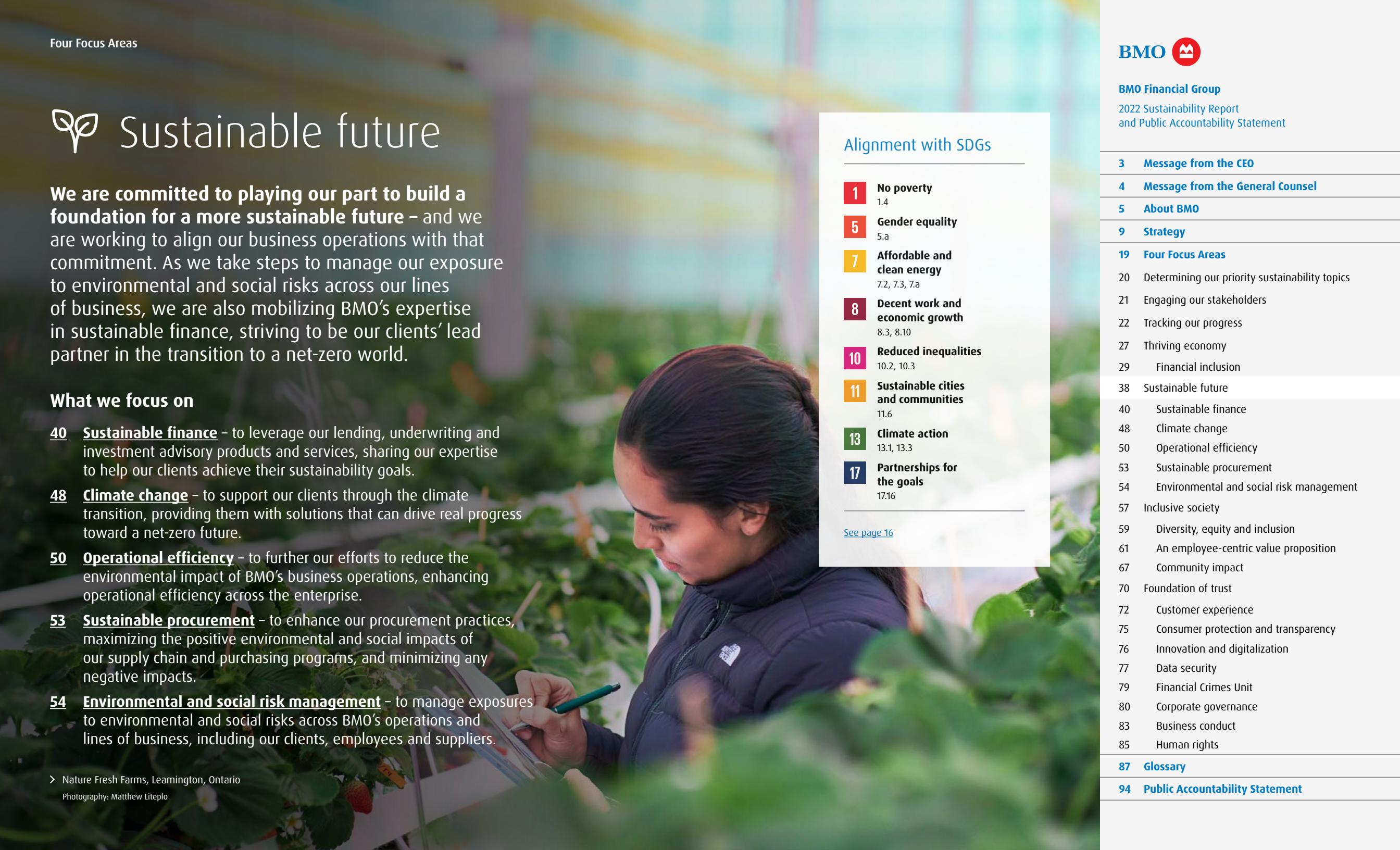
- Our *Indigenous Advisory Council* provided guidance on developing financial literacy programs consistent with recommendations of the Truth and Reconciliation Commission of Canada.
- Offered financial literacy and education sessions for Indigenous communities and individuals on budget planning, banking services, finance, credit and investment planning.
- Facilitated education sessions on Indigenous cultural awareness, laws and economic development, as well as trusts and settlements.

Coaching next-gen entrepreneurs

- Pledged \$750,000 to Humber College to support the next generation of diverse Canadian entrepreneurs, including a five-year series of training and development workshops, as well as the *BMO Launch Me Competition* and its three new pitch streams: *Women Innovators*, *Groundbreakers* and *New Graduate Startups*.
- Launched *Coach in Your Corner* program, which hosted nearly 400 one-on-one coaching sessions across the United States with Black, Latinx and women business owners.
- Broadcast fourth season of *Business Unplanned* podcast, with insights from entrepreneurs and industry leaders to help business owners adapt their strategies and goals.
- Produced digital tools and templates, as well as instructive videos and articles, focused on small business in every stage of development, and made them available at bmo.com/businessresourcehub and bmoharris.com/businessinsights

Investing in community revitalization

- BMO Harris worked with a group of financial institutions and 14 non-profit community development partners to support economic revitalization in distressed communities across the United States.



Sustainable future

We are committed to playing our part to build a foundation for a more sustainable future – and we are working to align our business operations with that commitment. As we take steps to manage our exposure to environmental and social risks across our lines of business, we are also mobilizing BMO's expertise in sustainable finance, striving to be our clients' lead partner in the transition to a net-zero world.

What we focus on

- 40 Sustainable finance** – to leverage our lending, underwriting and investment advisory products and services, sharing our expertise to help our clients achieve their sustainability goals.
- 48 Climate change** – to support our clients through the climate transition, providing them with solutions that can drive real progress toward a net-zero future.
- 50 Operational efficiency** – to further our efforts to reduce the environmental impact of BMO's business operations, enhancing operational efficiency across the enterprise.
- 53 Sustainable procurement** – to enhance our procurement practices, maximizing the positive environmental and social impacts of our supply chain and purchasing programs, and minimizing any negative impacts.
- 54 Environmental and social risk management** – to manage exposures to environmental and social risks across BMO's operations and lines of business, including our clients, employees and suppliers.

> Nature Fresh Farms, Leamington, Ontario
Photography: Matthew Liteplo

Alignment with SDGs

- | | |
|-----------|---|
| 1 | No poverty
1.4 |
| 5 | Gender equality
5.a |
| 7 | Affordable and clean energy
7.2, 7.3, 7.a |
| 8 | Decent work and economic growth
8.3, 8.10 |
| 10 | Reduced inequalities
10.2, 10.3 |
| 11 | Sustainable cities and communities
11.6 |
| 13 | Climate action
13.1, 13.3 |
| 17 | Partnerships for the goals
17.16 |

[See page 16](#)

- 3 Message from the CEO**
- 4 Message from the General Counsel**
- 5 About BMO**
- 9 Strategy**
- 19 Four Focus Areas**
 - 20 Determining our priority sustainability topics
 - 21 Engaging our stakeholders
 - 22 Tracking our progress
 - 27 Thriving economy
 - 29 Financial inclusion
 - 38 Sustainable future
 - 40 Sustainable finance
 - 48 Climate change
 - 50 Operational efficiency
 - 53 Sustainable procurement
 - 54 Environmental and social risk management
 - 57 Inclusive society
 - 59 Diversity, equity and inclusion
 - 61 An employee-centric value proposition
 - 67 Community impact
 - 70 Foundation of trust
 - 72 Customer experience
 - 75 Consumer protection and transparency
 - 76 Innovation and digitalization
 - 77 Data security
 - 79 Financial Crimes Unit
 - 80 Corporate governance
 - 83 Business conduct
 - 85 Human rights
- 87 Glossary**
- 94 Public Accountability Statement**

Concrete action



"BMO is dedicated to achieving our net-zero goals by investing in innovative solutions," says Michael Torrance, Chief Sustainability Officer, BMO. "Partnering with CarbonCure is an exciting way to support new technology that will help the planet."

With the past several years of dramatic weather shifts, it is increasingly clear that the world must act quickly to avoid the worst impacts of climate change and ensure a healthy planet for future generations. At BMO, our ambition is to be our clients' lead partner in the transition to a net-zero world – and that means leading by example.

Carbon neutral since 2010, BMO is focused on diversifying our offset portfolio with carbon removal projects such as Engineered Solutions, which can store carbon for more than 100 years – and are essential to BMO meeting our net-zero goals by 2050.

That's why, in 2022, BMO became the first North American bank to purchase carbon credits from Halifax-based CarbonCure, and the first purchaser of carbon credits linked to CarbonCure's full suite of circular-manufacturing technologies, including the injection of carbon into fresh concrete to be safely and permanently stored.

Concrete is the most abundant human-made material on earth, with billions of metric tons poured annually. CarbonCure's technologies both reduce and remove CO₂ emissions by injecting captured carbon dioxide into concrete during mixing. The CO₂ immediately mineralizes and is permanently embedded in the concrete. This process increases the concrete's compressive strength, allowing safe reductions of cement content without impacting the concrete's quality. And even if that concrete is later demolished or destroyed, the carbon dioxide will never return to the atmosphere.

Because CarbonCure's technologies leverage the existing infrastructure and economies of the construction industry, they can have an immediate climate impact. To date, CarbonCure has reduced and removed over 210,000 metric tonnes of CO₂ at concrete production plants around the world. And with the world's building stock expected to double by 2060, they have the potential to save millions more.

CarbonCure's goal is to annually reduce 500 million metric tonnes of embodied carbon by 2030 – the equivalent of taking 100 million cars off the road each year. And they know this kind of ambitious goal requires working together with like-minded partners. "We're excited to embark on this agreement with BMO. BMO's first-of-its-kind commitment to purchase carbon credits supporting the full suite of our technologies represents the kind of investment that is vital to tackling the climate crisis," says David Niven, Chair and Chief Executive Officer, CarbonCure Technologies. "We need to leverage every tool in our toolbox and bring innovations to scale quickly. With BMO's valuable support, we look forward to accelerating even faster our global growth and impact."

A key part of BMO's climate strategy is supporting innovative work and catalyzing market growth. We are proud to support CarbonCure as it works to help the world meet its climate goals and support a sustainable economy, and we're eager to see what they can accomplish. Working together, we can help provide a livable future for our children – and generations to come.

**3 Message from the CEO****4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

- 20 Determining our priority sustainability topics
- 21 Engaging our stakeholders
- 22 Tracking our progress
- 27 Thriving economy
- 29 Financial inclusion
- 38 Sustainable future
- 40 Sustainable finance
- 48 Climate change
- 50 Operational efficiency
- 53 Sustainable procurement
- 54 Environmental and social risk management
- 57 Inclusive society
- 59 Diversity, equity and inclusion
- 61 An employee-centric value proposition
- 67 Community impact
- 70 Foundation of trust
- 72 Customer experience
- 75 Consumer protection and transparency
- 76 Innovation and digitalization
- 77 Data security
- 79 Financial Crimes Unit
- 80 Corporate governance
- 83 Business conduct
- 85 Human rights

87 Glossary**94 Public Accountability Statement**

Sustainable finance

Sustainable finance helps our clients create ongoing value as they pursue sustainable economic growth – accelerating their progress in the transition to an equitable, inclusive and sustainable future. We leverage our lending, underwriting and investment advisory products and services, sharing our expertise to help our clients achieve their sustainability goals.

Who has responsibility

Head of Sustainable Finance, overseen by the Sustainable Finance Steering Committee, comprised of BMO executives and chaired by the CEO, and Group Head, BMO Capital Markets

Investment Committee at BMO Global Asset Management (BMO GAM), chaired by the Chief Investment Officer

Investment Management Committee at BMO Private Investment Counsel Inc. (BPIC), and Managed Assets Investment Committee at BMO Nesbitt Burns Inc., both chaired by Head of Investment Manager Research

What it includes

- Sustainable finance
- Responsible investing

BMO's Bold Commitments for sustainable finance (see page 8)

	Total since fiscal 2019	2025 target
Sustainable financing:	\$267 billion in capital	\$300 billion

Our commitments evolve to reflect the changing needs of the communities we serve, as well as market conditions and BMO's strategic priorities.

In 2022, we mobilized \$91 billion◆ in capital to clients pursuing sustainable outcomes – making significant progress toward our target of mobilizing \$300 billion in financing to support sustainable outcomes through green, social and sustainable lending, underwriting, advisory services, and investment.

◆ KPMG has provided limited assurance of this figure.



3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Mobilizing capital to finance clients pursuing sustainable outcomes

BMO's sustainable finance team offers innovative ways for businesses, governments and investors to align their financial priorities with broader sustainability objectives.

The sustainable finance team works closely with clients to bring a sustainability lens to clients' financing and strategic needs. We leverage our portfolio of lending, bond underwriting, public offerings and advisory products and services, working with our clients to explore new ideas and offering innovative options that can help them achieve their sustainability objectives.

We also harness sustainable financing to drive progress toward the positive social and environmental outcomes expressed in the United Nations Sustainable Development Goals (UN SDGs), including support for the transition to a net-zero economy.

Mobilizing capital and providing advice to clients

Our commitments include mobilizing \$300 billion in capital to finance clients pursuing sustainable outcomes through five distinct channels:

- Sustainable bond underwriting** – we underwrite ESG-labelled bonds issued by our clients.
- Sustainable equity and debt financing** – we support clients who are pursuing sustainable outcomes in accessing capital from value-aligned investors.
- Sustainable financing and ESG advisory service** – we advise clients on enhancing their ESG-related impacts, which can include identifying financing opportunities for decarbonization initiatives or enhancing sustainability disclosures in line with regulatory developments.
- Loans for sustainable clients and projects** – we authorize loans linked to the achievement of sustainability goals, for borrowers and projects aligned with our sustainability objectives or using the funds to pursue sustainable outcomes.
- Energy Transition Group** – we support clients in their pursuit of opportunities driven by the increasing momentum of the global economy's shift in production and consumption of energy.

Investing our own assets

Our commitments include the allocation of \$350 million – comprised of assets that are directly owned by BMO – to our Impact Investment Fund, which has a mandate to find investment opportunities that support sustainable outcomes.

Tracking our sustainable financing activities

BMO Capital Markets has underwritten significant amounts of debt in support of sustainability objectives and offers a dedicated advisory service for clients working to achieve sustainable outcomes. These efforts are supported by our Sustainability Office and the BMO Climate Institute, which help us identify growth opportunities for our green, social and sustainable lending, bond underwriting, public offerings and advisory services. There are also internal processes for tracking and monitoring these activities.

We track BMO's sustainable financing activities by type of transaction and by character of sustainable outcome. In 2022, we achieved 89% of the \$300 billion goal, and we will continue to track our progress in 2023. The tables below show the total amounts of BMO's sustainable financing since 2019, including green, social and sustainable lending, underwriting, investment and advisory services. Work is underway to review and update BMO's Sustainable Finance Framework in 2023, taking into account market developments and BMO's Climate Ambition objectives.

[◆] KPMG has provided limited assurance of this figure.

¹ To avoid double counting, loans to businesses owned by women or Indigenous peoples that also have other sustainability characteristics are reported under those other sustainability characteristics.

Sustainable financing by transaction type

(\$ billions)	2022	2021	2020	Total since fiscal 2019
Sustainable bond underwriting	\$33.26	\$31.61	\$42.63	\$114.83
Loans for sustainable clients and projects	\$51.68	\$28.34	\$16.73	\$110.41
Sustainable equity and debt financing	\$2.86	\$9.84	\$17.04	\$35.83
Sustainable finance advisory	\$2.57	\$0.82	\$0.44	\$3.84
Sustainable investments (including the Impact Investment Fund)	\$0.55	\$0.46	\$0.43	\$1.73
Capital to clients pursuing sustainable outcomes	\$90.92 ◆	\$71.07	\$77.27	\$266.64

Sustainable financing by outcome

(\$ billions)	Total since fiscal 2019
Employment services	\$1.23 0.5%
Social assistance	\$1.25 0.5%
Indigenous peoples ¹	\$1.56 1%
Education	\$2.76 1%
Public administration	\$3.06 1%
General social	\$7.30 3%
Gender equality ¹	\$11.02 4%
Health care	\$13.93 5%
Social	\$42.11 16%
Sustainable agriculture	\$2.52 1%
Clean transportation	\$5.51 2%
Waste management	\$8.19 3%
Green buildings	\$8.67 3%
General green	\$27.69 10%
Low-carbon energy	\$31.78 12%
Green	\$84.36 31%
Sustainable	\$140.17 53%

22%

Progress to date toward our \$12 billion commitment to finance affordable and accessible housing by 2030



Sustainable financing examples in 2022

Sustainable bond underwriting

Government of Canada

- Joint lead manager on the Government of Canada's inaugural green bond, a \$5 billion offering

Bruce Power

- Structuring agent on the first nuclear green bond globally, a \$500 million offering

Ontario Power Generation

- Structuring agent on the second nuclear green bond globally, a \$30 million offering

Newmont Corporation

- Acted as joint bookrunner for its inaugural US\$1 billion sustainability-linked bond (SLB) in December 2021, the first SLB issued by a mining company globally.

Sustainable equity and debt financing

Capital Power

- Sole structuring agent on the first green hybrid bond issued in Canada.

Loans for sustainable clients and projects

Export Development Canada

- Partnership to develop the innovative Sustainable Financing Guarantee program, supporting large and mid-sized Canadian exporting businesses, helping them make the transition from carbon-intensive operations to more sustainable operating models that will eliminate or significantly reduce emissions.

Acted as Sustainability Structuring Agent on Sustainability-Linked Loans (SLL), including:

- \$450 million SLL for Boralex, linked to its commitment to limit its carbon emissions and increase the representation of women in management positions
- \$1 billion SLL for Gildan, the first for a Canadian apparel manufacturing company
- \$50 million SLL for Trisura Group, the first for a Canadian insurance company
- US\$625 million SLL for Sandstorm, the first for a company in the precious metals royalty sector
- US\$250 million SLL for Seaspan, linked to alignment of the carbon intensity of its vessels with the 2050 decarbonization trajectory set by the International Maritime Organization
- US\$2 million SLL for Wheaton Precious Metals, with key performance indicators aligned with its sustainability strategy and its commitment to net-zero carbon emissions by 2050
- US\$1.5 billion SLL for Colliers, linked to its sustainability goals related to climate, diversity and inclusion, and best-in-class ESG standards.

Sustainable finance advisory

Export Development Canada

- Worked with EDC to develop innovative Sustainable Bond Framework, which included allocating all proceeds to green, social and transition-related uses. EDC is the first Canadian enterprise to publish a framework that incorporates transition financing categories.

Enbridge

- Acted as financial advisor to Enbridge in its landmark equity partnership with 23 First Nation and Métis communities in the Athabasca region of northern Alberta. The communities will acquire, collectively, an 11.57% non-operating interest in seven Enbridge-operated pipelines for \$1.12 billion – the largest energy-related Indigenous economic partnership transaction to date in North America.

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Impact Investment Fund

In 2022, we committed another \$100 million to our seed funding for the BMO Impact Investment Fund, raising the total to \$350 million. The mandate of the Fund is to look for opportunities to invest in innovative solutions that can be scaled to support the sustainability goals of our corporate clients, across the following themes:

- **Decarbonization** – through electrification, energy efficiency, energy storage, GHG emissions mitigation and other solutions.
- **Circular economy** – through waste management, recycling, sustainable products, packaging and materials, and other solutions.
- **Sustainable food and agriculture** – through enhanced operating efficiency, product innovation and other solutions.

Impact themes	Decarbonization	Circular economy	Sustainable food and agriculture					
Areas of focus	 Renewable energy and storage	 Carbon capture, utilization and storage	 Reforestation	 Risk software	 Waste management and circularity	 Sustainable materials	 Industrial supply chain efficiency	 Food/ Agtech

To find opportunities that can address these themes, the Fund looks for companies with a viable technology solution and some commercial revenue, as well as the ability to leverage additional financing to scale their innovative solution.

Proof of impact is one of our key investment criteria, and we outline our approach to assessing this in BMO's [2022 Operating Principles for Impact Management Disclosure Statement](#). At year-end 2022, a total of \$136 million in financing had been committed or deployed through the Fund since it was launched in 2019.

BMO Impact Investment Fund – Investments in 2022

Decarbonization

- R-Zero, Inc., which has developed solutions based on ultraviolet light to disinfect indoor spaces – both inside air and interior surfaces – in a significantly more energy-efficient manner.

Sustainable food and agriculture

- Gotham Greens, Inc., a leader in controlled-environment agriculture, which grows leafy greens and herbs using 95% less water and 98% less land than conventional open-field farming.



➤ A Certified B Corporation™, Gotham Greens is on a mission to transform how and where fresh produce is grown



BMO Sustainable Bond Program

BMO's Sustainable Bond Program supports our Purpose and advances our commitments to help build a sustainable future, an inclusive society and a thriving economy.

Introduced in 2019, the program helps advance our Climate Ambition, our *Zero Barriers to Inclusion 2025* strategy, our commitment to sustainable financing, our implementation of the United Nations Principles for Responsible Banking (UNPRB), and our engagement with investors on ESG issues.

The program has also enabled a better understanding of the impacts and opportunities related to sustainability across our organization, and has helped us build relationships that support BMO's enterprise-wide commitment to sustainability.

We have issued two sustainable bonds to date:

- our inaugural US\$500 million three-year BMO Sustainability Bond, issued in October 2019
- our first social bond, the \$750 million five-year BMO Women in Business Bond, issued in March 2021.

The BMO Sustainability Bond matured on November 1, 2022.

How we allocate bond proceeds

Generally, the proceeds of our sustainability bonds go towards funding or otherwise supporting project finance loans, general corporate finance loans, and/or equity investments that advance the UN SDGs and the global transition to a net-zero carbon economy. To date, proceeds from the bonds have helped advance nine of the 17 SDGs.

Specifically, proceeds from the BMO Sustainability Bond are being allocated to projects within eligible green and social asset categories, which include renewable energy, green buildings and infrastructure, pollution prevention and control, sustainable land use, women-owned businesses, and Indigenous peoples' businesses and communities. Proceeds from the BMO Women in Business Bond are being allocated to women-owned enterprises, including micro-enterprises and small and medium-sized businesses.

We support businesses that are exploring new opportunities to build a more sustainable future for their communities.

Read more in the BMO [2022 Sustainable Bonds Impact Report](#).¹

¹See the Independent Limited Assurance Report from KPMG in our [2022 Sustainable Bonds Impact Report](#).

Asset category	Sustainable Development Goals	% of assets allocated ¹	
		BMO Sustainability Bond	BMO Women in Business Bond
Social asset categories			
Women-owned business lending	5 Gender equality	42.4%	100%
Lending to small and medium-sized businesses with at least one woman owner	8 Decent work and economic growth		
Indigenous peoples and community lending	10 Reduced inequalities	11.0%	
Lending to Indigenous peoples' bands, councils or governments, or businesses majority-owned by such entities			
Green asset categories			
Sustainable land use	13 Climate action	4.9%	
Lending to agricultural projects that maintain or improve existing carbon pools, such as greenhouses	14 Life below water		
	15 Life on land		
Renewable energy	7 Affordable and clean energy	11.8%	
Lending to renewable energy projects, such as solar and wind	11 Sustainable cities and communities		
	13 Climate action		
Green buildings and infrastructure projects	11 Sustainable cities and communities	27.6%	
Lending to green buildings and infrastructure projects that achieve certifications such as Leadership in Energy and Environmental Design (LEED) Gold or LEED Platinum	13 Climate action		
Pollution prevention and control	12 Responsible consumption and production	2.3%	
Lending to waste management projects that prevent or control pollution, such as recycling	13 Climate action		

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Responsible investing

Aligning investments, goals and values with responsible investment objectives

BMO is committed to building a more sustainable future through responsible investing.

Our goal is simple: to help our clients meet their investment objectives and generate long-term value, while also building a future that is more sustainable, inclusive and secure for everyone. Our responsible investing function serves as an essential part of our value proposition to our clients – and our commitment to our Purpose.

BMO Global Asset Management

As both an institutional investor and a steward of capital, BMO Global Asset Management (BMO GAM) is advancing the principles of responsible investing through:

- ESG integration
- Funds and solutions
- Stewardship
- Policy advocacy
- Market education
- Industry collaboration

ESG integration

Investment teams at BMO GAM consider environmental, social and governance (ESG) issues when they select securities that are included in our responsible investment branded funds. We integrate the consideration of ESG factors into our investment practices and assessments, with the intention of both limiting exposure to ESG risks and improving returns over the long term. Our ESG-related analyses address each investment strategy and asset class separately, in order to make the results more reliable and informative.

Funds and solutions

BMO GAM offers more than 20 investment funds that have been branded as responsible investment. These funds must comply with specific responsible investment guidelines. Our responsible investment branded funds offer solutions for clients which incorporate a responsible investment approach or a particular ESG factor as its fundamental investment objective. We select companies for these investment portfolios based on a range of ESG criteria that vary widely – from renewable infrastructure to women in leadership.

2022 highlights – Responsible investing

Investing in responsible ESG-related outcomes

- Partnered with Brookfield Asset Management to launch BMO Brookfield Global Renewables Infrastructure Fund, which invests in global renewables and sustainable infrastructure companies and employs a responsible investing approach to evaluate the impact of investee companies.

Advancing the energy transition

- Recognized by the Responsible Investment Association (RIA) with a second consecutive Leadership Award for Stewardship for our comprehensive approach to advancing the energy transition through engagement, voting, policy advocacy, collaborative investor initiatives and thought leadership.

Promoting responsible investing in Private Wealth

- Began offering a dedicated *Responsible Investing Recommended List* to identify leading strategies for responsible investing that are available to Nesbitt Burns clients.
- Developed partnerships with global leaders in responsible investing to help broaden our product offering in a fee efficient manner.
- Offer client portfolios that utilize numerous responsible investing products in both BMO Private Investment Counsel and BMO Nesbitt Burns channels.
- Entered into an agreement with Morningstar Direct to provide sustainability reports at the portfolio level for all investment advisors and investment counsellors in 2023.
- BMO Private Wealth was accepted as an associate member of the RIA.
- Hosted our third annual responsible investment due diligence conference, for all investment advisors and investment counsellors.
- Introduced dedicated client-friendly website [BMO Private Wealth Responsible Investing](#).

Reporting and transparency

We report on our responsible investing activities, including our engagement program, voting practices and policy advocacy, in our BMO GAM Annual Responsible Investment Report, as well as in other regular publications. We also make a number of Responsible Investment policies and approaches available to investors on our [website](#).

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Stewardship

We engage with the management and directors of the companies in which BMO GAM invests, working to achieve positive change. This type of engagement gives us an opportunity to encourage the adoption of best practices as we advocate for the investment objectives of our clients. Voting is the other key stewardship activity for achieving positive change, on both corporate governance practices and wider sustainability issues. We regularly contact companies before and after we vote as shareholders to explain our expectations and our reasoning behind any vote against management. In fiscal year 2022, we voted on 65,027 items at 6,358 shareholder meetings, with approximately 22% votes cast against management.¹

Every year, we select priority issues for our engagement program. As well as addressing ESG risks we face across our investment portfolios, the program prioritizes two key systemic risks – Climate Action and Social Equality.

Policy advocacy

In order to address global issues ranging from deforestation to human rights, we take an active role in public policy development. We often engage with regulators on these issues, because policy developments can be a catalyst for improvements in corporate behaviour. We regularly contribute to industry association forums to help inform both their and our own response to regulators in policy-related consultations that could directly influence the development of ESG standards. (See 2022 policy advocacy by issue on the right.)

Market education

Every year, we regularly publish a range of thought leadership for our stakeholders and the wider public, sharing our current views on sustainability issues, providing in-depth research on various ESG topics, highlighting developments in the responsible investing landscape, and promoting best practices for both investors and investee companies. This year, we published 14 pieces of thought leadership covering a wide range of topics, from vaccine equity to hydrogen.

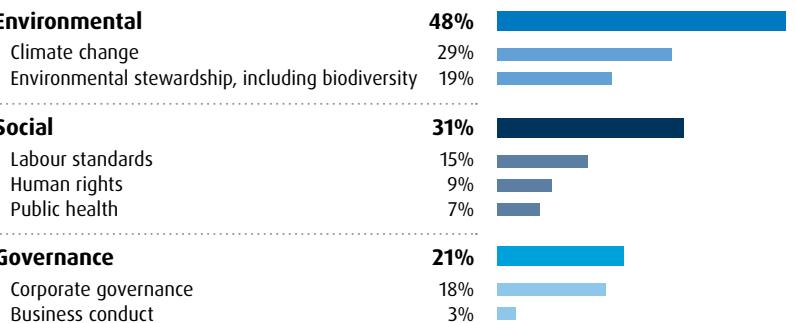
Industry collaboration

In our stewardship activities, we often collaborate with other institutional investors, non-governmental organizations (NGOs) and industry associations, working together to achieve positive change. We participate in 14 ESG-related collaborative investor initiatives or networks, and we support investor statements and commitments that encourage organizations in both the public and private sectors to adopt key practices for a sustainable future. For instance, as a founding signatory to Climate Engagement Canada (CEC), we partner with other investors to promote the development and adoption of best practices in addressing climate change through direct engagement with Canada's highest emitters. You can read more about BMO's responsible investing program [here](#).

2022 engagement by issue¹

During fiscal year 2022, BMO GAM had 1,962 engagements across 781 companies, held 219 board and senior executive level meetings, and influenced change in the outcomes of 216 engagements.²

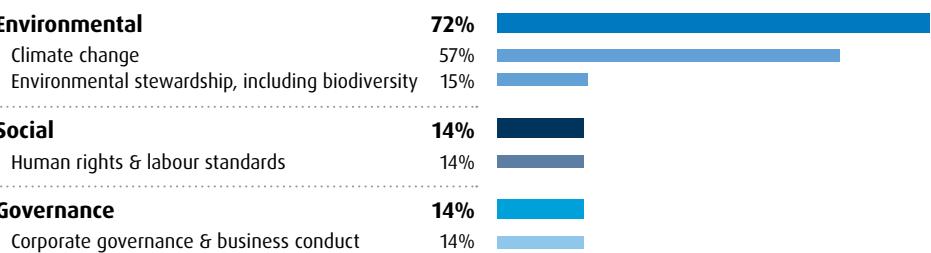
Engagement themes



2022 policy advocacy by issue

During fiscal year 2022, BMO GAM made 6 policy submissions or statements to governments or regulators.

Policy advocacy topics



¹This total includes engagements and proxy voting conducted on behalf of BMO GAM by the responsible engagement overlay (reo[®]) service offered by its former affiliate, BMO Asset Management Limited, now part of Columbia Threadneedle Investments.

²Engagements that influenced change are considered when a company makes tangible improvements in its policies and practices that align with our voting and engagement activities.



BMO Private Wealth

At BMO Private Wealth, we offer investment services through BMO Private Investment Counsel, which provides discretionary investment management services, and BMO Nesbitt Burns, a full-service brokerage. Our multi-disciplinary team of professionals offers focused solutions to meet the growing demand for responsible investing strategies. These solutions are intended to align the personal values and investment objectives of each BMO Private Wealth client – for example, building a more sustainable economy, or maintaining an awareness of labour standards, human rights, equitable compensation, or access to health care, as well as other sustainability factors – with BMO’s Purpose and commitments for a thriving economy, a sustainable future and an inclusive society.

We consider ESG criteria in our selection of sub-advisors for BMO Private Wealth, and in our exercise of due diligence and oversight of them. Many of the sub-advisors we engage are signatories to the UNPRI. In addition, many of the financial and investment products available through BMO Private Wealth have an integrated approach to responsible investing, with the sub-advisor determining which factors take priority – for example, integrating a consideration of ESG issues into investment analyses, or engaging with investee companies and exercising voting rights to improve a company’s sustainability performance.

We assess the effectiveness of these sub-advisors in terms of their approach to integrating various ESG criteria, based on their responses to a survey on responsible investing practices, as well as input from a third-party consultant that assigns ESG ratings to investment managers. We also sponsor information sessions, conferences and educational opportunities for our investment advisors and investment counsellors to improve their understanding of ESG risks, considerations and analyses, and we develop informative educational materials about responsible investing to share with our clients.

We offer BMO’s retail customers a variety of financial products and services linked to sustainability.

Retail product offerings linked to sustainability

Mortgages and lines of credit	<ul style="list-style-type: none"> Shared Equity program administered by Canada Mortgage and Housing Corporation (CMHC), as well as participation in more than 30 other affordable housing programs offered across Canada. CMHC’s Eco Plus (formerly Green Home) insurance rebate program, with the objective of reducing the impact of housing on climate change and supporting Canada’s plan to reach carbon neutrality by 2050.
Auto lending	<ul style="list-style-type: none"> Tesla and other retail auto relationships, offering auto loans in Canada and the United States.
ESG-linked GICs	<ul style="list-style-type: none"> Canadian Market GIC, a progressive GIC (PGIC), is our first GIC linked to an ESG index, with the objective of supporting sustainability, preserving capital and delivering a high rate of return over the medium term.
Investment vehicles	<ul style="list-style-type: none"> BMO Sustainable Opportunities Canadian Equity Fund, with the objective of achieving long-term capital appreciation by investing primarily in Canadian issuers and taking a responsible investing approach, employing ESG analysis to identify high-quality businesses with strong management and attractive valuations. BMO Sustainable Opportunities Global Equity Fund, providing long-term capital growth by investing primarily in a globally diversified portfolio of companies and excluding investments in companies involved in the development of fossil fuels and related infrastructure. BMO Women in Leadership Fund, investing primarily in North American companies that promote a gender-diverse leadership environment, selecting equity securities for investment by applying specific criteria to issuers – for example, having women represent at least 25% of a company’s board of directors, or having a female CEO. BMO Clean Energy ETF Fund, delivering returns similar to those for one or more exchange-traded funds primarily invested in companies with operations related to clean energy, investing up to 100% of its assets in securities of BMO Clean Energy Index ETF.

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

- 20 Determining our priority sustainability topics
- 21 Engaging our stakeholders
- 22 Tracking our progress
- 27 Thriving economy
- 29 Financial inclusion
- 38 Sustainable future
- 40 Sustainable finance
- 48 Climate change
- 50 Operational efficiency
- 53 Sustainable procurement
- 54 Environmental and social risk management
- 57 Inclusive society
- 59 Diversity, equity and inclusion
- 61 An employee-centric value proposition
- 67 Community impact
- 70 Foundation of trust
- 72 Customer experience
- 75 Consumer protection and transparency
- 76 Innovation and digitalization
- 77 Data security
- 79 Financial Crimes Unit
- 80 Corporate governance
- 83 Business conduct
- 85 Human rights

87 Glossary

94 Public Accountability Statement

Climate change

We are committed to supporting our clients through the climate transition and driving solutions to achieve a net-zero future.

2022 Task Force on Climate-related Financial Disclosures (TCFD) – Summary

Governance

Climate risk and opportunity are embedded in our governance structure

Supporting responsible business behaviour, performance and long-term sustainability

Board

The full Board of Directors is actively engaged in overseeing BMO's climate strategy. Board members completed Climate Change Essentials for BMO training, in addition to reviewing regular sustainability newsletters and updates. The Audit and Conduct Review Committee (ACRC) and the Risk Review Committee (RRC) have engaged on climate-related topics including:

- sustainability-related governance
- climate-related targets and transition action plans
- sustainability related disclosure, including the Climate Report
- BMO's Climate Ambition and climate strategy
- approval of BMO's Environmental and Social Risk Corporate Policy

See the Board mandate and Committee charters on page 82 for more information on how the Board oversees sustainability issues.

Management

Management of BMO's approach to climate involves various Executive Committee members and senior leaders including:

- Chief Executive Officer
- General Counsel & Executive Committee Sponsor for Sustainability
- Chief Risk Officer
- Chief Strategy and Operations Officer
- CEO BMO Capital Markets
- Chief Financial Officer
- Heads of Operating Groups
- Chief Sustainability Officer
- Sustainability team & BMO Climate Institute
- Head, Enterprise Risk
- Chief Technology & Operations Officer
- Special Advisor to the CEO on ESG
- Chief Investment Officer
- Head of Investor Relations
- Head of Sustainable Finance
- Head of Alternatives, ESG and Innovation at BMO Global Asset Management (GAM)

Management committees and forums

Management engages in several committees and forums including:

- ESG Executive Committee
- Sustainability Council
- Disclosure Committee
- Risk Management Committee
- Reputation Risk Management Committee
- Enterprise Regulatory Developments Committee
- Impact Investment Fund Investment Committee
- BMO GAM Investment Committee
- BMO Climate CoLab

(continued on [next page](#))





2022 Task Force on Climate-related Financial Disclosures (TCFD) – Summary (continued)

Strategy

We are integrating climate-related opportunities into our business, building on our existing strengths and capabilities

Net-zero outcomes as a key organizing principle for our business

- Continued implementation of PCAF and NZBA frameworks.
- Developed decarbonization roadmaps for hard-to-abate sectors and identified opportunities for carbon emission reduction.
- Established and Chaired Government of Canada's Sustainable Finance Action Council (SFAC), Net-Zero Capital Allocation Working Group.
- Incorporated Climate Ambition as a key element of our corporate strategy.

Expanding climate-related capabilities across our operations

- Established an initiative to plan and develop the work of the BMO Climate Institute in three foundational pillars – decarbonization, resilience and climate justice.
- Advancing an enterprise data and analytics solution that will provide timely data to inform ongoing, decision-useful analysis and to track our progress.

Supporting clients on their carbon transition journey

- Offered a range of carbon-related products, services and capabilities to clients across our businesses.
- Announced acquisition of Radicle Group Inc., a leader in greenhouse gas measurement, advisory, carbon credit origination and environmental commodity trading, further advancing the bank's commercial strategy around climate.

Advancing our climate strategy

- Designing an environmental management system (EMS) across our enterprise that conforms to the requirements of ISO 14001.
- Diversified carbon neutrality program with our purchase of carbon credits for 5,750 metric tonnes of carbon dioxide over five years from CarbonCure.
- Advanced development of coordinated enterprise climate commercialization strategy as a horizontal, cross-enterprise initiative championed by the Executive Committee.

Convening for climate action

- Participated in numerous associations, initiatives, working groups and multi-stakeholder partnerships with a goal to advance climate action through collaboration.

Risk management

We consider climate change to be a transverse risk driver that manifests through our identified material risks

Incorporating climate change considerations into our enterprise risk management framework

- Established Board-approved Environmental and Social Risk Corporate Policy as part of Enterprise-wide Risk Management Framework (ERMF), applicable to all employees of BMO and its subsidiaries.
- Developed an initial heatmap to aid in identifying physical and transition risk across our lending portfolio, and helping us prioritize our risk assessment efforts, including scenario analysis exercises.
- Risk tolerance thresholds came into effect for climate-related key risk metric, carbon-related assets, informed by financed emissions and decarbonization pathway modelling.

Expanding climate-related scenario analysis and capabilities

- Expanded Climate Scenario Analysis (CSA) team and, in conjunction with CSA Working Group, built out internal capacity to conduct climate scenario analysis.
- Conducted scenario analysis projects to evaluate the transition risk on our portfolio of wholesale loans to the oil and gas sector, the potential impact of physical risks on our portfolio of Canadian residential mortgages, and market risk to our trading and underwriting portfolio under a delayed, disorderly transition.

Engaging with stakeholders on climate change

- Doubled the number of strategic suppliers engaged through the CDP Supply Chain program, accounting for approximately 70% of our supplier spend.
- Monitored and responded to evolving international standards and regulations by conducting independent research, participating in global forums with our peers, and maintaining an open dialogue with our internal and external stakeholders.

Metrics and targets

We track and report on opportunities and risks associated with climate change

Measuring progress on our commitment to climate action

- Quantified and disclosed our emissions in Scope 1 and 2, and in specific categories of Scope 3 (categories 5, 6 – waste generation and business travel).
- Pursued 30% emissions reduction target within our own operations by 2030 taking science-based approaches.
- Achieved carbon neutrality each year since 2010 and achieved 100% renewable electricity supply each year since 2020.
- Targeting net-zero financed emissions in our lending by 2050, and continued to track our financed emissions (BMO's Scope 3 emissions, category 15 – investments) performance for initial sectors: lending related to upstream oil and gas, lending related to power generation in Canada, lending for the purchase of personal vehicles in Canada, and residential mortgage lending in Canada.
- Expanded our sector coverage for quantification and disclosure of our financed emissions to include the iron and steel, aluminum, cement and agriculture sectors.

3 Message from the CEO**4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary**94 Public Accountability Statement**

Operational efficiency

We are furthering our efforts to reduce the environmental impact of BMO's business operations by enhancing our operational efficiency. Our environmental stewardship includes decarbonizing our corporate real estate portfolio, integrating circular economy principles into our purchasing decisions, and advancing innovative solutions in our carbon neutrality program.

Who has responsibility

Chief Sustainability Officer, Chief Procurement Officer and Global Head, Corporate Real Estate
Overseen by ESG Executive Committee and the Board's Audit and Conduct Review Committee

In line with BMO's Purpose-driven commitment to grow the good for a sustainable future, we integrate environmental considerations into decisions we make about our business operations. We focus on:

- Reducing the environmental impacts of BMO's operations by continuing to decarbonize our corporate real estate portfolio
- Measuring, reducing and publicly reporting GHG emissions across the enterprise
- Managing resources in a sustainable way by developing and implementing effective strategies for circularity¹ and waste management in BMO's operations
- Supporting biodiversity through community engagement
- Lowering costs

Our approach is guided by the BMO ECO⁵ strategy and framework:

1

Energy management

Reduce our energy consumption by enhancing operational efficiencies and incorporating upgrades in our corporate real estate, including: equipment retrofits, retail automation, retro-commissioning of building systems, energy-efficient technology, HVAC improvements, energy program partnerships, and requirements for Energy Star products as part of design/engineering standards

2

Sustainable transport

Reduce the environmental impacts of our business-related travel by using hybrid fleet vehicles and encouraging less air travel through collaborative online tools

3

Sustainable materials

Source low-carbon building materials and transition to carbon-positive materials in real estate construction projects; reduce unnecessary use of building materials; make more efficient use of materials (e.g. building materials, cleaning products); and purchase paper from sustainably managed forests

4

Waste management

Reduce the amounts of waste sent to landfills; expand diversion partnerships; and promote recycling, reuse and circular economy principles

5

Sustainable procurement

Integrate environmental and social considerations into our procurement programs and purchasing decisions (see page 53)

¹Circular economy: A systems solution framework that addresses global challenges like climate change, biodiversity loss, waste and pollution. Driven by design, it is based on three principles: eliminate waste and pollution, circulate products and materials (at their highest value), and regenerate nature. [What is a circular economy? | Ellen MacArthur Foundation](#)



3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
19 Four Focus Areas
20 Determining our priority sustainability topics
21 Engaging our stakeholders
22 Tracking our progress
27 Thriving economy
29 Financial inclusion
38 Sustainable future
40 Sustainable finance
48 Climate change
50 Operational efficiency
53 Sustainable procurement
54 Environmental and social risk management
57 Inclusive society
59 Diversity, equity and inclusion
61 An employee-centric value proposition
67 Community impact
70 Foundation of trust
72 Customer experience
75 Consumer protection and transparency
76 Innovation and digitalization
77 Data security
79 Financial Crimes Unit
80 Corporate governance
83 Business conduct
85 Human rights
87 Glossary
94 Public Accountability Statement



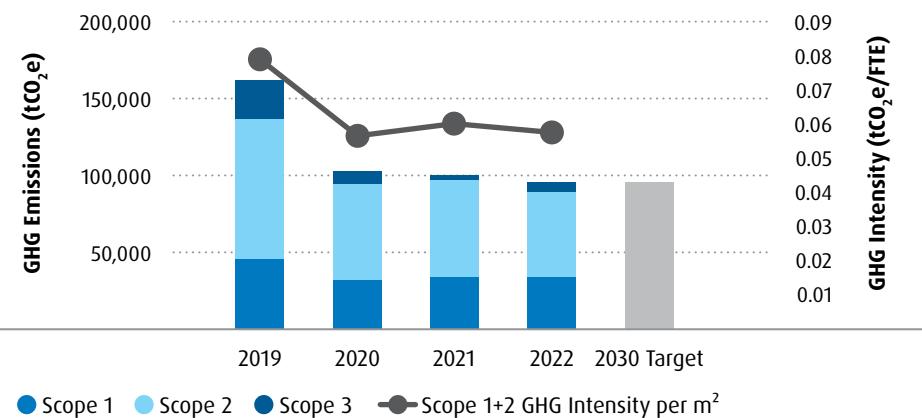
BMO employees are engaged on our environmental policies, guidelines, programs and current initiatives. We also engage with external stakeholders on environmental issues, inviting them to share their concerns and suggestions, which in turn helps inform our decision-making.

Energy and emissions management

We focus on reducing BMO's energy use and associated GHG emissions through our enterprise-wide energy management plan, which prioritizes improvements in operational efficiency and capital upgrades in our corporate real estate portfolio. BMO's operational EMS is aligned with the principles of ISO 14001, and it sets out objectives and targets that align our business operations with BMO's Environmental Policy. Improvements to the system are ongoing.

We track and analyze our Scope 1 and 2 GHG emissions, as well as Scope 3 GHG emissions associated with waste generation and commercial business travel. In 2022, we enhanced our focus on understanding carbon emissions of our suppliers' leading to an important initiative to quantify our Scope 3, Category 1: Purchased Goods and Services data within our supply chain. This work places us in a strong position to disclose these supply chain carbon emissions insights in 2023.

We have set and achieved four successive multi-year enterprise-wide targets for reductions in GHG emissions since 2008. In 2019, we set a new target for BMO: a 30% reduction in Scope 1 and Scope 2 GHG emissions by 2030 from a 2019 baseline, through a science-based approach. We are making progress toward this target by investing in energy-efficient initiatives such as lighting retrofits, operational improvements, heating and cooling infrastructure updates at BMO Data Centres, as well as analyzing building envelope performance. In the period from 2020 to 2022, annual reductions in GHG emissions either reached or came close to our target for 2030. This was primarily a result of the remote working arrangements we put in place during the COVID-19 pandemic. A return to the office could add to our emissions in future years, but we continue to target a 30% reduction from the 2019 baseline. The results of our performance in terms of GHG emissions are verified each year by a third-party.



We have maintained carbon neutrality in our operations every year since 2010. BMO's strategy for sustainable carbon neutrality balances three priorities: promoting energy efficiency and limiting emissions; purchasing renewable energy certificates; and purchasing high-quality carbon offsets. Since 2019, we have achieved our goal of matching 100% of our global electricity use with electricity generated from renewable sources. Maintaining this strategic balance supports the shift to cleaner electrical grids across our operational footprint, driving investment in the renewable energy sector and creating demand to stimulate its growth. We achieved this goal by leveraging solar, wind and low-impact hydro projects in the regions covered by our operational footprint, in amounts that matched our annual global electricity consumption. More details can be found in the [2022 Sustainability Report Data Pack and Glossary](#).

Building design and construction

Our sustainable design and construction guidelines include specifications for energy-efficient operations and outcomes in the construction of BMO's office and retail locations, as well as in renovation projects. We continue to incorporate more sustainable materials in new construction and renovation projects at BMO's facilities. Wherever possible, we purchase building materials that are manufactured locally, as well as materials with recycled content, to reduce our impact on the environment. We choose materials that contain either no volatile organic compound (VOC) elements or very low amounts of those elements, in order to protect the health and comfort of our employees and customers. Additionally, we choose durable, well-made materials with a long lifespan to minimize the amount of waste sent to landfills.

Our guidelines are based on industry best practices identified by the Green Building Councils in Canada and the United States, the International WELL Building Institute and other organizations. We have obtained WELL Health + Safety Rating for all 15 of our major office buildings in North America. By implementing the most appropriate of these best practices, we have been able to improve the energy efficiency of our facilities and increase the health benefits they provide.

We maintain ISO 14001 certification at two BMO office buildings in Canada, and we have achieved Leadership in Energy and Environmental Design (LEED) certifications at many of our office and branch locations around the world. More details can be found in the [2022 Sustainability Report Data Pack and Glossary](#).



- [3 Message from the CEO](#)
- [4 Message from the General Counsel](#)
- [5 About BMO](#)
- [9 Strategy](#)
- [19 Four Focus Areas](#)
 - 20 Determining our priority sustainability topics
 - 21 Engaging our stakeholders
 - 22 Tracking our progress
 - 27 Thriving economy
 - 29 Financial inclusion
 - 38 Sustainable future
 - 40 Sustainable finance
 - 48 Climate change
 - 50 Operational efficiency
 - 53 Sustainable procurement
 - 54 Environmental and social risk management
 - 57 Inclusive society
 - 59 Diversity, equity and inclusion
 - 61 An employee-centric value proposition
 - 67 Community impact
 - 70 Foundation of trust
 - 72 Customer experience
 - 75 Consumer protection and transparency
 - 76 Innovation and digitalization
 - 77 Data security
 - 79 Financial Crimes Unit
 - 80 Corporate governance
 - 83 Business conduct
 - 85 Human rights
- [87 Glossary](#)
- [94 Public Accountability Statement](#)



Working toward zero waste and a circular economy

The circular economy involves using resources wisely. Its overall objective is to retain and recover as much value as possible from those resources by reusing, repairing, refurbishing, repurposing or recycling products and materials. Circular economy principles offer companies a progressive pathway to reach their sustainability goals, reduce exposure to risk in their operations, and advance their environmental and social objectives. We intend to fully integrate circular economy principles into our operations, so that we can make progress toward BMO's sustainability objectives.

Our internal procurement teams have made good progress toward eliminating single-use plastics from BMO's global operations, and are working to identify additional clearly defined carbon reduction opportunities. We also partner with preferred suppliers to repurpose equipment that has reached the end of its useful life in BMO's operations but may still be useful in other contexts, such as schools. This avoids the harmful GHG emissions that would be released by manufacturing new equipment and defers the impact on the waste/recycling stream. Our partners include:

- **Compugen** – an IT service provider, facilitates the environmentally responsible recycling or refurbishment and resale of technology equipment. Compugen's CarbonBank™ program decommissions “end-of-first-life” IT hardware, including smartphones and laptop and desktop computers. Equipment is refurbished for resale in other marketplaces, such as educational districts and small businesses. In return for preventing emissions that would be released in conventional e-waste recycling processes or in manufacturing new IT equipment, carbon credits are generated, which are verified by an accredited third-party. Last year, we generated 7,521 tonnes of carbon credits by repurposing used technology equipment and diverting it away from the waste stream.
- **Teknion** – a Canadian furniture supplier, avoids the disposal of used furniture in landfills through sales, donations to charitable organizations and recycling. It also tracks and reports on the financial, social and environmental impact of the repurposed furniture. To date, BMO has helped avoid the disposal of more than 1,822 metric tonnes of used furniture in landfills – and the release of more than 5,357 metric tonnes of CO₂e – through Teknion's Divert program.

Purpose in action: Project Māmū

Māmū is an Innu word signifying “together” and indicative of a culture that honours learning, language and community.

Our Indigenous Banking team led a unique initiative, known as Project Māmū, to find new homes for a large number of lightly used and refurbished electronic devices from BMO's tech inventory. The project came together when it became clear, in the wake of the COVID-19 pandemic, that access to education is often technology-dependent. During that time, it also became clear that many Indigenous communities are technologically underserved, and in the virtual school environment this can worsen existing educational inequities.

As of 2022, BMO donated over 1,000 iPads, four charging stations and 250 laptops collected from our retail branches, procurement inventory and from BMO's Institute for Learning. Our Indigenous Banking team proudly delivered these devices to over 80 Indigenous communities, schools and educational institutions across the country. While Project Māmū represents just a small part of BMO's corporate giving program, it has had a meaningful impact on the Indigenous communities we serve.



Photography: Matthew Liteplo

Sustainable procurement

Our sustainable procurement program is focused on maximizing the positive environmental and social impacts of our supply chain and purchasing programs, and minimizing any negative impacts.

BMO's Supplier Code of Conduct outlines the standards we expect our suppliers to observe – our standards for integrity, fair dealing and sustainability, including:

- **Responsible business practices** – complying with laws and regulations related to conflicts of interest, anti-corruption and anti-money laundering, and adopting sustainable business practices
- **Responsible treatment of workers** – establishing and following responsible practices in human rights and employment, diversity and inclusion, and workplace safety, security and health.

Our rigorous supplier selection process involves asking questions related to the environmental and social responsibility practices in each company's business operations. The procurement team works with our Sustainability Office to identify and monitor exposure to environmental and social risk within BMO's supply chain.

As part of the Carbon Disclosure Project (CDP) supply-chain program, CDP helps us track the GHG emissions associated with our key suppliers and provides information for calculating our Scope 3 emissions related to the goods and services we purchase. The CDP program helps us detect hot spots of carbon emissions in our supply chain, which will enable us to take action to address those hot spots and advance our sustainable procurement program.

Supplier diversity¹

Integrating diverse suppliers into our supply chain is a priority for our stakeholders – and it helps support a sustainable future for our communities. We are committed to building long-term relationships with diverse suppliers and we want every company to have equal access to business opportunities. We expect our suppliers to provide similar opportunities within their own supply chains.

We have integrated an assessment of supplier diversity into our procurement practices in both Canada and the United States. The BMO Procurement team focuses on inclusion in four areas:

- **Sourcing** – identifying diverse suppliers and including them in competitions to supply a new product or service to BMO, including language in contracts with large suppliers
- **Reporting** – tracking our inclusion metrics consistently and reporting results quarterly to BMO's Enterprise Supplier Diversity Council and Leadership Committee for Diversity, Equity and Inclusion, ensuring visibility at the senior executive level. These metrics include purchases from accredited diverse businesses and purchases as a percentage of addressable procurement spending

¹Businesses are accredited as diverse suppliers based on whether they are owned, managed and operated by individuals who represent diversity; these include businesses owned by women and military veterans, as well as minority, disabled, lesbian, gay, bisexual, transgender and Indigenous groups or individuals.



3 Message from the CEO	53
4 Message from the General Counsel	55
5 About BMO	57
9 Strategy	59
19 Four Focus Areas	61
20 Determining our priority sustainability topics	61
21 Engaging our stakeholders	62
22 Tracking our progress	63
27 Thriving economy	64
29 Financial inclusion	65
38 Sustainable future	66
40 Sustainable finance	67
48 Climate change	68
50 Operational efficiency	69
53 Sustainable procurement	70
54 Environmental and social risk management	71
57 Inclusive society	72
59 Diversity, equity and inclusion	73
61 An employee-centric value proposition	74
67 Community impact	75
70 Foundation of trust	76
72 Customer experience	77
75 Consumer protection and transparency	78
76 Innovation and digitalization	79
77 Data security	80
79 Financial Crimes Unit	81
80 Corporate governance	82
83 Business conduct	83
85 Human rights	84
87 Glossary	85
94 Public Accountability Statement	86

Environmental and social risk management

We aim to manage the impact that environmental and social risks have on our business and operations, and on our clients, employees and suppliers. We regularly assess and integrate these risks into our decision-making processes in order to achieve our sustainability goals.

Environmental and social risk (E&S risk) is the potential for loss or harm, directly or indirectly, resulting from environmental or social impacts or concerns, including climate change related to BMO, our customers, suppliers or clients, and our impact on the environment and society.

Environmental and social factors may give rise to the risk of both direct and indirect impacts over both the short and long term, including but not limited to:

- Climate change
- Pollution and waste
- Energy, water and other resource usage
- Biodiversity and land use
- Human rights
- Diversity, equity and inclusion
- Labour standards
- Community health, safety and security
- Land acquisition and involuntary resettlement
- Indigenous peoples' rights and consultation
- Cultural heritage.

We may indirectly be exposed to financial loss or reputational harm if our customers, suppliers or clients are affected by E&S risk. Our approach to managing E&S risk is part of BMO's Enterprise-wide Risk Management Framework.

In 2022, the Bank introduced and implemented a new Environmental & Social Risk Corporate Policy ("E&SR CP"). The E&SR CP provides the foundation for BMO to more fully integrate environmental and social risk considerations into and across our existing Enterprise-wide Risk Management Framework (ERMF), as well as increase our ability to identify, assess, manage, monitor, and report on environmental and social risk. The E&SR CP further cements the importance the Bank places on the management of E&S Risk, including by: outlining the board's expectation regarding integration of environmental and social risk considerations across the ERMF and noting how environmental and social risk will be articulated in existing policy documents.



3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
19 Four Focus Areas
20 Determining our priority sustainability topics
21 Engaging our stakeholders
22 Tracking our progress
27 Thriving economy
29 Financial inclusion
38 Sustainable future
40 Sustainable finance
48 Climate change
50 Operational efficiency
53 Sustainable procurement
54 Environmental and social risk management
57 Inclusive society
59 Diversity, equity and inclusion
61 An employee-centric value proposition
67 Community impact
70 Foundation of trust
72 Customer experience
75 Consumer protection and transparency
76 Innovation and digitalization
77 Data security
79 Financial Crimes Unit
80 Corporate governance
83 Business conduct
85 Human rights
87 Glossary
94 Public Accountability Statement



The Enterprise Risk and Portfolio Management and Sustainability teams work with the lines of business and Corporate Services to manage BMO's E&S risk and achieve our sustainability goals. They focus on integrating E&S risk into BMO's operational and business decision-making processes, including financing and lending activities, and the procurement of goods and services. The teams regularly report to management committees, forums and Board committees on key developments in sustainability and climate change.

Corporate Audit independently evaluates the quality and effectiveness of internal control, risk management and governance systems and processes within BMO using a dynamic, risk-based plan. Audit results are reported to management regularly; each quarter the Chief Auditor provides audit results to the Audit and Conduct Review Committee together with key themes, trends and views of matters of high criticality to the bank.

We regularly benchmark our practices against international standards such as the International Finance Corporation Performance Standards on Environmental and Social Sustainability and the United Nations Guiding Principles on Business and Human Rights. We keep informed of emerging environmental and social risks, monitoring and responding to the rapidly evolving rule-making activities of regulators and supervisory entities. We participate in programs and consultations related to E&S risk management and disclosure and climate-related litigation trends.

Responsible lending

BMO's Environmental and Social Risk Financing Guideline provides overall direction for identifying, assessing and managing E&S risk in the context of credit risk decision-making. Our Enterprise and Credit Risk Management Frameworks outline our governance and accountabilities, including sectoral issues and activities that require enhanced due diligence, escalations and exceptions. We have sector-specific financing guidelines to help us identify and manage E&S risks in higher-risk sectors and determine how to factor these risks into our decision-making. Social and environmental requirements in transaction agreements are monitored as part of our overall monitoring process. Any policy updates are distributed to relevant employees, and we inform key decision-makers on a case-by-case or issue-by-issue basis when necessary. Our internal audit team periodically conducts audits on BMO operating units, which include assessing compliance with applicable policies and procedures, including those relating to E&S risk management procedures.

Transactions with significant environmental or social concerns may be escalated to BMO's Reputation Risk Management Committee for consideration. We have restrictions in place for lending to companies involved in the sale of firearms and ammunition, or weapons banned by existing international arms control treaties or involving international transfer of military or civilian equipment for military or internal security purposes and business activity affecting UNESCO World Heritage Sites or High Conservation Value Forests. It is the bank's intention to avoid direct financing for any project or transaction that involves exploration or development in the Arctic National Wildlife Refuge (ANWR). In 2021, we introduced a [Statement on Coal Lending](#) that describes our approach to extending credit for transactions that involve thermal coal through BMO's Commercial Banking and Corporate Banking lines of business. BMO will not provide financing as a lender where the proceeds are known to be primarily used to develop a new greenfield coal-fired power plant, thermal coal mine or significant expansion of such plants or mines and will not lend to new clients that operate significant coal mining (>60% of revenue) or coal power generation assets (>60% of output, Megawatt hours (MWh)).

In 2023, we will be reviewing our environmental and social risk policy approach as part of our implementation roadmap and integration of Bank of the West. This will include updating our Statement on Coal Lending, consistent with our Climate Ambition. Further updates will be provided as part of our 2023 disclosure.

We track and report on our lending to carbon-related assets¹ and are implementing the processes for financed emissions quantification and target setting established by the Partnership for Carbon Accounting Financials (PCAF) and the Net-Zero Banking Alliance (NZBA). We also track and report on transactions within the scope of the Equator Principles.

3 Message from the CEO**4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

- 20 Determining our priority sustainability topics
- 21 Engaging our stakeholders
- 22 Tracking our progress
- 27 Thriving economy
- 29 Financial inclusion
- 38 Sustainable future
- 40 Sustainable finance
- 48 Climate change
- 50 Operational efficiency
- 53 Sustainable procurement
- 54 Environmental and social risk management
- 57 Inclusive society
- 59 Diversity, equity and inclusion
- 61 An employee-centric value proposition
- 67 Community impact
- 70 Foundation of trust
- 72 Customer experience
- 75 Consumer protection and transparency
- 76 Innovation and digitalization
- 77 Data security
- 79 Financial Crimes Unit
- 80 Corporate governance
- 83 Business conduct
- 85 Human rights

87 Glossary**94 Public Accountability Statement**

¹ The value of net loans and acceptances connected to the energy and utilities sectors, excluding water utilities, independent power producers, electricity transmission and distribution companies, renewable electricity producers, nuclear electricity producers, and waste management companies. The amount is reported as at the specified date, and is expressed as a percentage of total loans and acceptances, net of allowance for credit losses on impaired loans.



BMO's environmental and social risk rating (ESRR) assessment tools are helping us to more accurately identify, assess and manage our exposure to environmental and social risks in the petroleum, mining, and utilities and power generation sectors, and to better track environmental and social risk issues across our business operations. These assessments support BMO's Purpose, and align with the growing expectations of our stakeholders – shareholders, regulators, customers and employees – and society at large.

About the Equator Principles

The Equator Principles are a voluntary risk management framework for identifying, assessing and managing E&S risk in relation to financial transactions within its scope.

2022 reporting	Category A	Category B	Category C
Project finance Total number reaching financial close	0	4	0

BMO has been a signatory to the Equator Principles since 2005. Additionally, we chair its Social Risk Working Group and sit on its Operations Working Group and Biodiversity Working Group. As part of our commitment, we apply environmental and social screening procedures to categorize and assess projects based on the magnitude of their potential impacts and risks, and we track and report publicly on Equator Principles transactions every year. You can find more information about BMO's transactions in our [2022 Sustainability Report Data Pack and Glossary](#).

You can read more about BMO's approach to climate change in our [2022 Climate Report](#).

Biodiversity

Biodiversity is an issue of concern in the financial services industry, and BMO seeks to support positive outcomes in biodiversity. We continue to be actively involved in the work of the Taskforce on Nature-related Financial Disclosures (TNFD). As a signatory to the UN Principles for Responsible Banking (PRB), we also participate in the UNEP FI PRB Biodiversity Community, which is building the capacity of PRB financial institutions to better support biodiversity protection and restoration.

BMO is also a member of the Equator Principles Biodiversity Working Group. The group includes a number of Equator Principles financial institutions (EPFIs) with a shared interest in best practices and regulations related to biodiversity, and meets on a bi-monthly basis to monitor developments in biodiversity, such as the TNFD and the UN Biodiversity Conference (COP 15).

As a member of the Sustainable Finance Virtual Network (SFVN), BMO leads its Natural Capital working group, which is considering the potential of natural capital from a variety of different perspectives: a market development perspective (whether a market price for nature could emerge, similar to carbon pricing); a regulatory compliance and disclosure perspective; and a fixed-income perspective (whether fixed-income products can be leveraged to enhance biodiversity). The BMO Climate Institute has examined biodiversity and climate datasets for any insights they may offer clients about the opportunities and risks associated with carbon sequestration in agricultural soils.

We are building an enhanced internal capability to identify the impact of our business operations on biodiversity, and to better understand nature-based targets. We are also exploring the integration of biodiversity into our geospatial analytics platform, which is being developed at the BMO Climate Institute. Going forward, we will draw on the new TNFD disclosure framework to help inform our approach to the management of biodiversity risk and any related disclosures.

Listen to [BMO's Sustainability Leaders Podcast](#) on Taskforce on Nature-related Financial Disclosures (TNFD) – A Plan for Integrating Nature into Business

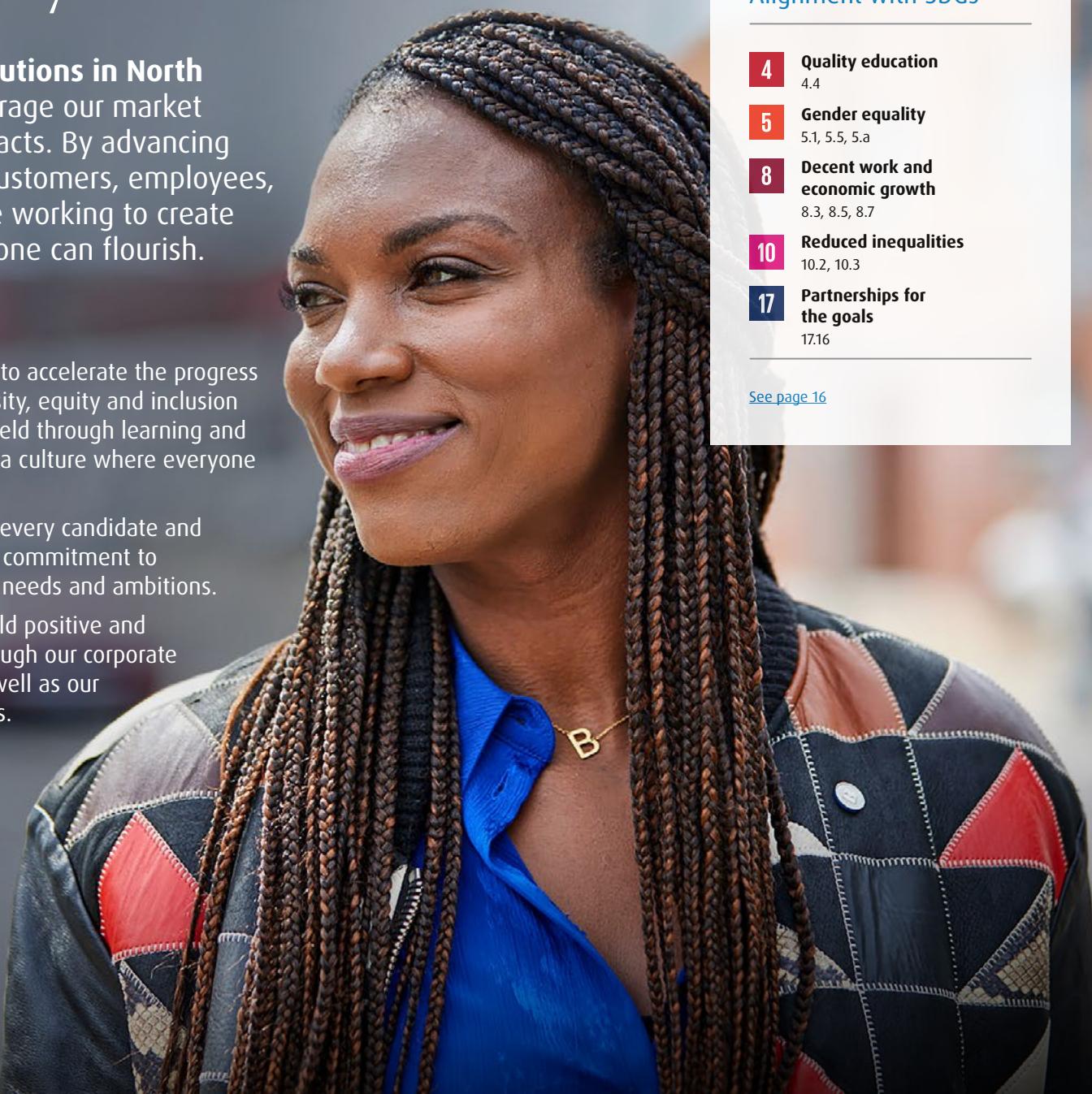


Inclusive society

As one of the largest financial institutions in North America, we believe that we can leverage our market position to support positive social impacts. By advancing equity, equality and inclusion for our customers, employees, stakeholders and communities, we are working to create a truly inclusive society – where everyone can flourish.

What we focus on

- 59** **Diversity, equity and inclusion** – we want to accelerate the progress of our initiatives in support of greater diversity, equity and inclusion for all of our employees, level the playing field through learning and future-focused skill development, fostering a culture where everyone feels respected and heard.
- 61** **An employee-centric value proposition** – every candidate and employee should be able to experience our commitment to them in a way that aligns with their unique needs and ambitions.
- 67** **Community impact** – we are helping to build positive and sustainable change in our communities through our corporate initiatives, donations and sponsorships, as well as our employee giving and volunteering programs.



> Brandi Snape, BMO Capital Markets
Photography: Christian Fleury

Alignment with SDGs

- | | |
|-----------|---|
| 4 | Quality education
4.4 |
| 5 | Gender equality
5.1, 5.5, 5.a |
| 8 | Decent work and economic growth
8.3, 8.5, 8.7 |
| 10 | Reduced inequalities
10.2, 10.3 |
| 17 | Partnerships for the goals
17.16 |

[See page 16](#)

3	Message from the CEO
4	Message from the General Counsel
5	About BMO
9	Strategy
19	Four Focus Areas
20	Determining our priority sustainability topics
21	Engaging our stakeholders
22	Tracking our progress
27	Thriving economy
29	Financial inclusion
38	Sustainable future
40	Sustainable finance
48	Climate change
50	Operational efficiency
53	Sustainable procurement
54	Environmental and social risk management
57	Inclusive society
59	Diversity, equity and inclusion
61	An employee-centric value proposition
67	Community impact
70	Foundation of trust
72	Customer experience
75	Consumer protection and transparency
76	Innovation and digitalization
77	Data security
79	Financial Crimes Unit
80	Corporate governance
83	Business conduct
85	Human rights
87	Glossary
94	Public Accountability Statement

A new start



War. Extreme weather. Food shortages. The past few years have brought with them a series of global crises that have driven record numbers of people to resettle in North America. But building a new life in a new country isn't easy. Newcomers, including refugees, need everything from housing to official documents to language training – not to mention jobs.

In response, BMO developed and launched our Newcomer Talent Program, which helps newcomers find jobs through a personalized recruitment page that makes it easy for jobseekers to introduce themselves to BMO and explore job opportunities in both Canada and the United States.

Yuliia Novolotska, Personal Banker, Central Calgary Branch was an ideal candidate for the program – her master's degree is in finance and banking, as is her work experience. When she and her 15-year-old daughter arrived in Canada in June 2022, she started applying for jobs immediately. "The most important thing for me was finding work," she says. "You need to create a normal, safe life – especially when you have a dependent. Without work, that's impossible." She got a job selling furniture and continued looking for better employment. "Finding work takes work. I applied everywhere, and BMO reached out after receiving my CV. Within a week I did a second interview, and by September I was working at BMO."

Canada aims to take in 465,000 people in 2023, rising to half a million people in 2025. And that's good news; newcomers represent an under-utilized pool of talent to fill available jobs. BMO aims to provide meaningful employment to support newcomers as individuals, as well as to help grow the economy and address labour and skill shortages.

Hiring newcomers is also good business. "It's beneficial for me because I've found work, and beneficial for BMO because there are a lot of Ukrainian newcomers here, and they talk to each other. Everyone knows there is a Ukrainian employee at the downtown BMO branch, and they come to me to get credit cards and open accounts." She adds, "Once they've settled more, they'll open a GIC. They'll start investing. Eventually they'll want a mortgage. I can help them with all of that. Newcomers are a big part of the banking business and it's much easier to attract them as customers when they know someone from home will help them. And when you build relationships like that, those customers will never leave you."

BMO partnered with two specialized employment organizations for this initiative – ACCES Employment in Canada, and Upwardly Global in the U.S. – and the program is earning recognition. "Canada has a long and proud tradition of welcoming newcomers, including the world's most vulnerable," said Hon. Sean Fraser, P.C., M.P., Minister of Immigration, Refugees and Citizenship. "I applaud BMO on this initiative, which will undoubtedly help newcomers achieve success as they settle into their new communities across the country."

"Supporting inclusion by eliminating systemic barriers is fundamental to our Purpose," says Karen Collins, Chief Talent Officer, BMO Financial Group. "Businesses need to step up and make a positive impact, and BMO is helping to lead the way."

With BMO's support, Yuliia is earning her Canadian banking certifications so she can expand her opportunities for the future. "I've had a very positive experience at BMO," she says, "and I'm proud to be part of the team."

**3 Message from the CEO****4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

- 20 Determining our priority sustainability topics
- 21 Engaging our stakeholders
- 22 Tracking our progress
- 27 Thriving economy
- 29 Financial inclusion
- 38 Sustainable future
- 40 Sustainable finance
- 48 Climate change
- 50 Operational efficiency
- 53 Sustainable procurement
- 54 Environmental and social risk management
- 57 Inclusive society
- 59 Diversity, equity and inclusion
- 61 An employee-centric value proposition
- 67 Community impact
- 70 Foundation of trust
- 72 Customer experience
- 75 Consumer protection and transparency
- 76 Innovation and digitalization
- 77 Data security
- 79 Financial Crimes Unit
- 80 Corporate governance
- 83 Business conduct
- 85 Human rights

87 Glossary**94 Public Accountability Statement**

Diversity, equity and inclusion

We are committed to building a workplace that reflects the diversity of the customers and communities we serve, with a culture that inspires all of our employees – where unique backgrounds, perspectives and experiences are celebrated, every person has equal access to opportunities and advancement, and everyone feels they belong and can be their true self.

Who has responsibility

Chief Human Resources Officer and Head of People and Culture, working with the Chief Talent Officer, Chief Inclusion Officer, U.S. Chief Human Resources Officer and BMO's Leadership Committee for Diversity, Equity and Inclusion, an enterprise-wide committee of 25+ senior executives

Overseen by the Executive Committee and the Board's Human Resources Committee

Our commitment

BMO is committed to accelerating the progress of initiatives that support greater diversity, equity and inclusion (DEI) in our workforce, and to achieving meaningful and sustainable change.

Our Leadership Committee for Diversity, Equity and Inclusion is comprised of more than 25 senior executives from across the enterprise. Together with the Diversity, Equity and Inclusion team, the committee establishes strategic priorities and oversees our progress toward our DEI goals – supported by our 11 [Employee Resource Groups](#) and the grassroots efforts of more than 17,000 members.

Our DEI initiatives are aligned with our commitments to the Catalyst Accord, the UN Women's Empowerment Principles, the UN LGBTI Standards of Conduct for Business and the BlackNorth CEO Pledge.

Employee representation

BMO's *Zero Barriers to Inclusion 2025* strategy focuses our support for DEI on three pillars – colleagues, customers and communities. We have set ambitious workforce representation goals, and we hold all leaders, managers and employees accountable for advancing our progress. Workforce representation goals are included in the annual performance objectives of each Group Head. The Performance Committee, which is led by the CEO and includes most of our senior leaders, reviews our workforce representation goals and the key measures of our progress toward *Zero Barriers to Inclusion* at quarterly meetings.



2022 highlights – Diversity, equity and inclusion

Offering more learning opportunities

- Launched *Ujima: Understanding the Black Experience*, to help all employees learn about Black history and culture in the United States and Canada. As at October 31, 2022, 60% of BMO employees had completed *Ujima*.
- Published *Wicikitowin*, BMO's second annual Indigenous Partnerships and Progress Report, acknowledging the achievements and resilience of Indigenous peoples.
- Offered Indigenous digital learning program *Nisitohtamowin ᓴᓇᐤ* as a free public resource for three years in partnership with First Nations University of Canada. Approximately 90% of employees have now completed this course.

Reinforcing our commitment to gender equality

- Pledged \$5 billion over five years to support women business owners in Canada, building on \$2 billion in 2014 and \$3 billion in 2018.
- BMO partners with Plan International Canada and for the fifth year participated in International Day of the Girl activities.

Supporting Black communities and businesses

- Pledged US\$650,000 over five years to support three Black-led organizations in Madison, Wisconsin: the Center for Black Excellence and Culture, the Urban League of Greater Madison's Black Business Hub and the Boys and Girls Club of Dane County's McKenzie Regional Workforce Center.
- Committed \$100 million to launch a new lending program, *Business Within Reach: BMO for Black Entrepreneurs*, offering Black business owners greater access to working capital, educational resources and partnerships.
- Supported BlackNorth Initiative's *Education Within Reach Program* with a \$100,000 investment to help cover tuition for students in the Black community.
- Deepened partnership with the Black Professionals in Tech Network to strengthen BMO's ability to attract and retain talented Black employees.
- Committed \$1.2 million towards educational scholarships over four years through the Black Business Professionals Association.

Supporting new initiatives on employee diversity

- Implemented a *Career Advancement Program* for Black and Latinx employees with high-potential and mid-level talent to help ensure their progression into senior leadership roles.
- Introduced *First Year Early Talent Experience* for new employees in Technology & Operations, providing mentorship, professional development and networking opportunities to advance their career at BMO.

Creating a culture of inclusion for customers

- Established True Name® Mastercard for transgender and non-binary customers, enabling them to use their preferred name across all BMO credit cards without having to formally change their name.
- Launched *BMO Rainbow Deposits* in support of the 2SLGBTQ+ community, donating \$1 to the Rainbow Railroad non-profit for every rainbow deposited.

Diversifying our supplier base

- Provided networking, mentoring and business opportunities through our diverse supplier development program, including a three-hour *Perfecting your Pitch* working session to help suppliers introduce their services to BMO executives.
- Since 2020, our spend on diverse businesses has more than doubled.

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Zero barriers to inclusion	2025 goals	2022 representation
Gender equity in senior leadership roles – enterprise-wide	40%-60%	42.0% 
People of Colour in senior leadership roles – Canada	31%	25.1% 
Black employees in senior leadership roles – Canada	3.5%	1.8%
People of Colour in senior leadership roles – United States	30%	26.5% 
This is a BMO Bold Commitment – see page 8		
Black employees in senior leadership roles – United States	7%	8.1%
Latinx employees in senior leadership roles – United States	7%	3.1%
Indigenous peoples across our workforce – Canada	1.6%	1.4% 
This is a BMO Bold Commitment – see page 8		
Persons with disabilities across our workforce – Canada and United States	5%-7%	5.6% 
2SLGBTQ+ representation across our workforce – Canada and United States	3%	4.3% 

Diversity in senior leadership

We are committed to developing a leadership pipeline that reflects the diversity of our workforce. Each year we identify employees with the potential to assume more senior roles in our organization. We create comprehensive development plans for them as part of BMO's *Leadership Planning* program, which is focused on growing diverse leadership in those senior roles.

Fair pay

BMO strives to provide fair and equitable pay opportunities for our employees. Our commitment to fair pay is foundational to our culture and directly aligned to our Purpose.

Our approach to compensation is based on a comprehensive framework that includes: job evaluation systems that measure and compare jobs using objective criteria; creating salary ranges and bonus targets for employees using third-party compensation data; and clear workplace policies and procedures on how to treat employees fairly.

We regularly assess and adjust our compensation programs as appropriate to make sure we provide fair treatment and equitable pay opportunities for our employees regardless of gender, race or ethnicity. We communicate regularly with our leaders and managers about reinforcing the importance of applying compensation decisions consistently and equitably.

Additionally, we complete gender, race and ethnicity pay analysis and filings for compliance with legislation in Canadian and U.S. jurisdictions, as required. We also participate annually, on a voluntary basis, in key surveys with a fair pay component for our inclusion in the Dow Jones Sustainability Index and the Bloomberg Gender-Equality Index.

 KPMG has provided limited assurance of this figure.

¹ Comparison based on BMO North America employees, excluding those in specialized incentive plans. To ensure a like-for-like comparison, this analysis was based on total direct compensation, inclusive of base salaries and annual incentives, after adjusting for factors such as level, geography and role.

In 2022, we retained a third-party to conduct a statistical review of our compensation programs and assess their outcomes for our North American employees. The review found that overall, women are paid on average 99% of what men are paid in both base salary and total compensation.¹

Average gender outcomes by position level

Position level	Total Compensation: Women relative to Men ¹
Executive (VP/SVP)	100%
Senior Management	98%
Supervisory/Professional	98%
Admin/Operations	100%

Additionally, the review found that overall, People of Colour are paid on average the same as non People of Colour in both base salary and total compensation.¹

Learning and education

BMO's signature DEI learning program, *Learn from Difference*, is focused on building a culture of belonging at BMO and equipping our employees with strategies that help them create a more inclusive environment for their colleagues, customers and communities. The program has two components: one is for BMO's people managers, and the other is for all BMO employees. To date, more than 90% of our employees have completed this learning program, which is also a key part of the onboarding experience at BMO, ensuring new employees understand that it is important for everyone to know they are valued, respected and heard.

BMO's 11 Employee Resource Groups (ERGs) play an active role in building a culture of belonging. These employee-led groups help foster a sense of community and inclusion for members and their allies, and they also plan and advise on important awareness-building activities across the enterprise. The ERGs enable employees to learn from difference, while exemplifying our commitment to inclusion for our customers, communities and stakeholders. They help us build engagement within BMO, connect with the communities we serve, and drive progress toward our enterprise priorities. Most importantly, they advocate for employees, offering safe spaces where everyone can feel comfortable speaking up and being themselves.

Supplier diversity

Mentoring and integrating a diverse range of suppliers into our supply chain has been identified as a priority for our shareholders, customers and employees. Businesses are accredited as diverse suppliers based on whether they are owned, managed and operated by individuals who represent diversity: these include businesses owned by women and military veterans, as well as minority, disabled, lesbian, gay, bisexual, transgender and Indigenous groups or individuals. We expect our suppliers to provide similar opportunities in their own supply chains. Turn to page 53 to learn more.

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement

An employee-centric value proposition



Whether you are a potential employee, a recent hire or well into your career with the company, BMO's Employee Value Proposition conveys why join and stay at BMO. We strive to ensure the promise and the experience resonate with you no matter your stage in life or career.

We lead with purpose, values and culture to deliver personalized and digitally-enabled career experiences that include market leading learning and development. We use market research and candidate and employee feedback to ensure that as talent needs evolve, we are agile and responsive to offer an Employee Value Proposition that attracts and retains diverse top talent across our North American footprint.

BMO's employee value proposition enables our business strategy through an integrated approach to engaging, developing, investing in our people. Anchored by a comprehensive Total Rewards offering, BMO's Employee Value Proposition sets out "Why Work at BMO" and expresses our offer in a way that is meaningful to our people.

Our Employee Value Proposition

We articulate how you should feel when working at BMO

...provide clarity on what you will experience throughout your career

...and support this with a comprehensive Total Rewards offering that is built around you

Who has responsibility

Chief Human Resources Officer and Head of People and Culture, working with the Chief Talent Officer, Chief Inclusion Officer, Chief Total Rewards Officer and BMO's senior leadership team

Overseen by the Board's Human Resources Committee

Inspired and fulfilled

- Shape the future you want to see
- Make tomorrow better
- Do meaningful work
- Make a positive impact
- Drive the future

Valued and heard

- Feel the sense of real belonging and respect that you value
- You belong here
- Be heard
- Have a clear path to success
- Celebrate big ideas

Motivated and empowered

- Build the career you aspire to have
- Part of a winning team
- Keep learning
- Make it your own
- Room to grow
- Learn from the best in the business

Supported in living well

- Experience the balance, support and flexibility you need
- Use flexible work options
- Access to benefits that are customizable for your needs
- Receive investments in your future

BMO's Total Rewards offering is part of our Employee Value Proposition. It includes: fixed salaries and performance-linked incentive awards with higher awards for stronger performance; matched amounts for savings and retirement, share ownership programs that allow everyone at BMO to benefit from the value they help create; a high-value package of benefits and incentives that is further complemented by an extensive total wellness offering.

What it includes

- Talent attraction and retention
- Learning and skills development
- Employee engagement
- Health and well-being



Talent attraction and retention

BMO has built a reputation as a long-standing and respected employer of choice. We attract diverse top talent across a growing footprint of marketplaces in North America. Our growth strategy enables us to offer a wide range of meaningful career experiences, which is promoted by a culture of learning and development and internal first talent movement principles. We use information on the labour market, external trends and employee listening surveys to inform and measure the effectiveness of our talent strategies; ensuring that our Employee Value Proposition continually evolves to maintain our position as an employer of choice.

Attraction

Our Employee Value Proposition articulates how we differ from the competition and is leveraged through talent attraction strategies, programs and experiences.

A complement of talent advisors, business leaders and employee resource groups are active in showcasing BMO's Employee Value Proposition on social and in-person channels. They are sharing employee stories on our career website, highlighting career experiences on LinkedIn, supporting community events and speaking at leadership conferences.

Our innovative and progressive talent acquisition practices evolve regularly to ensure a simple, clear and personal experience is consistently enabling us to find, hire and advance diverse talent to deliver business performance. Our talent acquisition technology platform makes our recruitment processes more transparent and delivers a candidate centric online experience. Diversity hiring goals are integral for hiring managers and managers are equipped to assess the candidate's corporate culture fit. We continue to invest in talent technology platforms to automate, personalize and drive a differentiated experience no matter the level, geography or stage of a person's career.

100%
employees received annual
performance reviews

Over 80%
enrolment in Employee Share
Ownership Program

2022 highlights - Talent attraction and retention

Talent Attraction

- Expanded U.S. footprint with new BMO hubs in Florida, North Carolina and Texas, attracting talent in new marketplaces.
- Introduced *BMO Newcomer Talent Program* for displaced persons, immigrants and refugees to help them find employment opportunities in Canada and the United States. BMO's partners in this initiative are [ACCES Employment](#), a leader in assisting newcomers navigate the Canadian job market and [Upwardly Global](#), dedicated to helping immigrant and refugee professionals restart their careers in the United States.
- Made several base salary adjustments for BMO employees to ensure we maintain a competitive position in the marketplace. This included a second minimum base pay rate increase for BMO U.S. employees in less than one year to reinforce our commitment to their financial progress.

Talent Retention

- Strong progress on commitment to reskill and enhance the digital proficiency of our workforce through our enterprise digital-first talent strategy, which focuses on areas such as Agile, Cloud Engineering and Data & Analytics.
- Launched internal networking and development platform *10 Thousand Coffees* to further enable hybrid work, democratize access to career development and promote our culture through collaboration.
- Significant growth of Employee Resource Groups with over 17,000 employees participating in ways important to them to have impact on our workplace and communities.
- Deepened partnership with Black Professionals in Technology Network Inc. (BPTN) to develop and hire Black talent in the financial services industry. BMO senior executives participate in BPTN's Masterclass events, which offer members insights on important industry topics.
- Continued to introduce programs for employees to participate in BMO's Climate Ambition. In 2022, we launched the BMO Climate Institute Fellowship Program to enable employees to incorporate climate change knowledge into their day-to-day business activities and leverage the diverse set of skills across the bank to support the BMO Climate Institute in achieving its objectives to unlock and advance climate solutions.

Awards

- 2022 Canada's Future Workforce Top Employer Awards – Business category – Top 25
- Best Employer Brand Award (10-30K Employees) at the LinkedIn Talent Awards
- RippleMatch 2022 Campus Forward Award Recipient
- CACEE Excellence in Innovation Award



Retention

A meaningful career is personal and unique to each person. It is a collection of roles and experiences, development and connections.

Our culture of alignment, empowerment and recognition helps top talent build careers that uncovers their unique potential. We proactively amplify our culture – our most vital asset including our Purpose, our commitment to Zero Barriers to Inclusion and our ESG practices. Our talent strategies help employees easily find and access a range of opportunities across BMO. We apply an internal first approach to talent movement and provide resources to managers to engage in regular, meaningful career conversations with employees.

We continue to provide an inclusive workplace post-pandemic that leverages hybrid leading practices in a long-term sustainable way. Workspaces at BMO locations have been designed to inspire collaboration and meaningful connections. They offer employees enhanced flexibility that support their unique needs through our North American footprint. Whether remote, hybrid or in person our strategies support collaboration, learning and well-being – and are aligned with our talent attraction and retention strategies. The variety of ways employees can find the balance and flexibility in the unique ways they work – continues to set BMO apart in the marketplace.

A long-term market-leading culture of learning and performance (see [Learning and skills development](#)), where managers play a key leadership role by providing regular coaching, feedback and recognition, continues to be a strong retention lever for employees as they feel empowered and supported in their career journey. Our focus on recognizing and rewarding individual and organizational performance is designed to help employees reach their full potential and drive business results.

Total Rewards

BMO's Total Rewards offering is a part of our Employee Value Proposition. It includes: fixed salaries and performance-linked incentive awards with higher awards for stronger performance; matched amounts for savings and retirement, share ownership programs that allow everyone at BMO to benefit from the value they help create; a high-value package of benefits and incentives that is further complemented by an extensive total wellness offering. As a top employer with a comprehensive Total Rewards offering, we made meaningful changes to our programs where they can have the greatest impact:

2022 highlights – Total Rewards

- | | |
|---|--|
| Advantages for work and life designed to support employees' unique priorities | <ul style="list-style-type: none"> Mid-year base pay increases were awarded to eligible North American employees in addition to BMO's year-end salary increase program, and in the U.S., our minimum wage was increased to \$20 per hour Free virtual health care for employees and their families was added to our Canadian benefits More paid time away from work with an added week vacation for Canadian employees graded 4-6 with 1-10 years tenure |
| Mental health supports that include preventative and proactive mental wellness tools | <ul style="list-style-type: none"> New therapist-guided, internet-based Cognitive Behavioural Therapy available to all employees through AbilitiCBT and free access to Headspace to our North American employees and up to four friends or family members Announced annual maximums for Mental Health practitioners in Canada will more than double in 2023 Up to five days off each year to observe traditional Indigenous practices and expanded insurance coverage to include eligible Indigenous traditional healing practices and ceremonies |
| Family, parenthood and assistance for employees who choose to grow their families | <ul style="list-style-type: none"> Increased U.S. maternity and parental benefits to 16 weeks starting in 2023 New supports for fertility treatments in Canada as well as surrogacy and adoption support were announced A Virtual Tutoring program for employees' school-age children – to support parents and create opportunities for the next generation, powered by TutorBright – was added to our permanent benefits in North America |
| Zero barriers for all | <ul style="list-style-type: none"> BMO announced gender affirmation coverage in Canada starting in 2023 In June, BMO moved to provide equal access to reproductive health across our U.S. footprint for plan participants, with coverage for admissible travel expenses when access to medical care for these services exceeds 100 miles |

- 20 Determining our priority sustainability topics
- 21 Engaging our stakeholders
- 22 Tracking our progress
- 27 Thriving economy
- 29 Financial inclusion
- 38 Sustainable future
- 40 Sustainable finance
- 48 Climate change
- 50 Operational efficiency
- 53 Sustainable procurement
- 54 Environmental and social risk management
- 57 Inclusive society
- 59 Diversity, equity and inclusion
- 61 An employee-centric value proposition
- 67 Community impact
- 70 Foundation of trust
- 72 Customer experience
- 75 Consumer protection and transparency
- 76 Innovation and digitalization
- 77 Data security
- 79 Financial Crimes Unit
- 80 Corporate governance
- 83 Business conduct
- 85 Human rights



Learning and skills development

Being digital-first and future-ready involves more than investing in technology. BMO is also investing in bold skill development, levelling the playing field for talented individuals from diverse communities, and empowering all employees to build careers at BMO in ways that matter to them.

Through our *Level Up!* program, we are accelerating the development of cutting-edge skills in areas such as cloud computing, data and analytics, agile methodologies, and IT operations. This new program includes targeted skills assessments, AI-driven development plans and on-demand learning.

BMO Forward, our “future of work” learning program, empowers all employees to build the skills they need to succeed in a digital future. The program includes 13 foundational learning streams in data science, cybersecurity, robotics, ethical AI and other topics, along with human skills such as empathy, judgment, resilience and cultural intelligence.

On a wider scale, we create opportunities for employees to learn in every context, enabling them to be better prepared for their jobs, careers, and personal interests – and for the future of work. These opportunities range from bite-sized learning that sparks curiosity to deep reskilling programs that can span many months. The objective is to build future-focused technical and human skills that enhance our employees’ ability to meet risk, ethics, and legal and regulatory expectations and challenges.

Every year, thousands of BMO employees participate in learning programs, conferences, strategy sessions, hackathons and more. *BMO IFL – the Institute for Learning*, our flagship learning and development facility – delivers formal, cohort-based learning programs and immersive experiences, in person and virtually. Through *BMO U*, our mobile digital learning platform, employees have access to a wide variety of videos, articles, courses, podcasts and eBooks, along with opportunities to engage in social collaboration.

We continue to advance our learning technology and data platforms to generate talent intelligence insights that inform decision-making and support the development of skilled talent pools. We are also enhancing the metrics we use to assess the effectiveness of our learning programs, the depth and breadth of employees’ skills, and how learning supports BMO’s overall strategic priorities and key workforce objectives.

BMO IFL is a flagship space for learning, and also a hub for sustainability. The IFL building is ISO 14001:2015 certified, and maintains 100% waste diversion.

2022 highlights – Learning and skills development

Supporting Zero Barriers to Inclusion

- Launched *Ujima: Understanding the Black Experience*, to help all employees learn about Black history and culture in the United States and Canada. This interactive learning experience is the result of two years of research and collaboration, and more than 30,000 employees have already engaged in the program.

Helping employees be digitally enabled and future-ready

- Launched *Climate Change Essentials* learning program to help our employees deepen their understanding of climate change, as well as BMO’s climate commitments to be our clients’ lead partner in the transition to a net-zero world.
- Introduced new *Level Up!* program for 4,000 BMO tech professionals to deepen their digital skills and provide hands-on practice and credentials in cloud-based solutions, data and analytics, and agile IT operations.
- Launched new *Skill Benchmarks* to help employees gain personalized insights and learning recommendations that support their individual development needs, enabling them to keep up to date with BMO customers, identify opportunities and pursue career aspirations.
- Launched *Financial Crimes Unit (FCU) Academy*, an award-winning program that builds future-focused cybersecurity and physical security skills to protect our customers, our business and our reputation against emerging threats. The program includes innovative elements like a virtual escape room challenge, live hacking demonstration and FCU boot camp.

Driving new ways of working and learning

- Expanded hybrid work models to capture both the advantages of working in an office and the benefits of working from home.
- Continued to enable employees to learn anytime and anywhere through mobile, virtual and hands-on experiences. Added a new platform to enable peer-to-peer mentoring and learning with subject experts. Currently, more than 25,000 employees are taking part.

2022 points of progress

1,823,320

hours of learning

19.4 thousand

employees are equipped with future-focused skills.

This is a BMO Bold Commitment – [see page 8](#)

\$67.3 million*

investment in learning and development

93.3%

employees are enabled to learn from difference.

This is a BMO Bold Commitment – [see page 8](#)

* KPMG has provided limited assurance of this figure.



Employee engagement

Activating a high-performing winning culture where employees are highly engaged and mobilized to perform is a strategic priority at BMO. Highly engaged employees contribute to shaping BMO's future, as well as their own – and they can also be actively involved in our community outreach and impact programs.

To deliver on our Employee Value Proposition, we actively listen at BMO. This helps us better understand our employees' perspectives, act on their ideas and input, provide opportunities to develop their skills, and encourage bolder decision-making throughout their careers.

BMO has continued to advance our listening strategy by connecting with employees more frequently. Our senior leadership team, Human Resources leadership team and Human Resources Business Partners have worked together to build a strategy of strategic listening that measures our employees' engagement, experience, ethics and conduct across the enterprise.

Life cycle listening programs help us connect with employees at every stage of the employee life cycle from hiring through learning and as they depart from BMO.

When employees raise concerns about workplace issues, we have processes in place to capture and report that feedback for resolution.

We survey our employees regularly to identify the most effective approaches to raising engagement levels and building a high-performance culture. While assessing our pulse check and life cycle surveys, our Employee Listening team engages vendors and third-party providers to benchmark our results against other global companies and financial institutions. More details are available in the [2022 Sustainability Report Data Pack and Glossary](#).

2022 highlights – Employee engagement

Strengthening employee engagement

- Our second annual Winning Culture Checkup survey showed continued progress on employee engagement, employee experience, winning culture, ethics and conduct and other strategic priorities. BMO's Employee Engagement Index is now 85%, above the Leading Company Benchmark¹.
- Launched New Ways of Working survey to better understand employee experiences in hybrid work environments, including assessments of collaboration, effectiveness and technology.
- Began surveying employees who work in agile team environments to identify and help remove roadblocks through timely feedback to leadership.

Aligning corporate and employee interests

- Ranked in first quartile among global peers in banking and institutional investing on McKinsey's Organizational Health Index – recognition that our workplace culture is creating conditions for sustained performance excellence.

Receiving employee input on critical initiatives

- 82% of employees reported they "have confidence that BMO can achieve its strategic objectives." (2022 Winning Culture Checkup Survey)

85%
employee engagement index

Highlights from the 2022 Winning Culture Checkup Survey²

87%

proud to work for BMO

90%

believe BMO values diversity of thought and inclusion of all people, backgrounds and experiences

91%

feel their experience working at BMO meets their expectations

86%

would recommend BMO's products and services to people they know

¹ Leading Company Benchmark represents the 75th percentile score from leading companies, including financial institutions, who have asked the same question in a minimum of 10 external surveys. The Qualtrics leading company database consists of over 9 million respondents from 613 companies including 10% of the Fortune 500 list.

² This survey comprised 35,000 respondents across BMO, with a 78% response rate.

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Health and well-being

BMO supports flexibility for our employees, because we want them to find the balance that will enable them to thrive – at work and at home.

Recognizing that personal needs related to wellness will be different for every employee, we offer digital solutions that can address each employee's unique needs and help them make progress toward their goals. One of these digital options is a mindfulness app that supports proactive mental resilience, which employees can download to their phones.

We have also amended our [public statement on health and well-being](#) to highlight our commitment to Wellness at BMO. We are implementing virtual fitness programs for employees and introducing Employee Assistance Program services that include total well-being assessments and CareNow, a program that addresses a variety of challenges, such as anxiety, stress, depression, grief, coping, communication and separation or divorce.

Our holistic approach to employee well-being focuses on four key areas:

- Mental wellness – achieving emotional balance in order to function effectively in the face of challenges and stressors
- Physical wellness – balancing healthy nutrition, physical activity, preventative care and rest for optimal health and functioning
- Social wellness – fostering positive relationships and interactions to enhance quality of life
- Financial wellness – managing short-term finances and long-term savings in order to live comfortably and realize financial goals.



We continue to expand our *Total Rewards* offerings for employees – the frame for our Employee Value Proposition – guided by three key principles: market competitiveness; shared responsibility; and managing affordability and risk. Each year, we review our benefits claims, competitive practices and government funding, as well as recent legislative changes and inflation forecasts, in order to determine future plan expenses. We also look for ways to improve our benefits package to better meet evolving needs while ensuring its long-term financial sustainability.

2022 highlights – Health and well-being

Expanding our core wellness initiatives

- Introduced *Virtual Tutoring* program for employees' school-age children to support parents and provide opportunities for the next generation; added to our permanent benefits in North America.
- Provided parental leave exceeding legal requirements: in Canada, employees receive 12 weeks of top-up payments; in the United States, employees are provided with 12 weeks of paid leave.
- Offered wellness resources, tools, education and content through the BMO Wellness Hub.

Championing mental health

- Introduced *AbilitiCBT*, a digital cognitive behavioural therapy program that combines self-paced therapy techniques and virtual consultations with a licensed professional.
- Provided coverage of up to \$3,000 annually for psychological health services in Canada.
- Continued to offer an *Employee Assistance Program* for 24/7 short-term confidential counselling.
- Implemented *BMO Paid* subscription service through Headspace, a mindfulness app – launched in conjunction with World Mental Health Day – that employees can download to their personal devices. The app can cover up to four family members, highlighting our commitment to supporting our employees' mental health and helping them build resilience.

Evolving the ways we work

- Made a variety of health and wellness resources available to help meet diverse employee needs throughout the COVID-19 pandemic.
- Maintained our commitment to health and safety, with a focus on helping employees stay healthy, balance work and family needs, and adjust to new ways of working.
- Offered monthly wellness sessions with expert speakers on a variety of topics (mental health, heart health, sleep), along with meditation, yoga and stretching routines.
- Encouraged the use of our flexible scheduling and vacation benefits to support employees' work/life balance.
- Provided information and resources to employees on topics such as parenting, children's mental health, vaccines, health and safety, and returning to the office.
- 54% of BMO employees in North America (as of September 2022) are now working in hybrid roles, with flexibility that lets them combine in-office and at-home work.



Community impact

BMO has a proud 200-year legacy of making tomorrow better, for our customers and our communities, through our community and employee giving programs. Together with our partners, we work to achieve sustainable solutions that leave lasting positive outcomes on society.

Community giving

Our community giving strategy aligns with BMO's Purpose to Boldly Grow the Good *in business and life*, as well as our commitments to a more sustainable future, an inclusive society and a thriving economy.

Because we believe that we are stakeholders in the success of our communities, we want to focus on areas in which we can have the greatest impact. We also want to be able to define and measure our progress, so that we can engage more effectively as community partners. By gathering and analyzing data, we are better able to make smarter decisions, assess program outcomes and achieve meaningful and sustainable social change.

We look for opportunities to collaborate across sectors and disciplines with partners who share our commitment to delivering new and sustainable solutions to ever-evolving challenges – and to seeding transformational change.

In 2022, a total of \$69 million◆ in donations were made to registered charities and non-profit organizations in Canada and the United States. BMO's corporate donation dollars are assured by KPMG and we undergo an internal audit every three years. Our *Community Giving Operating Procedures* are reviewed annually and updated as needed.

2022 community giving at a glance	% of total
Health and social services (includes hospitals and federated appeals)	42.4%
Arts and culture	20.2%
Education	19.3%
Civic/Community services and economic development	14.2%
Other	3.9%

◆ KPMG has provided limited assurance of this figure.



3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Employee giving and volunteering

BMO employees are enthusiastic about growing the good, volunteering their time and knowledge in the communities we serve to help achieve positive and sustainable change.

Giving back is an essential part of our culture at BMO, and we offer unique opportunities for our employees to support causes they care about – raising funds for Kids Help Phone, United Way and other important organizations. Outside the workplace, our employees also volunteer in local community initiatives, sharing their talents with a variety of non-profits.

We are proud of our reputation as community builders and champions of progress, committed to achieving sustainable positive outcomes on behalf of our customers, employees and communities.

Through our pro bono program and in tandem with local organizations, we continue to offer free legal services to low-income and vulnerable people in our communities. We consider this a vitally important community service that aligns with our Purpose to Boldly Grow the Good *in business and life*. Our program continues to focus on opportunities to provide virtual services, so that we can continue to meet the needs of vulnerable people in our communities, safely and from any location.

2022 highlights – Employee giving and volunteering

Strengthening employee giving capacity

- In our annual *Giving Campaign*, nearly 90% of BMO employees pledged more than \$27 million in funding for more than 9,000 charities across Canada and the United States.
- Employees raised \$1.6 million in the Kids Help Phone 2022 Walk so Kids Can Talk campaign, Canada's largest fund-raising walk in support of children's mental health and well-being.

Reinforcing our social impact

- Measured our social impact with online tracking of our employees' volunteer contributions, both during and outside working hours. In total, BMO employees volunteered 47,000+ hours in 2022 to support their communities.

Continuing our pro bono commitments

- Launched a new pro bono program with the Dallas Volunteer Attorney Program and our Transportation Finance legal team.
- Offered programs in support of Pride Month in June, and hosted training sessions on trans-affirming legal care and name changes. We also supported a 50-state survey to gather information about laws relevant to 2SLGBTQ+ youth.
- Arranged five unique pro bono opportunities in conjunction with Financial Institution Pro Bono Day, including representation for Afghan asylum seekers.

Mentoring and networking for newcomers

- Partnered with Toronto-based Skills for Change to host a virtual panel and mentorship event for newcomers to Canada. BMO employees shared their experience transitioning their careers to Canada, answered questions from participants, and offered advice on networking and job searching.
- Launched the *BMO Newcomer Talent Program* to provide employment opportunities and support in both Canada and the United States.

2022 employee giving and volunteering

47,000+

employee volunteer hours in 2022

\$27 million

total pledged through
BMO Employee Giving Campaign



Sponsorships

BMO's sponsorship program reflects our values – and our commitment to achieving positive outcomes and deeper relationships in the diverse communities we serve.

We proudly support a wide range of sports organizations and community programs in towns and cities across Canada and the United States. We also provide funding for many festivals, cultural events and sports programs that enrich community life. These are social impact activations of our sponsorship properties.

Community impact

We select organizations for BMO's sponsorship program based on community impact and social benefits. From celebrations of youth, culture and the arts (such as imagineNATIVE Film and Media Arts Festival) to events that promote positive social change (such as a Pride and Remembrance Run in Toronto and various events for BMO Celebrating Women), to increasing accessibility (such as supporting the Art Gallery of Ontario Free Youth Access Pass), our sponsorships support organizations working to build stronger, more inclusive communities.

Our premiere event partnerships are with the Calgary Stampede, Vancouver Marathon and Summerfest – the World's Largest Music Festival in Milwaukee. Each of these partnerships helps us meet our commitment to enriching the communities we serve.

Sports impact

Our sponsorships span a wide variety of sports organizations, from professional and collegiate teams to grassroots initiatives that offer children, young people and families an opportunity to experience the positive impact of sports. BMO's team sponsorships include the Chicago Blackhawks and Minnesota Wild in the National Hockey League, and the Milwaukee Bucks and Chicago Bulls in the National Basketball Association. BMO is also a partner of the three Canadian teams that compete in Major League Soccer – CF Montréal, Vancouver Whitecaps and Toronto FC – as well as the Toronto Argonauts in the Canadian Football League.

2022 highlights – Sponsorships

Supporting underprivileged kids

- Supported more than 2,000 young soccer players across Greater Montreal through BMO's Soccer Program. Sponsored Cannes Lion (Bronze) #FanFini GearUp program, which makes the game more accessible through equipment donations. With the participation of 20 BMO branches, more than 8,000 pieces of soccer equipment were collected, refurbished and donated to disadvantaged young players.

Supporting minority-owned businesses

- Collaborated with the Chicago Bulls, Milwaukee Bucks and Chicago Blackhawks in the *BMO EMpower Share the Limelight* program, using our brand marketing assets twice in 2022 to spotlight local minority-owned businesses making a positive difference in their community.
- Provided *BMO EMpower Grants* totalling \$35,000 to nine local minority-owned businesses to support their first year as marketplace vendors during the Summerfest Music Festival in Milwaukee.

Celebrating the 2SLGBTQ+ community

- Sponsored Pride events in communities across North America, including the 26th annual Pride & Remembrance Run in Canada, Blackhawks Pride Night and Chicago Bulls Pride Night, as well as CANFAR, Maison du Parc and The 519. BMO has been a proud supporter of Pride for more than two decades.

Supporting Indigenous vendors and artists

- Supported the 2022 Calgary Stampede's Elbow River Camp vendor program, removing a key barrier for 14 local Indigenous vendors and small business owners by covering their entry fees and enabling them to maximize networking opportunities.





Foundation of trust

Our business is built on a foundation of trust – a trust we work to earn and maintain every day through sound corporate governance, ethical behaviour, business standards and practices, and protection of our stakeholders' data, privacy and security. This foundation, and BMO's culture of accountability, help us deliver on our Purpose – to **boldly Grow the Good in business and life.**

What we focus on

72 Customer experience – We provide solutions for our customers – in the moment, as we engage with them in real time, and at every stage of their journey – deepening our relationships with them over time to earn their loyalty.

75 Consumer protection and transparency – Our consumer protection and transparency practices are designed to support our customers' confidence in the financial decisions they make – and in BMO as their bank. These practices have been further enhanced under the requirements of the Financial Consumer Protection Framework (FCPF) which apply to all Canadian banks.

76 Innovation and digitalization – Our *Digital First* priority uses speed and scale to drive progress for our customers, unlock the power of our employees and drive leading loyalty, growth and efficiency.

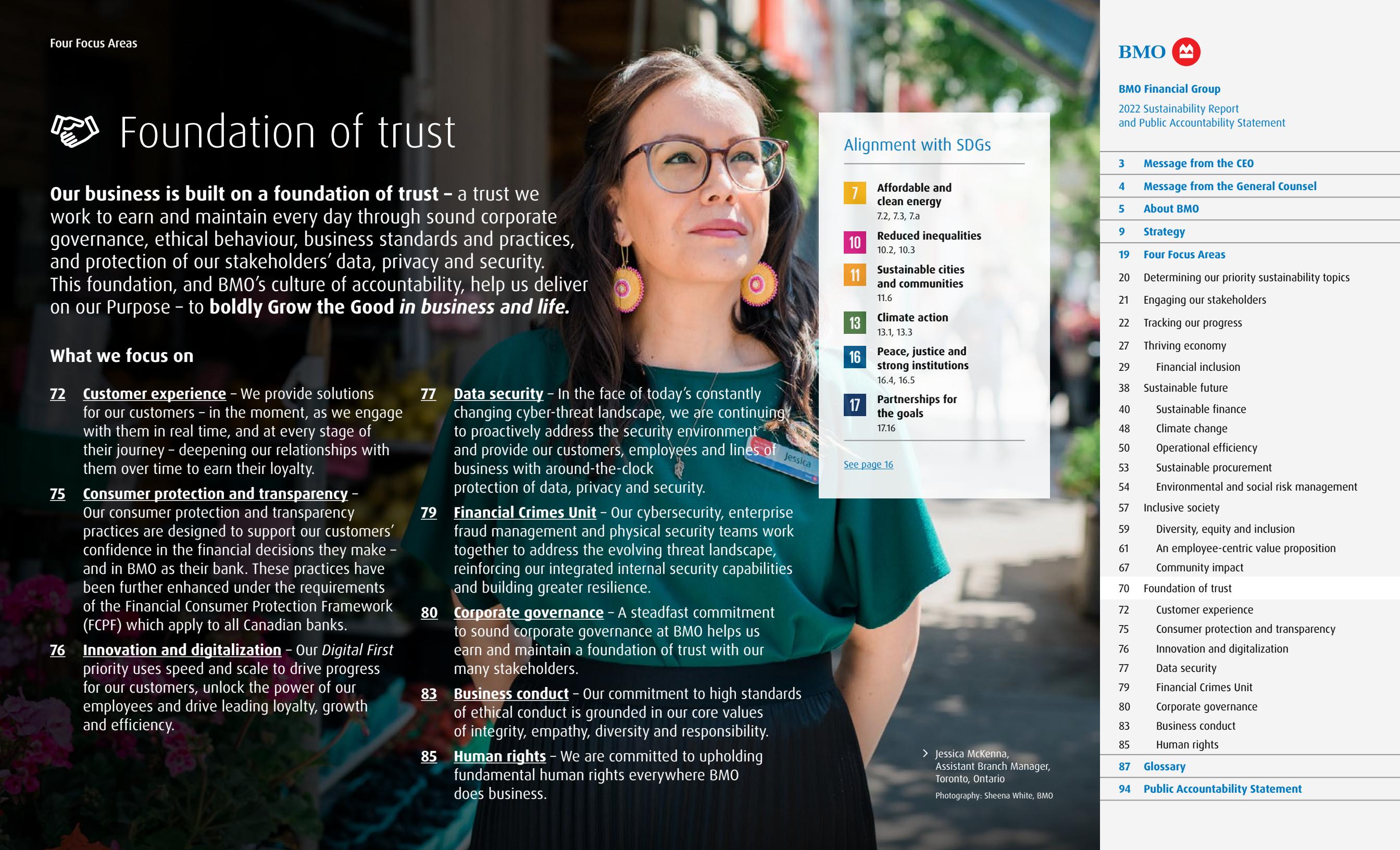
77 Data security – In the face of today's constantly changing cyber-threat landscape, we are continuing to proactively address the security environment and provide our customers, employees and lines of business with around-the-clock protection of data, privacy and security.

79 Financial Crimes Unit – Our cybersecurity, enterprise fraud management and physical security teams work together to address the evolving threat landscape, reinforcing our integrated internal security capabilities and building greater resilience.

80 Corporate governance – A steadfast commitment to sound corporate governance at BMO helps us earn and maintain a foundation of trust with our many stakeholders.

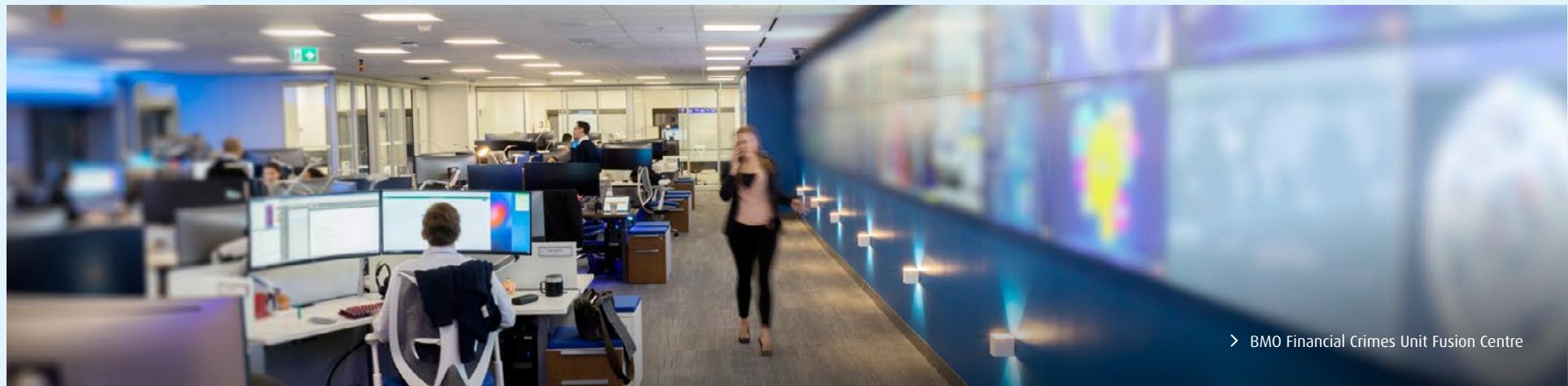
83 Business conduct – Our commitment to high standards of ethical conduct is grounded in our core values of integrity, empathy, diversity and responsibility.

85 Human rights – We are committed to upholding fundamental human rights everywhere BMO does business.

- 
- Alignment with SDGs**
- | | |
|-----------|---|
| 7 | Affordable and clean energy
7.2, 7.3, 7.a |
| 10 | Reduced inequalities
10.2, 10.3 |
| 11 | Sustainable cities and communities
11.6 |
| 13 | Climate action
13.1, 13.3 |
| 16 | Peace, justice and strong institutions
16.4, 16.5 |
| 17 | Partnerships for the goals
17.16 |
- [See page 16](#)
- > Jessica McKenna,
Assistant Branch Manager,
Toronto, Ontario
Photography: Sheena White, BMO

- 3 Message from the CEO**
- 4 Message from the General Counsel**
- 5 About BMO**
- 9 Strategy**
- 19 Four Focus Areas**
 - 20 Determining our priority sustainability topics
 - 21 Engaging our stakeholders
 - 22 Tracking our progress
 - 27 Thriving economy
 - 29 Financial inclusion
 - 38 Sustainable future
 - 40 Sustainable finance
 - 48 Climate change
 - 50 Operational efficiency
 - 53 Sustainable procurement
 - 54 Environmental and social risk management
 - 57 Inclusive society
 - 59 Diversity, equity and inclusion
 - 61 An employee-centric value proposition
 - 67 Community impact
 - 70 Foundation of trust
 - 72 Customer experience
 - 75 Consumer protection and transparency
 - 76 Innovation and digitalization
 - 77 Data security
 - 79 Financial Crimes Unit
 - 80 Corporate governance
 - 83 Business conduct
 - 85 Human rights
- 87 Glossary**
- 94 Public Accountability Statement**

A digitally-enabled education



In an online environment that's quickly and constantly evolving, it's essential for banks to ensure they're doing everything they can to protect their business and their customers.

That's why BMO created the Financial Crimes Unit (FCU) Academy, a cutting-edge, digitally enabled educational program that's the first of its kind in North America. The Academy serves as a key support for BMO's digital-first strategy, as well as our ongoing efforts to attract, retain, and continuously upskill top technical talent in a highly competitive labour market.

Launched in 2021, the FCU Academy is a collaboration between BMO's FCU, Technology & Operations, People & Culture, and BMO Institute for Learning. Its curriculum combines live learning sessions with a broad library of virtual resources that support the FCU's four interdependent pillars: cybersecurity, physical security, fraud prevention, and resilience and integration. It also provides FCU team members with unique career development opportunities, such as a sponsorship program that pairs talented employees with senior leaders for one-on-one coaching, guidance and support.

"The sponsorship program was an amazing experience, allowing me to learn from BMO's top experts and opening doors that I otherwise wouldn't have found," says Ben Walsh, Manager, Strategic Planning & Initiatives for the FCU. "Ultimately, it helped me obtain my Certified Fraud Examiner certification and led me to an exciting new role in Enterprise Fraud Management."

To ensure optimal learning experiences, custom curricula range from traditional classroom sessions to more innovative programming such as simulations, gamification, and FCU Boot Camp, which helps participants improve their skills in technical analysis and critical thinking. Started as a pilot within the FCU, it quickly became a broader offering, with hundreds of employees across the organization taking part. It's a unique opportunity to drive cybersecurity skills throughout the bank, support diverse talent, and deepen understanding and interest in FCU-related careers.

In just one year, the Academy has achieved impressive results. It's provided more than 1,500 continuing professional education hours while generating a huge amount of interest in both further education and roles within the FCU. The hacking simulation has been delivered to over 15,000 employees and customers, helping them identify and protect themselves from cyberattacks. And the program was awarded gold for Best Unique and Innovative Learning Program at the prestigious Brandon Hall Group HCM Excellence Awards.

Helping our employees, customers and communities educate themselves in these critical matters supports BMO's Purpose to Boldly Grow the Good *in business and life*, and furthers our goal to build a high-performance, digitally enabled bank that is ready for the future.

Larry Zelvin, Head of BMO's Financial Crimes Unit, says that the FCU Academy is essential to fulfilling BMO's strategic priority to maintain superior management of risk. "In an uncertain environment, the FCU Academy helps our people develop the future-focused skills they need to protect our clients, our business and our reputation from emerging threats."



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement

Customer experience

We provide solutions for our customers – in the moment, as we engage with them in real time, and at every stage of their journey – deepening our relationships with them over time to earn their loyalty.

We are determined to embed a customer-centric focus in everything we do, so that we can provide a seamless experience for our customers across all channels. This will help us achieve one of BMO's strategic priorities – *world-class loyalty and growth, powered by One Client leadership*.

To achieve this *and at the same time* eliminate problems and barriers to inclusion, we combine advanced digital self-serve customer experiences with our widely recognized advisory capabilities.

Because we recognize that every BMO employee can have an impact on our customers, we are working to embed responsibility for customer outcomes as deeply as possible at BMO. We are raising our employees' awareness of the customer experience with a range of initiatives, including workshops demonstrating the effects BMO's internal processes may have on our customers, as well as our *Think Like the Customer* immersion program and other learning programs that are available to all BMO employees.

All of our lines of business have a role in delivering best-in-class customer experiences – by valuing every customer relationship, providing solutions “in the moment” and acting on customer and employee feedback.

Responding to our customers

The BMO *Voice of the Customer* (VOC) system enables us to gather customer feedback and analyze that data, which informs us of potential trends and emerging issues. Our lines of business act on this feedback to address customer concerns, as well as influence potential product and service improvements and innovations.

The quick email surveys we conduct through VOC also provide insights into improvements we can make to serve our customers better. We incorporate similar surveys into our digital channels, inviting our customers to share feedback on the spot.

We analyze these customer responses and identify any issues that need to be addressed. Our front-line business teams can troubleshoot the issues or escalate them for review and resolution. We aim to continue improving our customers' experience at BMO with positive responses to their constructive feedback.

These responses may involve the introduction of new products and enhanced services, for example: the elimination of BMO U.S. NSF fees and overdraft transfer fees and a reduction in overdraft fees; the launch of *Pre-Authorized Payments Manager* on Mobile Banking to display both past and future payments for our customers' credit card accounts; and the introduction of virtual rooms, where customers can schedule video chats with a Digital Investing Specialist or an Advisor for live demonstrations of our digital platform.

¹ BMO is a shared recipient of the Ipsos 2022 Financial Service Excellence Awards, which are based on ongoing quarterly Customer Service Index (CSI) survey results. Sample size for the total 2022 CSI program year ended with the September 2022 survey wave was 47,940 completed surveys yielding 71,731 financial institution ratings nationally.

² BMO received the highest score in the J.D. Power 2020 and 2022 (tied) Canada Retail Banking Advice Satisfaction Studies of customers' satisfaction with advice and guidance from their primary bank. Visit jdpower.com/awards for more details.



3	Message from the CEO
4	Message from the General Counsel
5	About BMO
9	Strategy

19	Four Focus Areas
20	Determining our priority sustainability topics
21	Engaging our stakeholders
22	Tracking our progress
27	Thriving economy
29	Financial inclusion
38	Sustainable future
40	Sustainable finance
48	Climate change
50	Operational efficiency
53	Sustainable procurement
54	Environmental and social risk management
57	Inclusive society
59	Diversity, equity and inclusion
61	An employee-centric value proposition
67	Community impact
70	Foundation of trust
72	Customer experience
75	Consumer protection and transparency
76	Innovation and digitalization
77	Data security
79	Financial Crimes Unit
80	Corporate governance
83	Business conduct
85	Human rights



Measuring customer experience

We invite feedback through our customer loyalty surveys, digital listening initiatives and customer complaint process. We integrate this feedback into our practices, enhancing the solutions we offer our customers and creating value at every stage of their journey.

The Net Promoter Score (NPS) is the primary metric we use to track and assess our customers' experience. NPS programs are in place across our operating groups and lines of business, including our branches and customer contact centres. We regularly report NPS results to our executive leadership team and Board of Directors, and NPS also serves as a metric for customer loyalty – one of the strategic objectives that determine variable compensation awards for our executives. We also participate in industry studies in order to assess our performance in relation to our competitors.

Our Canadian customer complaint process

If one of our customers in Canada has a concern about their banking, investment or insurance product or experience, we encourage them to share their concern with a BMO representative. If the issue remains unresolved, it will be reviewed by BMO's Customer Complaint Appeal Office (CCAO).

The CCAO looks for ways to improve internal BMO processes and strives to respond to our customers in a fair and timely manner. Team members have been selected for their extensive experience and familiarity with financial services and customer complaints, from the front-line to external resolution

services – they bring a total of more than 60 years of experience in resolving complaints, across many industry sectors and levels of concern.

We have invested significant resources in our Canadian customer complaint handling process, deploying up-to-date technology, streamlining and automating procedures, and providing employees with more extensive training on resolving complaints. These updates are designed to enhance our customer experience and provide us with useful insights from customer feedback. Senior management and the Audit and Conduct Review Committee (ACRC) of the Board actively engaged with the regulator, the Financial Consumer Agency of Canada, and the ACRC reviewed reports on customer complaints. This engagement, combined with our investment in complaint handling, ensures we meet the requirements set out in the new *Financial Consumer Protection Framework*, which was incorporated into the *Bank Act* and came into effect on June 30, 2022.

If we are taking longer than expected to resolve a concern or complaint (within 56 days for banking complaints, within 90 days for investment complaints) or if a customer is not satisfied after receiving a final response from BMO, they can choose to take their concern to an external dispute resolution provider – the Ombudsman for Banking Services and Investments, or the OmbudService for Life & Health Insurance – for further impartial and confidential review.

For more information on the Canadian customer handling complaint process, see [We're here to help: BMO Financial Group Complaint Handling Process](#). For more information on the CCAO and customer complaints, see the Customer Complaint Appeal Office 2022 Annual Report and our [website](#).

Our three-step Canadian complaint handling process

Step 1

Share your concerns

A customer can share their concerns with a BMO representative at a branch or a BMO office, or by calling our Customer Contact Centre. We will respond to the customer, acknowledging that we have received the complaint and will work to address it promptly, efficiently and professionally.

Step 2

Escalate your complaint

If we are unable to resolve a complaint within 14 days of receipt, it is escalated for review by a senior officer of BMO. Customers can also request to have their complaint escalated directly to a senior officer if they are dissatisfied with the initial outcome, or at any time during the process, by contacting the related BMO office or location. A response from a senior officer will be sent as quickly as possible.

Step 3

Appeal your complaint

If a customer is not satisfied with an outcome, they may escalate their complaint to the CCAO at BMO. The CCAO conducts impartial reviews of unresolved customer complaints and attempts to facilitate a resolution. Every complaint is considered carefully and reviewed with fairness, integrity and respect. The appeal process considers the interests of all parties, as well as standard industry practices and applicable BMO policies.

Our U.S. customer complaint process

Our U.S. customer complaint process is also intended to resolve any concerns a customer may have about their banking experience, and to enhance our customers' satisfaction.

Our Complaint Management Customer Advocacy Team provides oversight for fair, consistent and timely handling of feedback and concerns. Team members monitor feedback closely, act as a liaison to resolve complaints, and communicate resolutions to our customers in a timely manner to address their concerns.

The U.S. *Complaint Management Program* consists of four steps: notification, escalation, resolution, and reporting. These steps help us identify and resolve concerns or risks, and they also yield important information that can help us enhance customer satisfaction. We work to resolve each complaint as quickly as possible at the point of initial contact with the customer. However, additional time is needed

in some cases to ensure a fair, accurate and thorough resolution. Our objective is to resolve 90% of complaints within 14 calendar days of receipt.

We continue to examine and enhance our complaint escalation process and strive to meet every customer's expectations and needs, as well as regulatory requirements. The Customer Advocacy Team and our lines of business analyze any data gathered in the complaint process that may indicate customer dissatisfaction. This helps us identify and remedy emerging or recurring concerns related to our products and services, policies and processes, or systems and suppliers. Our management and leadership teams are advised of any emerging trends and risks related to our customers' complaints, as well as our action plans for reducing the number of complaints. They also oversee all key *Complaint Management Program* decisions, risks, policies and governance provisions.



2022 escalated complaints

In Canada, customers that are dissatisfied with the resolution of their complaint may escalate their issue for further review. There are two levels of escalation. In the U.S., an escalation occurs when front line teams trying to resolve a customer complaint seek assistance and further review from other areas in the bank, or if a complaint is sent to a BMO Executive or regulatory organizations outside the bank. In each jurisdiction less than 3% of all complaints were escalated. Third-party financial scams and fraud were leading reasons for escalation in both jurisdictions. Service issues and fees were also significant categories of escalated complaints, particularly in light of rising interest rates and market turmoil. We apply the learnings from complaint reviews to make improvements to our service and offerings. In Canada, a new consumer protection framework was introduced expanding the definition of a complaint and requiring banks to actively advise customers of their right to escalate which was the main contributor to a 66% increase in volume over 2021. U.S. recorded volumes doubled due to changes in process and documentation requirements as a result of increased engagement with the front line.

Canada

Fraud	23%
Quality of service	12%
Fees and charges	7%
Transaction issues	5%
Interest issues	4%
Payment issues	3%
Product features	3%
Chargeback issues	3%
Credit bureau issues	2%
Other	38%

United States

Lending and mortgage-servicing and collection	37%
Fraud	15%
Digital banking issues	7%
Deposit account servicing	6%
Promotional offers on deposit accounts	2%
Maintenance and overdraft/NSF fees	1%
Other	32%

1,086,075

customer loyalty surveys

57

2022 enterprise-wide Net Promoter Score

- [20 Determining our priority sustainability topics](#)
- [21 Engaging our stakeholders](#)
- [22 Tracking our progress](#)
- [27 Thriving economy](#)
- [29 Financial inclusion](#)
- [38 Sustainable future](#)
- [40 Sustainable finance](#)
- [48 Climate change](#)
- [50 Operational efficiency](#)
- [53 Sustainable procurement](#)
- [54 Environmental and social risk management](#)
- [57 Inclusive society](#)
- [59 Diversity, equity and inclusion](#)
- [61 An employee-centric value proposition](#)
- [67 Community impact](#)
- [70 Foundation of trust](#)
- [72 Customer experience](#)
- [75 Consumer protection and transparency](#)
- [76 Innovation and digitalization](#)
- [77 Data security](#)
- [79 Financial Crimes Unit](#)
- [80 Corporate governance](#)
- [83 Business conduct](#)
- [85 Human rights](#)

Consumer protection and transparency



Our consumer protection and transparency practices are designed to support our customers' confidence in the financial decisions they make – and in BMO as their bank. These practices have been further enhanced under the requirements of the Financial Consumer Protection Framework (FCPF) which apply to all Canadian banks.

Who has responsibility

BMO's General Counsel

Overseen by the Board's Risk Review Committee and Audit and Conduct Review Committee

The Customer Complaint Appeal Office provides independent oversight of business activity

BMO's banking and investment offerings comply with consumer protection laws, regulations, voluntary codes of conduct, as well as our public commitments related to the responsible design and sale of financial products and services (see [Business conduct](#)).

The BMO Code of Conduct (see [Business conduct](#)) provides guidance to our employees in the area of consumer protection and transparency. Employees are expected to:

- Get to know their customers and offer products and services that are appropriate for them
- Understand BMO products and services and the rules that apply when selling them, including the need to provide disclosure and obtain customer consent
- Never take advantage of, coerce, impose undue pressure on, or provide false or misleading information to a customer.

Our sales force training programs reinforce these expectations, as do our compensation programs and incentive plans. Some BMO employees are compensated based on, or in part, on sales revenue generated: sales revenue is generally recognized when a customer accepts a service, uses a product, or when account and related fees are billed to the customer, and it may be reversed if a customer cancels a service or does not use a product, or if compensation is paid to the customer in relation to their account. Regular monitoring of our sales force, along with audits and ongoing reviews of BMO policies and procedures, ensures the continued integrity of our consumer protection and transparency practices and provisions.

In all BMO marketing materials and website content – and in any related forms and documents – we use clear and simple language to explain the features of our financial products and services to our customers, while also providing details about costs, fees, risks, limitations and exclusions.

We closely track the results of our customer experience surveys (NPS scores), levels of customer complaints, and customer retention rates. This helps us assess the effectiveness of our consumer protection and transparency practices and provisions.

2022 highlights – Consumer protection and transparency

Finalizing FCPF implementation in Canada

- Implemented a robust program for compliance with all requirements under the *Bank Act* related to the *Financial Consumer Protection Framework (FCPF)*, which came into effect on June 30, 2022. The FCPF set out new obligations and modified existing ones, including:
 - ensuring products/services are appropriate for customers;
 - obtaining express consent for products/services;
 - permitting customers to cancel a product/service within a set period of time;
 - ensuring disclosures provided to customers are clear, simple and not misleading; and
 - ensuring a bank does not take advantage of, impose undue pressure on, or coerce customers for any purpose.

Expanding our use of digitalization

- Accelerated implementation of our *oneSpan* digitalization initiative across the enterprise, optimizing processes and technologies to deliver financial services in a transparent and environmentally sustainable way, while protecting customers' privacy and safeguarding client information.
- Introduced innovative digital solutions, ranging from digital payments for credit card, lending and deposit accounts to Wealth Management services.

Supporting seniors

- Updated the seniors section of our website to include articles about identifying common scams that target seniors and preventing financial abuse of the elderly.
- Incorporated additional information related to seniors in our branch closure notification materials.

Supporting seniors

BMO's "Adherence to the Code of Conduct for the Delivery of Banking Services to Seniors" outlines BMO's commitment to seniors. The statement can be found on our [website](#). Our commitment aligns with the *Code of Conduct for the Delivery of Banking Services to Seniors* (the Seniors Code), which came into effect in Canada on January 1, 2021.

We maintain a dedicated section for seniors on our [website](#), which offers valuable information and resources for seniors, training and guidance for our employees on issues affecting BMO customers who are seniors, and information about cases of suspected financial abuse or fraud committed against seniors.

In our efforts to better support seniors, we regularly review and update our products and services, as well as our communications, to address feedback from the community.

Innovation and digitalization

Our *Digital First* priority uses speed and scale to drive progress for our customers, unlock the power of our employees and drive leading loyalty, growth and efficiency.

Digital is more than just another channel – it's the way we operate. We are focused on:

- Delivering leading employee and customer experiences that power real financial progress
- Driving speed, innovation and efficiency by modernizing our technology platforms
- Attracting and retaining talented people who can transform banking through innovation
- Leveraging data and analytics to empower our people to drive customer growth and deepen relationships
- Protecting BMO and our customers against financial crimes
- Harnessing the potential of emerging technologies

We view partnerships with fintech companies as critical to accelerating the implementation of our digital strategy. Through partnerships, we can combine our strengths as a large financial institution (e.g., distribution, customer relationships, brand, access to capital at a low cost, regulatory expertise, etc.) with the complementary strengths of a fintech company (e.g., nimbleness and agility). BMO also develops the broader fintech ecosystem through the work we do with incubators and accelerators, in addition to our partnership and investment activities.

We track the results of our accelerated engagements closely to ensure we are driving loyalty, growth and efficiency across our customer and client base. Key digital-first metrics include active mobile user growth, digital sales growth, and self-serve transaction and digital transaction growth. More details can be found in the [Data Pack and Glossary of our 2022 Sustainability Report](#).

Pre-Authorized Payments Manager

Our research revealed customers wanted a tool to view all their credit card pre-approved payments and subscriptions in one place to help them better track how they were spending their money as part of their day-to-day finances. We responded by launching a market first in Canada – BMO's Pre-Authorized Payments Manager. BMO is the only bank in Canada that can display details of both past and estimated future payments from a list of authorized merchants per credit card. This 2022 feature complements other digital offerings from the bank including BMO Insights, BMO Cash Track, and Selfie ID – all focused on helping our customers make financial progress.



BMO



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
19 Four Focus Areas
20 Determining our priority sustainability topics
21 Engaging our stakeholders
22 Tracking our progress
27 Thriving economy
29 Financial inclusion
38 Sustainable future
40 Sustainable finance
48 Climate change
50 Operational efficiency
53 Sustainable procurement
54 Environmental and social risk management
57 Inclusive society
59 Diversity, equity and inclusion
61 An employee-centric value proposition
67 Community impact
70 Foundation of trust
72 Customer experience
75 Consumer protection and transparency
76 Innovation and digitalization
77 Data security
79 Financial Crimes Unit
80 Corporate governance
83 Business conduct
85 Human rights
87 Glossary
94 Public Accountability Statement

Data security

Our stakeholders depend on BMO to safeguard their data. In the face of today's constantly changing cyber-threat landscape, we are continuing to proactively address the security environment and provide our customers, employees and lines of business with around-the-clock protection of data, privacy and security.

Information and cybersecurity

We have comprehensive measures in place to protect our business information, respect and safeguard our customers' personal information and privacy, prevent fraud and ensure reliable cybersecurity. We also provide information to our customers about steps they can take to protect themselves.

Our technological infrastructure helps teams work globally – across North America, Europe and Asia – to prevent, detect, respond to and recover from cybersecurity threats and incidents. For example, our Cyber Threat Intelligence and Analytics team gathers and analyzes information from commercial, industry, government and open sources in order to identify and monitor emerging threats. The team regularly conducts "threat hunting" exercises to uncover potentially malicious activity. We also engage external security and software suppliers to supplement our internal resources and technology capabilities, enhancing our capacity to respond to a rapidly evolving incident in the threat landscape.

We continue to invest in building better defensive technology, skills and procedures at BMO. We review and benchmark best practices across the financial services and cybersecurity sectors. We also evaluate the effectiveness of our key internal controls and develop new controls, as needed, supported by ongoing investments in infrastructure and human resources.

Our information security management framework and governance practices align with industry standards, including ISO 27001 and the National Institute of Standards and Technology (NIST) framework. Our information security management system is ISO 27001:2013 certified.

We have developed and implemented a number of policies, standards, procedures and guidelines related to the NIST framework. These are reviewed and updated periodically to ensure they remain relevant and address current and emerging risks, while also complying with any regulatory requirements related to information security. We have achieved our targeted levels of maturity for all identified controls, and we continue to build out our cybersecurity posture in line with cyber-threat intelligence forecasts.

We conduct an annual internal audit of BMO's information security management program and related processes. We also undergo periodic external audits by third-party auditors and regulators, and our cybersecurity metrics and monitoring program incorporates industry best practices.





Privacy

Our customers, employees, shareholders, partners and regulators rely on BMO to protect their privacy. We continue to proactively address the changing regulatory landscape, and our policies, systems and technologies help enable us to identify, manage and mitigate exposure to privacy risk.

Every BMO employee plays a key role in safeguarding our customers' data – and in complying with regulatory requirements related to privacy. Our annual privacy training course is mandatory for all employees, ensuring they understand their obligation to protect our customers' privacy and safeguard their data, as BMO's privacy champions. The course is updated every year to address new regulatory requirements, and provides detailed information on privacy-related incidents and the importance of incident reporting. Our *Code of Conduct* also reinforces the importance of safeguarding customer data.

BMO's Chief Privacy Officer oversees our *Privacy* Office and program, and reports into our General Counsel. Our *Privacy* program sets out policies and procedures for identifying, measuring, managing, mitigating and reporting privacy risk. Incidents involving suspected or actual breaches of privacy must be reported to the *Privacy* Office, which manages BMO's response to these incidents. The *Privacy* Office also monitors key privacy risk indicators, such as the total number of privacy-related incidents and the number of complaints referred to our regulator, and reports on these indicators quarterly to senior management and annually to the Board's Audit and Conduct Review Committee.

The *Privacy* Office provides challenge and risk-based oversight of compliance to ensure that the *Privacy Principles*, *Privacy Code* and applicable privacy laws are being observed in every jurisdiction in which we operate. This risk-based oversight extends to the suppliers that handle our customers' data on our behalf for processing purposes. The *Privacy* Office proactively monitors privacy-related regulatory requirements and their impact on our business operations and privacy practices. This monitoring includes all jurisdictions in which we do business, and embeds our *Global Privacy Principles* in our enterprise-wide management of risk and compliance.

We maintain relationships with national, state and provincial regulators that have oversight of privacy-related performance. Our *Privacy* Office employees are members of the International Association of Privacy Professionals. We also participate in the advocacy efforts of various privacy reform initiatives, in conjunction with associations such as the Canadian Bankers Association, the Bank Policy Institute, the American Bankers Association and the Business Council of Canada. Our Corporate Audit team conducts regular audits of our *Privacy* program to provide reasonable assurance that our program continues to remain compliant with applicable regulations and operates effectively across the enterprise.

1[◆]

substantiated complaint regarding
breaches of customer privacy and
losses of customer data

99.7%

completion rate for *Privacy & Security Responsibilities for Managers*
training course

[◆] KPMG has provided limited assurance of this figure.

Financial Crimes Unit

Our cybersecurity, enterprise fraud management and physical security teams work together to address the evolving threat landscape, reinforcing our integrated internal security capabilities and building greater resilience.

BMO's Financial Crimes Unit (FCU) brings together cyber security, enterprise fraud management, physical security, and resilience and integration capabilities to address the ever-growing threat landscape and security environment.

The FCU's collaborative approach enhances BMO's ability to detect, prevent, respond to and recover from security threats. One of the most important components of the FCU is its Fusion Centre model, which brings together BMO's security-related teams with representatives from the lines of business (Personal and Business Banking, BMO Wealth Management and BMO Capital Markets) and corporate functional groups (Anti-Money Laundering, Communications, Legal & Regulatory Compliance) to create fully integrated security capabilities. The FCU's integrated model fully embodies BMO's *Winning Culture* by championing the values of alignment, empowerment and recognition across all pillars and projects.

The FCU has a global footprint with operations in the United States, Canada, the United Kingdom and Singapore. It operates under a "Follow-the-Sun" model, enabling the team to protect the enterprise as well as clients and employees from security threats on an around-the-clock basis.

The FCU is structured around four security pillars:

- **Cyber Security** develops and implements cybersecurity and data security strategies that protect BMO's operations and customers, and enable the lines of business to operate successfully in an increasingly competitive global environment.
- **Enterprise Fraud Management** (EFM) focuses on leading an innovative fraud prevention program while maintaining an optimal balance among our profitability and containment objectives and the delivery of extraordinary customer experiences.
- **Physical Security** is accountable for the strategic oversight of governance and responsiveness for each *People and Property Protection* program in every jurisdiction in which BMO operates. The team also oversees the provision of security advice and direction to address a dynamic spectrum of threats to tangible and intangible assets.
- **Resilience and Integration** is responsible for providing crisis management communication and coordination capabilities, as well as guidance and oversight on business continuity and disaster recovery programs for the protection of BMO's most critical assets. The team provides a wide range of shared services that support the strategies and operations of all FCU pillars.



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

- 3 Message from the CEO**
- 4 Message from the General Counsel**
- 5 About BMO**
- 9 Strategy**

- 19 Four Focus Areas**
 - 20 Determining our priority sustainability topics
 - 21 Engaging our stakeholders
 - 22 Tracking our progress
 - 27 Thriving economy
 - 29 Financial inclusion
 - 38 Sustainable future
 - 40 Sustainable finance
 - 48 Climate change
 - 50 Operational efficiency
 - 53 Sustainable procurement
 - 54 Environmental and social risk management
 - 57 Inclusive society
 - 59 Diversity, equity and inclusion
 - 61 An employee-centric value proposition
 - 67 Community impact
 - 70 Foundation of trust
 - 72 Customer experience
 - 75 Consumer protection and transparency
 - 76 Innovation and digitalization
 - 77 Data security
 - 79 Financial Crimes Unit
 - 80 Corporate governance
 - 83 Business conduct
 - 85 Human rights
- 87 Glossary**
- 94 Public Accountability Statement**

Corporate governance

A steadfast commitment to sound corporate governance at BMO helps us earn and maintain a foundation of trust with our many stakeholders. Our high standards of governance align with emerging best practices, meet or exceed any legal or regulatory requirements that apply to BMO, and foster a culture of ethical and responsible conduct.

Who has responsibility

BMO's Board of Directors

What it includes

- About the Board of Directors
- Sustainability governance

About the Board of Directors

Sound corporate governance is integral to BMO's long-term health and sustainability.

The board's primary role is to provide stewardship on behalf of all BMO stakeholders, set a general direction for the business, and bring an independent perspective and broad experience to its oversight of BMO and its operations. The board has four committees that help it carry out its responsibilities: Audit and Conduct Review Committee, Governance and Nominating Committee, Human Resources Committee, and Risk Review Committee. Each committee is led by an independent chair, and all committee members are independent directors.

Building an effective board

Good governance starts with the board of directors. Consistent with best practices for the composition and structure of a board, we strive to recruit well-informed candidates with diverse backgrounds and relevant experience, and independence from management. We believe this approach leads to better decision-making and more effective oversight that will ensure BMO's success.

BMO's board is currently composed of 13 qualified and experienced directors. All of our directors are independent except Darryl White, our CEO. Under the *Bank Act* (Canada), the CEO of BMO must be a member of the board.

**3 Message from the CEO****4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary**94 Public Accountability Statement**



Increasing employee participation in board decision-making

The board values feedback from all BMO stakeholders – none more valuable than from our own employees. This past year, we explored new ways to increase the employee voice in board decisions about the things that matter most to them: workplace culture, BMO's Total Rewards philosophy, and our commitment to health, well-being and safety, sustainability and more.

In addition to benchmarking BMO's workforce engagement practices against industry leaders, we took stock of the ways our employees already participate in strategic decision-making. The following initiatives help us understand our employees' perspectives, act on their ideas and input, and deliver on our Employee Value Proposition:

Our employee listening tools and survey programs are the main ways we connect with employees. We regularly conduct surveys – such as the Organizational Culture Index survey and the Winning Culture Check-up (AWCC) – to measure employee engagement. The AWCC measures the degree to which the employee experience meets expectations on diversity and other strategic priorities; their perspective on ethics and conduct within the organization; and their perception of management's behaviour to drive our winning culture of alignment, empowerment, and recognition.

We globally benchmark and report survey results to the board, sharing employee insights on what we are doing well and areas of improvement or opportunity. New Hire, New Ways of Working (NWOW), Learning and Exit surveys and in-person listening sessions using Ten Thousand Coffees are other ways we hear from employees throughout the various stages of their career. Insights from these tools allow us to further our commitment to career experiences, developing our employees' skills for the future of work and building leaders to lead in a constantly changing environment. The Human Capital strategies and tactics built using the insights collected are taken to the board for review.

Our Employee Resource Groups (ERGs) drive employee engagement from a grassroots level and are a key enabler of diversity and inclusion at BMO. The 11 ERGs, each of which is sponsored by a senior BMO leader, drive organizational change, inclusion, psychological safety and provide input to programs that support equity-deserving colleagues. We provide an annual report to the Human Resources Committee of the Board highlighting the accomplishments of the ERG program, as well as opportunities for growth.

Diversity, Equity and Inclusion Councils are embedded in each line of business with a mandate to drive a culture of inclusion through initiatives and feedback. Each council has an integrated approach which aligns to the enterprise Leadership Committee for Diversity, Equity & Inclusion.

Our Speak-Up program encourages employees to report their concerns if they learn of or suspect anything that may conflict with our Code of Conduct including laws, regulations, BMO policies or procedures. There are many ways for employees to speak up including consulting with their manager, contacting the BMO Whistleblower complaints program, or reaching out to the Employee Relations team.

Our Employee Share Purchase and Ownership programs offer employees, as owners of bank stock, the opportunity to have a vote in board membership, shareholder proposals and other votes brought forward by management. This is one of the most direct voices our employees have on how our board is performing and the decisions it is making.

Networking huddles, townhalls, listening sessions and various committees also provide opportunities for executives, managers and employees to learn from one another. We will continue to actively listen to and deepen our engagement with employees, providing them with opportunities to impact BMO's strategic priorities and decision-making.

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary

94 Public Accountability Statement



Sustainability governance

We have embedded our sustainability commitments and strategy within our governance structure. Responsibility for sustainability issues falls within the mandates of the Board of Directors and its committees.

BMO's General Counsel is the Executive Committee sponsor for sustainability. The General Counsel reports directly to the CEO and is accountable for legal and regulatory risk, reputation risk, business conduct and ethics and sustainability.

BMO's Chief Sustainability Officer (CSO) reports to the General Counsel. The CSO oversees our sustainability strategy and leads bank-wide initiatives on environmental and social risk, climate change strategy, operational sustainability and the bank's own approach to sustainable finance with Treasury and our Sustainable Finance team. The CSO is also responsible for Environmental, Social and Governance (ESG)-focused investor relations and sustainability-related disclosures.

The General Counsel chairs an ESG Executive Committee, established in 2022 (building on the previous mandate of the ESG Executive Forum), which serves as a decision-making and oversight committee on sustainability and climate topics. It is comprised of members of the Executive Committee, including our CSO, Chief Risk Officer, Chief Financial Officer and Chief Strategy and Operations Officer, as well as the CEO and Group Head of BMO Capital Markets and the Special Advisor to our CEO on ESG matters. Other members of the Executive Committee are invited as appropriate. The ESG Executive Committee discusses strategy, risk management, policies, resourcing and new developments related to ESG issues, and helps coordinate enterprise-wide ESG initiatives and proposals.

How the Board oversees sustainability matters

Board of Directors	Audit and Conduct Review Committee	Governance and Nominating Committee	Human Resources Committee	Risk Review Committee
Board mandate	Committee charter	Committee charter	Committee charter	Committee charter
<ul style="list-style-type: none"> Promotes a culture of integrity, sets general direction and alignment with Purpose, and oversees compliance with our Code of Conduct Develops our approach to corporate governance, including policies that define specific authorities Oversees the strategic planning process and its implementation Oversees risk management, internal controls and organizational structure Oversees communications and public disclosure, including the reporting process Oversees key leadership succession planning. 	<p>Oversees issues related to:</p> <ul style="list-style-type: none"> Integrity of financial reporting Effectiveness of internal controls Qualifications, independence and performance of the independent auditors Transactions involving related parties, conflicts of interest and confidential information Standards of ethical business conduct Sustainability governance and disclosure, including as related to climate change External assurances and attestations regarding sustainability metrics oversight Compliance with legal and regulatory requirements. 	<p>Oversees issues related to:</p> <ul style="list-style-type: none"> Governance principles and guidelines Board composition, including performing public searches and retaining independent recruitment firms to identify qualified diverse candidates Director development, assessment and succession planning Director compensation Subsidiary oversight Coordination of effective committee oversight Allocation of ESG matters amongst the board and its committees. 	<p>Oversees issues related to:</p> <ul style="list-style-type: none"> Human resources strategies Talent development, retention and succession planning Employee diversity, equity and inclusion and health and well-being Compensation principles and policies oversight and their alignment to risk management and sustainability, and governance CEO and senior executive appointment and compensation Builds links between executive pay, BMO's strategic priorities and priority sustainability issues. 	<p>Oversees issues related to:</p> <ul style="list-style-type: none"> Risk appetite framework and governance Management of the Bank's environmental and social risks, including climate change Identification and management of risk Adherence to risk management corporate policies Compliance with risk-related regulatory requirements.

- 3 Message from the CEO**
- 4 Message from the General Counsel**
- 5 About BMO**
- 9 Strategy**
- 19 Four Focus Areas**
 - 20 Determining our priority sustainability topics
 - 21 Engaging our stakeholders
 - 22 Tracking our progress
 - 27 Thriving economy
 - 29 Financial inclusion
 - 38 Sustainable future
 - 40 Sustainable finance
 - 48 Climate change
 - 50 Operational efficiency
 - 53 Sustainable procurement
 - 54 Environmental and social risk management
 - 57 Inclusive society
 - 59 Diversity, equity and inclusion
 - 61 An employee-centric value proposition
 - 67 Community impact
 - 70 Foundation of trust
 - 72 Customer experience
 - 75 Consumer protection and transparency
 - 76 Innovation and digitalization
 - 77 Data security
 - 79 Financial Crimes Unit
 - 80 Corporate governance
 - 83 Business conduct
 - 85 Human rights
- 87 Glossary**
- 94 Public Accountability Statement**

Business conduct

Our commitment to high standards of ethical conduct is grounded in our core values of integrity, empathy, diversity and responsibility. Our reputation in the financial sector and the global economy depends on how we behave with all stakeholders – our customers, communities, shareholders, suppliers and employees.

People choose to do business with BMO because we have earned their trust. We work hard to maintain this trust, and everyone associated with BMO is expected to play a part in its protection. We are committed to doing the right thing – always – and we consider the impact our business decisions have on our stakeholders and the communities in which we do business.

BMO's *Code of Conduct* (the Code) sets out the principles and performance standards that guide us to do the right thing as we deliver great experiences for BMO's customers. The Code is our guide to ethical conduct, and its principles are not negotiable.

Five principles of our *Code of Conduct*:

1 Be honest and respectful	2 Be alert to behaviour contrary to the Code	3 Be true to the letter and spirit of the law	4 Be conscientious about security	5 Manage conflicts of interest
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The Code applies to all directors and employees of BMO Financial Group and its direct and indirect subsidiaries around the world. All BMO employees must complete our *Ethics, Legal and Compliance Training* (ELCT) program every year. We supplement this program with relevant and informative communications, articles and other resources available on our intranet site. Every year employees must confirm they have read, understood, complied with, and will continue to comply with, the Code.

Our *Supplier Code of Conduct* sets out the standards we expect all BMO suppliers to meet – our standards for integrity, fair dealing and sustainability. Our *Supplier Code* is updated every two years to address evolving trends, concerns and legislative requirements. BMO's [Code of Conduct](#) and [Supplier Code of Conduct](#) are available on our website.

**3 Message from the CEO****4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary**94 Public Accountability Statement**



Fostering an ethical culture

Leadership, accountability and training, as well as effective communication and performance management, all support a culture of ethical conduct. BMO has frameworks in place to address specific risks or business practices:

- Risk and reputation management
- Fraud governance
- Sales practices
- Compliance management
- Speaking Up
- Culture and employee misconduct
- Incentive management
- Supplier risk assessment

BMO has zero tolerance for bribery or corruption involving our employees or third-party partners. Our Anti-Corruption team is responsible for the BMO *Anti-Bribery and Anti-Corruption* program and works to ensure our employees' compliance with anti-bribery and anti-corruption laws, identify and avoid corrupt activities, and report any suspicion of illegal behaviour.

In our risk assessment process, we evaluate new business initiatives prior to approval, looking for any opportunities they offer for potential misconduct. We have also centralized our supervision of conflicts of interest, limiting the risk of misconduct related to personal trading in securities and other outside business activities.

Promoting ethical industry best practices

We are committed to maintaining the integrity of the global markets in which BMO operates. Our Legal & Regulatory Compliance team provides guidance, advice and resources to help our business operations comply with all applicable legal and regulatory requirements and industry best practices. BMO has participated in the development of, and is committed to, additional Voluntary Commitments and Codes of Conduct for the protection of consumers, which are posted on our [website](#).

Benchmarking and evolving our practices

We regularly evaluate the effectiveness of our practices through self-assessments, benchmarking against industry peers and best practices, an annual external audit of BMO's Sarbanes-Oxley (SOX) controls related to the Code and Whistleblower Channel, and our internal audits and employee surveys. Based on these evaluations, we adapt and advance our practices, as needed.

99.7%

of employees completed ethics training course

99.7%

of employees completed *Anti-Bribery and Anti-Corruption* training course

We define misconduct as any behaviour that falls short of legal, professional, internal conduct and/or ethical standards. Misconduct conflicts with the Code and could harm BMO's reputation, stakeholders or other individuals or groups.

Committed to doing what's right

Speaking up helps us sustain an ethical culture and supports our Purpose to Boldly Grow the Good *in business and life*. The Code requires vigilance from all of us, and encourages employees to speak up and do the right thing.

Employees are:

- **Expected to be alert.** They should be alert to possible violations of the Code, including legal and regulatory requirements that apply to BMO.
- **Encouraged to speak up.** They can discuss a concern with their manager first, or with their manager's manager. They can also use our *Speak Up!* resources or the reporting channels outlined in the Code.
- **Protected from retaliation.** They can be candid without fear of retaliation.

There are multiple channels at BMO through which employees can raise questions, share feedback and report concerns without fear of retaliation, including Employee Relations, Global Investigations and the Ethics Office, as well as our *Speak Up!* whistleblower reporting service for anonymous reporting.

Whistleblower Channel: In alignment with our commitment to doing the right thing, our *Whistleblower Channel* enables anyone inside or outside BMO to report suspected misconduct that involves BMO or one of our service providers. Concerns can be raised to our Ethics Office directly via email, or they can be shared through the *Speak Up!* whistleblower reporting service, which is operated by an independent company and enables secure, confidential and anonymous reporting, 24 hours a day, seven days a week, in multiple languages.

We know that our employees feel empowered by *Speak Up!* because we regularly receive reports from them through our *Whistleblower Channel*. Many of these are from employees who are voicing their opinions, asking questions, or sharing their feedback about BMO's policies, products or positions on topical issues. We also receive allegations of misconduct that we refer for investigation. Every report of misconduct is reviewed, and if confirmed, is followed by consequences ranging from coaching to termination, as appropriate. Even if an allegation is not confirmed, we may view the situation as an opportunity to emphasize our expectations for ethical conduct or to improve our policies or processes.

You can visit our whistleblower information page at [BMO Whistleblower Hotline](#).

3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
19 Four Focus Areas
20 Determining our priority sustainability topics
21 Engaging our stakeholders
22 Tracking our progress
27 Thriving economy
29 Financial inclusion
38 Sustainable future
40 Sustainable finance
48 Climate change
50 Operational efficiency
53 Sustainable procurement
54 Environmental and social risk management
57 Inclusive society
59 Diversity, equity and inclusion
61 An employee-centric value proposition
67 Community impact
70 Foundation of trust
72 Customer experience
75 Consumer protection and transparency
76 Innovation and digitalization
77 Data security
79 Financial Crimes Unit
80 Corporate governance
83 Business conduct
85 Human rights
87 Glossary
94 Public Accountability Statement

Human rights

We are committed to upholding fundamental human rights everywhere BMO does business.

We have made a commitment at BMO – to our customers, employees, communities, shareholders and other stakeholders – to respect human rights across our business operations, including our supply chain and our responsible investing activities.

Every person is entitled to human rights, including the right to life and liberty, freedom from slavery and torture, freedom of opinion and expression, and the right to education and employment.

BMO supports the *Protect, Respect and Remedy* Framework of the United Nations Guiding Principles on Business and Human Rights (UNGPs), as endorsed by the UN Human Rights Council. The framework rests on three principles: every state's duty to protect human rights; corporate responsibility for respecting human rights; and greater access to effective remedies for victims of business-related abuse. We strive to integrate these principles into our enterprise-wide governance of business practices and operations.

We conduct due diligence in various contexts to identify, assess and mitigate actual and potential adverse human rights impacts, and we are prepared to act on our findings. We engage with external stakeholders to improve human rights practices across the financial services industry, including our own practices. Our stakeholders can seek access to remedies for perceived human rights violations through multiple channels, including BMO's Ethics and Conduct Office, our CCAO and the Office of the CSO.

Our approach to managing human rights is outlined in BMO's *Statement on Human Rights, Code of Conduct, Supplier Code of Conduct, and Statement Against Modern Slavery and Human Trafficking*. Through these codes, policies and practices, we affirm BMO's support for the International Bill of Human Rights, the United Nations Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights, and the principles of the eight International Labour Organization core conventions.

**3 Message from the CEO****4 Message from the General Counsel****5 About BMO****9 Strategy****19 Four Focus Areas**

20 Determining our priority sustainability topics

21 Engaging our stakeholders

22 Tracking our progress

27 Thriving economy

29 Financial inclusion

38 Sustainable future

40 Sustainable finance

48 Climate change

50 Operational efficiency

53 Sustainable procurement

54 Environmental and social risk management

57 Inclusive society

59 Diversity, equity and inclusion

61 An employee-centric value proposition

67 Community impact

70 Foundation of trust

72 Customer experience

75 Consumer protection and transparency

76 Innovation and digitalization

77 Data security

79 Financial Crimes Unit

80 Corporate governance

83 Business conduct

85 Human rights

87 Glossary**94 Public Accountability Statement**



Our human rights priorities

To uphold our commitment to respect fundamental human rights, BMO proactively identifies and assesses potential human rights impacts and risks. These are regularly reviewed through stakeholder engagement activities, and systematically through our sustainability materiality assessment process. We have identified the human rights areas most salient for each of our key stakeholder groups as follows:

	Employees	Customers	Supply chain	Responsible investing
Diversity and inclusion (see page 59)	✓	✓	✓	✓
Health and safety (see page 66)	✓	✓	✓	✓
Information security and privacy (see page 77)	✓	✓	✓	
Anti-human trafficking and anti-modern slavery (see our Statement Against Modern Slavery and Human Trafficking)		✓	✓	✓
Anti-bribery and anti-corruption (see our Statement on Anti-Bribery and Anti-Corruption)		✓	✓	
Indigenous peoples (see page 15)	✓	✓	✓	✓
Environmental and social risk (see page 54)		✓	✓	✓

Finance Against Slavery and Trafficking (FAST)

Finance Against Slavery and Trafficking (FAST) is a multi-stakeholder initiative, based at the United Nations University Centre for Policy Research, that is working to mobilize the financial sector against modern slavery and human trafficking. According to [FAST](#), an estimated 40 million people are living in conditions of modern slavery, despite a global ban on such practices. Because the financial sector is so intertwined with the economy, we have a unique opportunity to address modern slavery and human trafficking.

BMO joined the FAST program in 2020, and we actively participate in the ongoing meetings conducted by the Liechtenstein Initiative (FAST Commission). We have implemented FAST's shared collective-action framework, which serves as a roadmap for the financial sector and its stakeholders to demonstrate

their commitment to ending modern slavery and human trafficking. As part of BMO's commitment to the program, we have established formal relationships with the Salvation Army in Chicago and United Nations University to assist in opening bank accounts for survivors and to provide counsel on accessing the financial services they may need. We have also established relationships with law enforcement agencies in order to obtain information on human trafficking trends and patterns, and we offer our employees ongoing training on identifying patterns related to human trafficking. In addition, we are implementing target query controls that will help identify human trafficking activity. You can download a copy of our statement at [BMO's Statement Against Modern Slavery and Human Trafficking](#).

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

- 20 Determining our priority sustainability topics
- 21 Engaging our stakeholders
- 22 Tracking our progress
- 27 Thriving economy
- 29 Financial inclusion
- 38 Sustainable future
- 40 Sustainable finance
- 48 Climate change
- 50 Operational efficiency
- 53 Sustainable procurement
- 54 Environmental and social risk management
- 57 Inclusive society
- 59 Diversity, equity and inclusion
- 61 An employee-centric value proposition
- 67 Community impact
- 70 Foundation of trust
- 72 Customer experience
- 75 Consumer protection and transparency
- 76 Innovation and digitalization
- 77 Data security
- 79 Financial Crimes Unit
- 80 Corporate governance
- 83 Business conduct
- 85 Human rights

87 Glossary

94 Public Accountability Statement

Glossary

2SLGBTQ+

2SLGBTQ+ refers to individuals who identify as two-spirit, lesbian, gay, bisexual, trans man, trans women, queer, pansexual, X, asexual, non-confirming and other.

2SLGBTQ+ representation across our workforce

The number of BMO employees who identify as 2SLGBTQ+ as a percentage of BMO's total workforce. Includes all permanent employees as well as all active employees and employees on paid leave at BMO Financial Group. The number is reported as at the specified date and is reported for Canada and the United States.

Active digital users

The number of deposit customers (Canada) or retail deposit customers (United States) who logged into digital banking in the last 90 days.

Age

Some employee-related data is categorized by generational age bands based on year of birth:

- Gen Z: 1996 or after
- Millennial: 1980 to 1995
- Gen X: 1966 to 1979
- Boomers: 1946 to 1965
- Pre-Boomers: Before 1946

Anti-Bribery and Anti-Corruption training

The percentage of employees who completed the Anti-Bribery and Anti-Corruption course of the annual Ethics, Legal & Compliance Training (ELCT) program. Reported for all BMO employees with an "active" status, as well as covered contingent talent.

Average learning hours per full-time equivalent employee

The total enterprise hours of learning (refer to Hours of learning definition) divided by the average number of full-time equivalent BMO employees (refer to Full-time equivalent employees definition) during the reporting period.

Average phishing test pass rate in the past 12 months

The percentage of users that successfully pass the randomly conducted phishing test for a given year.

Black and Latinx interns and entry-level employees

Student interns and entry-level employees in the United States whose employment through campus recruitment channels started in the fiscal year, and who identified as Black or African American, or Hispanic or Latinx, as a percentage of all student interns and entry-level employees in the United States whose employment through campus recruitment channels started in the fiscal year.

Black and Latinx-owned commercial lending (BMO EMpower)

The total monetary value of lending authorized to minority-owned commercial middle market businesses with customers over \$10 million in revenue across the United States.

Canadian defence community customers

The number of customers who are members of Canada's defence community and their families, and who receive exclusive offers through the Canadian Defence Community Banking program. The number is reported as at the specified date, and for Canada only.

Community development lending and investing (BMO EMpower)

Activities that support small business growth, greater availability of quality, affordable housing and targeted community-based commercial real estate, all of which are intended to create opportunities for low-income communities across the United States. Includes Community Reinvestment Act-qualified community development investments and loans.

Customer loyalty surveys

The mechanism used to collect feedback from BMO customers to measure their experience involving transactions or relationships with BMO.

These surveys include quantitative loyalty ratings and may include qualitative commentary. Surveys may also leverage closed-loop feedback to enable additional touchpoints for further engagement with customers, in order to identify opportunities for improvement.

Digital adoption

The percent of deposit customers (Canada) or retail deposit customers (United States) who logged into digital banking in the last 90 days.

Digital listening

Technology and tools used to capture and analyze customer feedback on digital channels (e.g., online). Data is gathered in order to identify pain points for BMO customers and improve our processes.

Diversity

The mix of demographics, skills, experiences and work styles of all BMO employees. Diversity categories include, but are not limited to:

- Gender equity in senior leadership roles – enterprise-wide
- People of Colour – Canada and United States
- Indigenous employees – Canada
- Persons with disabilities – Canada and United States
- 2SLGBTQ+ persons – Canada and United States

All active BMO employees and employees on paid leave are included in the Diversity representation metrics. Data is reported as at the end of the fiscal year.

Donations

Cash-based donations to registered charities and not-for-profit organizations in Canada and the United States. Excludes in-kind donations, commercial sponsorships and BMO Employee Giving amounts. The amount is reported for the specified period.

Employee engagement index (EEI)

The degree of employee engagement as indicated in the annual BMO employee survey.

EEI results are an average of the agreement scores on three survey questions that measure employees' overall feelings about BMO, the level of their pride and satisfaction with BMO, and their advocacy for the organization. The EEI score is an aggregate of the survey results for all active BMO employees.

Employees enabled to learn from difference

The number of employees who were active or on paid leave at the end of the fiscal year and completed one or more of BMO's learn from difference programs, as a percentage of all employees that were active or on paid leave at the end of the fiscal year.

Employees equipped with future-focused skills

The number of employees who completed one or more of BMO's future-focused learning and skills development programs. This includes *Level Up!* (our cutting-edge program for BMO tech professionals, to deepen their digital skills and provide hands-on practice and credentials in cloud computing, data and analytics, agile methodologies, and IT operations), *BMO Forward* (our 'future of work' program for all employees, which focuses on topics such as data science, artificial intelligence (AI), cybersecurity, digital risk, and human skills like resilience), and *Leading Digital-First* (a program to equip all BMO leaders to understand and lead through digital transformation). Reported for all BMO employees with an 'active' status, as well as covered contingent talent.

Employee volunteer hours

The total amount of tracked time (in hours) that BMO employees dedicated to volunteering. Includes time volunteered both during and outside working hours in volunteer roles associated with a BMO volunteer program, such as BMO Community Impact Days, supporting the Community Reinvestment Act, pro bono legal support, a formal role within an Employee Resource Group, or when employees give their time to contribute to their communities.

[3 Message from the CEO](#)
[4 Message from the General Counsel](#)
[5 About BMO](#)
[9 Strategy](#)
[19 Four Focus Areas](#)
[87 Glossary](#)
[94 Public Accountability Statement](#)

Employees who received annual performance reviews

The number of BMO employees who participated in annual performance reviews as defined in this report, as a percentage of the total number of eligible BMO employees. Data is gathered for all BMO employees enterprise-wide, and is reported as at the end of the fiscal year.

Ethics training

The percentage of employees who completed the Code of Conduct course of the annual Ethics, Legal & Compliance Training (ELCT) program. Reported for all BMO employees with an “active” status, as well as covered contingent talent.

Executive officer

An individual who is a chair, vice-chair or president; a chief executive officer or chief financial officer; a vice-president in charge of a principal business unit, division or function including sales, finance or production; or performing a policy-making function.

Fatality

Any death due to a workplace injury/accident.

Financed emissions

A financial institution’s Scope 3 category 15 emissions as defined by the Corporate Value Chain Accounting Reporting Standard of the GHG Protocol and the PCAF’s Global GHG Accounting & Reporting Standard for the Financial Industry. Includes the Scope 1, 2 and 3 emissions of BMO clients, as relevant, that are attributable to BMO.

First Nations participating in BMO’s On-Reserve Housing Loan Program

The number of First Nations in Canada that have been approved for the On-Reserve Housing Loan Program, which provides financing for eligible individuals wishing to build or purchase a personal residence located on a reserve. This program does not include renovation loans. The number is reported for the specified period, and for Canada only.

Full-time equivalent (FTE) employees

The total number of full- and part-time employees in the organization, expressed as a ‘full-time equivalent’, based on the hours in a standard work week and adjusted for overtime hours. This metric is used to calculate the composition and headcount of the BMO workforce by group and region.

Gender equity in senior leadership roles

The representation of women in senior leadership roles. Data is reported as at the specified date.

Hours of learning

The total amount of time (in hours) that BMO employees spend building skills through formal, informal and on-the-job learning.

Human Rights learning hours

The total amount of time (in hours) BMO employees spent completing the core courses in the Ethics, Legal & Compliance Training (ELCT) program (Code of Conduct, Anti-Corruption and Anti-Bribery, Information Security and Privacy Matters, Information Security and Privacy Matters for Managers, Accessibility and our Customers, Anti-Money Laundering, and Health and Safety), as well as courses related to Human Rights under “Employees enabled to learn from difference” (see definition). Learning hours are reported for all BMO employees over the fiscal year.

Indigenous banking business

The total outstanding amount of all loans, deposits and term investments originated or administered by BMO for Canadian Indigenous communities and businesses through Canadian Commercial Banking, Canadian Business Banking and the On-Reserve Housing Loan Program.

Indigenous communities with which BMO has a relationship

The number of First Nations, Inuit, Métis and other Indigenous communities with which BMO has a financial relationship. The number is reported as at the specified date, and for Canada only.

Indigenous peoples across our workforce

The total number of BMO employees who identify themselves as First Nations, Inuit or Métis. Employees who are Indigenous may or may not live on a reserve, and may or may not have status under Canadian legislation. The number is reported for Canada only.

Information Security and Privacy Matters training

The percentage of employees who completed the Information Security and Privacy Matters course of the annual Ethics, Legal & Compliance Training (ELCT) program. Reported for all BMO employees with an “active” status, as well as covered contingent talent.

Investment in learning and development

The total enterprise cost of learning and skill development, including design, development and delivery of formal and informal learning programs and resources, participation in external programs and certifications (including tuition, travel and materials), and the management of learning technologies and BMO Institute For Learning (IFL), our corporate university.

Involuntary turnover rate

The number of permanent BMO employees who were involuntarily terminated during the reporting period as a proportion of the average total number of permanent BMO employees at the start and the end of the reporting period. Involuntary terminations include employee separations initiated by the employer, such as through layoffs, dismissals, or terminations for cause.

Lending to carbon-related assets – Metric 1

The value of net loans and acceptances connected to the energy and utilities sectors, excluding water utilities, independent power producers, electricity transmission and distribution companies, renewable electricity producers, nuclear electricity producers, and waste management companies. The amount is expressed as a percentage of total loans and acceptances, net of allowance for credit losses on impaired loans, and is reported as at the specified date.

Lending to carbon-related assets – Metric 2

The value of net loans and acceptances for sectors covered in Metric 1 and other sectors including transportation, materials and buildings, and agriculture, food and forest products. The amount is expressed as a percentage of total loans and acceptances, net of allowance for credit losses on impaired loans, and is reported as at the specified date.

Loans for sustainable clients and projects

The total monetary value of lending authorized through labelled green or social loans, and sustainability-linked loans, and lending or guarantees authorized to clients operating in sustainable sectors, clients advancing social sustainability outcomes (e.g., women-owned businesses and Indigenous communities and individuals), or clients using the funds for sustainable purposes (e.g., electric and hybrid vehicle loans and loans recognized under the terms of the Community Reinvestment Act (U.S.)).

Loans made available under BMO’s On-Reserve Housing Loan Program

The total monetary value of loans authorized to Indigenous customers under BMO’s On-Reserve Housing Loan Program. The amount is reported for the specified period, and for Canada only.

Loans to women-owned businesses

The total monetary value of loans outstanding to women-owned businesses. The amount is reported as at the specified date, and for Canada only.

Low- to moderate-income home mortgage lending (BMO EMpower)

Mortgage lending including flexible homebuying and down payment assistance programs offering up to \$24,500 for homebuyers in low-to moderate-income communities.

BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

Municipal and non-profit lending (BMO EMpower)

Lending to municipal and non-profit clients, such as health care, higher education, and government entities and traditional not-for-profits and including the issuance of municipal bonds across the United States.

Native American, Women, Black and Latinx-owned small business lending (BMO EMpower)

Lending to businesses with annual revenues of \$10 million or less and total combined credit exposure at BMO of \$50 thousand or less, that are at least 51% owned and controlled by individuals who self-identify as Native American, Black, Latinx, and/or woman. Each eligible business must have a physical business presence (or if no physical location, a mailing address for its headquarters) in at least one of the following states: Arizona, Florida, Illinois, Indiana, Kansas, Minnesota, Missouri or Wisconsin. In addition to access to capital, BMO's Native-Owned Business, Black and Latinx, Women in Business programs provide customers with educational resources, planning tools, and access to partnership opportunities to help them make their businesses more resilient and scalable.

Net Promoter Score (NPS)

The percentage of customers who would recommend BMO to a friend or colleague. Data is gathered in a survey that uses a 0-10 point scale. "Detractors" are defined as those who provide a rating of 0-6, "Passives" are defined as those who provide a rating of 7 or 8, and "Promoters" are defined as those who provide a rating of 9 or 10. The NPS score is calculated by subtracting the percentage of "Detractors" from the percentage of "Promoters".

New hires

The number of external hires to fill permanent BMO full-time or part-time roles.

New women employees

The number of external hires who identify as women as a percentage of total BMO external hires.

Number of locations serving Indigenous communities

The number of BMO branches located on Indigenous lands or Inuit territories, as defined by the Government of Canada. The number is reported for Canada only.

Open positions filled by internal candidates

The number of open positions filled by current employees as a percentage of the total number of open positions adjusted for entry-level roles and campus internship positions, which by their nature are filled by external candidates. Data is gathered for Canada and the United States and covers permanent and temporary positions, including full-time and part-time positions.

People of Colour employees promoted

The number of BMO employees who identify as People of Colour that were promoted as a percentage of the total number of promotions in the fiscal year.

People of Colour in our workforce

The number of BMO employees who identify as People of Colour as a percentage of BMO's total workforce. Includes all permanent employees as well as all active employees and employees on paid leave at BMO Financial Group. The number is reported as at the specified date and is reported for Canada and the United States.

People of Colour in senior leadership roles - Canada

The total number of BMO employees in senior leadership roles (see definition) who identify as non-white or ethnically non-Caucasian, other than Indigenous peoples. Being a member of a visible minority is unrelated to citizenship, place of birth or religion. The number is reported for Canada only.

People of Colour in senior leadership roles - United States

The total number of BMO employees in senior leadership roles (see definition) comprising the following groups: American Indian or Alaska Native, Asian, Black or African American, Hispanic or Latinx, Native Hawaiian or Other Pacific Islander, and Two or More Races. The number is reported for United States only.

Persons with disabilities across our workforce

The total number of BMO employees who have a long-term or recurring physical, mental, sensory, psychiatric or learning disability and who:

- due to their disability have been accommodated in their current job or workplace; or
- consider themselves to be disadvantaged in employment by reason of their disability due to workplace barriers; or
- believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of their disability.

Disabilities may be visible and/or non-visible. The number is reported for Canada and the United States.

Philanthropic giving, community engagement, supplier/business diversity initiatives and diverse talent programs targeted at systemic change (BMO EMpower)

The total monetary value of donations to charitable organizations as well as spending commitments and programs to integrate diverse suppliers into BMO's supply chain and to accelerate the recruitment, development and advancement of talent in underrepresented segments across the United States.

Phishing test exercises per employee

The total number of phishing tests that were conducted per employee within a given year.

Pro bono program

Our pro bono program was launched in 2015 to provide legal services to low-income and vulnerable community members who are unable

to afford these services. BMO volunteers our time and skills to helping individuals with legal advice and access to justice. BMO volunteers handle a variety of matters, including everything from education support for students in need, to assisting seniors and claims for asylum. Our program welcomes contributions from across the organization and is primarily staffed by legal and compliance professionals.

Race

Some employee-related data is categorized by race, based on employees' self-identification as members of visible minorities in Canada or as People of Colour in the United States.

Scope 1 emissions

A reporting organization's direct greenhouse gas (GHG) emissions. Direct GHG emissions occur from sources that are owned or controlled by the company; for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.; and emissions from the chemical production in owned or controlled process equipment.

Scope 2 emissions

A reporting organization's emissions associated with the generation of electricity, heating and cooling, or steam, purchased for the company's own consumption.

Scope 3 emissions

A reporting organization's indirect emissions other than those covered in Scope 2. Examples of a company's Scope 3 activities are extraction and production of purchased materials, transportation of purchased fuels, use of sold products and services, and financed emissions.

Self-serve transactions

Self-serve transactions include the following, that are completed in ATM and digital channels:

- Canada: deposits, bill payments, internal funds transfers, withdrawals and e-transfers sent;
- United States: deposits, bill payments, internal funds transfers, withdrawals, Account to Account (A2A) transfers and Zelle (P2P) transfers sent.

Senior leadership roles

The total number of BMO employees in senior leadership roles in Canada and the United States. Senior leadership roles include Managing Director, Vice-President, Senior Vice-President, Executive Vice-President, Group Head and CEO.

Seniority

Some employee-related data is categorized by level of seniority based on four compensation grade bands:

- Senior leadership (refer to Senior leadership roles definition)
- Senior management
- Mid-career
- Early career

Small business cards and lending customers – United States

The number of small business customers who have either a business credit card or business lending relationship (or both) with BMO. The number is reported as at the specified date, and for United States only.

Small business lending – Canada

The total monetary value of loans to business customers with annual revenues of \$10 million or less and/or lending needs under \$1.5 million across Canada. The number is reported as at the specified date and is reported for Canada.

Student opportunities for Black, Indigenous, People of Colour youth

Student interns in Canada that started in the fiscal year that identified as People of Colour or Indigenous peoples during their application process, as a percentage of all student interns in Canada that started in the fiscal year.

Substantiated complaints regarding breaches of customer privacy and losses of customer data

All complaints escalated to a privacy regulator and determined to be well-founded, involving a substantiated breach of customer privacy or loss of customer data.

Sustainable bond underwriting

The total monetary value of financing that BMO has participated in and raised for bonds that are labelled green, social, sustainable, impact, sustainability-linked, or transition. We account for the total deal value where BMO played a lead role, and we account for our proportionate share of the deal value where BMO played a non-lead role.

Sustainable equity and debt financing

The monetary value of financing that BMO has participated in and raised through the public or private issuance of equity, equity-linked or debt securities for clients that are sustainable, or where the use of proceeds is sustainable. We account for the total deal value where BMO played a lead role and our proportionate share of the deal value where BMO played a non-lead role.

Sustainable finance advisory

The monetary value of advisory deals, such as initial public offerings and special purpose acquisition companies, that BMO participated in for clients operating in sustainable sectors or pursuing sustainable outcomes. We account for our proportionate share of the deal value where BMO played a lead or non-lead role.

Sustainable investments

The total amount of funds that BMO deployed for the BMO Impact Investment Fund, for recognition under the terms of the Community Reinvestment Act (U.S.), and for operational efficiency improvements to our corporate real estate portfolio.

Sustainable sectors and outcomes

For the purpose of tracking progress toward our sustainable finance commitment, sustainable sectors and outcomes include activities within the scope of our Sustainable Financing Framework and activities related to but not limited to:

- Clean transportation: electric and hybrid vehicles, vehicular and mechanical efficiency, vehicle battery technology.
- Education: secondary and post-secondary institutions, special purpose institutions, educational support services.

Employment services: employment agencies, professional employer organizations.

- General green: green labelled transactions or transactions that involve multiple green outcomes (as defined here).
- General social: social labelled transactions or transactions that involve multiple social outcomes (as defined here).
- General sustainable: sustainable labelled transactions or transactions that involve multiple green and social outcomes (as defined here).
- Green buildings: energy efficiency, properties with a LEED certification or other certification of sustainability, real estate companies with proceeds directed to green outcomes.
- Health care: ambulatory health care services, hospitals, nursing and residential care facilities, health and welfare funds.
- Indigenous peoples: Indigenous communities and individuals.
- Low-carbon energy: low-carbon energy generation, energy storage.
- Public administration.
- Social assistance: social, religious and civic organizations.
- Sustainable agriculture: organic food production or distribution, food quality enhancement, agricultural companies with use of proceeds directed to sustainable outcomes, greenhouse operations.
- Waste management: recycling and hazardous waste treatment and disposal.
- Women and/or racial equality: women- or minority-owned businesses.

Total pledged through BMO Employee Giving Campaign

The total amount of money pledged for local United Way organizations and other charities across North America during BMO's Employee Giving Campaign.

Total turnover rate

The number of permanent BMO employees who voluntarily resigned or were involuntarily terminated during the reporting period as a proportion of the average total number of permanent BMO employees at the start and the end of the reporting period.

Voluntary turnover rate

The number of permanent BMO employees who voluntarily resigned (including retirement) during the reporting period as a proportion of the average total number of permanent BMO employees at the start and the end of the reporting period.

Women in executive officer roles

The percentage of executive officers (see definition) who identify as women. Data is reported as at the specified date.

Women in our workforce

The number of BMO employees who identify as women as a percentage of BMO's total workforce. Includes all permanent employees as well as all active employees and employees on paid leave at BMO Financial Group in Canada and the United States. Data is reported as at the specified date.

Women in STEM positions

The percentage of women employees who work within the job families Data analytics and reporting, and Technology across the enterprise.

Women in technology positions

The percentage of women employees who work within the job families Technology governance, Technology leadership and Technology operations, under the Technology and Operations line of business, as a percentage of all employees under these job families.

Women-owned businesses

Businesses where at least one of the owners is a woman.

Women-owned businesses supported

The total number of women-owned businesses with which BMO has a financial relationship. The amount is reported as at the specified date, and for Canada only.

Women promoted

The number of women promoted as a percentage of the total number of promotions in the fiscal year.

BMO Financial Group

2022 Sustainability Report and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

Independent Practitioner's Limited Assurance Report

To the management of Bank of Montreal ("BMO"):

We have undertaken a limited assurance engagement with respect to the selected indicators presented in the table below, that, based on our work performed and evidence obtained, nothing has come to our attention that causes us to believe that they have not been properly prepared and presented, in all material respects, based on the applicable criteria (as defined below).

Priority Topic	Selected Indicator
Financial inclusion	<ul style="list-style-type: none"> First Nations participating in BMO's On-Reserve Housing Loan Program – Canada (#)
Sustainable finance	<ul style="list-style-type: none"> Capital to clients pursuing sustainable outcomes (\$ billions)
Climate change	<ul style="list-style-type: none"> Lending to carbon-related assets – Metric 1 (non-renewable energy and power generation focus) (%) Lending to carbon-related assets – Metric 2 (includes Metric 1 plus transportation, materials and buildings, and agriculture, food and forest products) (%)
Diversity, equity and inclusion	<ul style="list-style-type: none"> Gender equity in senior leadership roles – enterprise-wide (%) People of Colour in senior leadership roles – Canada (%) People of Colour in senior leadership roles – United States (%) Indigenous peoples across our workforce – Canada (%) Persons with disabilities across our workforce – Canada and United States (%) 2SLGBTQ+ representation across our workforce – Canada and United States (%)
Employee-centric value proposition	<ul style="list-style-type: none"> Total turnover rate – enterprise-wide Total turnover rate – Canada Total turnover rate – United States Voluntary turnover rate – enterprise-wide Voluntary turnover rate – Canada Voluntary turnover rate – United States Investment in learning and development (\$ millions)
Community impact	<ul style="list-style-type: none"> Donations – Canada and United States (\$ millions)
Data security	<ul style="list-style-type: none"> Substantiated complaints regarding breaches of customer privacy and losses of customer data (#)

The selected indicators (collectively, the "subject matter information") are denoted by the symbol ◆ in the accompanying BMO 2022 Sustainability Report and Public Accountability Statement and accompanying 2022 Sustainability Report Data Pack and Glossary (collectively, the "Report") as at and for the year-ended, October 31, 2022.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Report, and accordingly, we do not express a conclusion on this information.

Management's Responsibilities

There are no mandatory requirements for the preparation, publication, or review of the subject matter information. As such, BMO applies internally-developed measurement methods (the "applicable criteria"). These measurement methods are described in the Glossary of Terms on pages 87-90 of the Report. Management is responsible for the preparation and presentation of the subject matter information in accordance with the applicable criteria. Management is responsible for determining the appropriateness of the use of the applicable criteria and for ensuring that BMO complies with the applicable laws and regulations. Management is also responsible for such internal control as management determines necessary to enable the preparation and presentation of the subject matter information that is free from material misstatement, whether due to fraud or error.

Practitioner's Responsibilities

Our responsibility is to express a limited assurance conclusion on the subject matter information based on evidence we have obtained. We conducted our limited assurance engagement in accordance with Canadian Standards on Assurance Engagements (CSAE) 3000 (Revised), *Attestation Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform our procedures to obtain a meaningful level of assurance about whether subject matter information is properly prepared and presented, in all material respects, as the basis for our limited assurance conclusion.

The nature, timing and extent of procedures performed depends on our professional judgment, including an assessment of the risks of material misstatement, whether due to fraud or error, and involves obtaining evidence about the subject matter information.

Our engagement included, amongst others, the following procedures performed:

- Inquiries of BMO's management, relevant staff at the corporate and business unit level, including those with responsibility for sustainability reporting governance, management and reporting;
- Assessment of the suitability, application and disclosure of the applicable criteria in respect of the subject matter information;
- Where relevant, performance of walkthroughs to understand the processes for data collection and reporting of the subject matter information;
- Comparisons of the reported data for the subject matter information to underlying data sources on a sample basis;
- Inquiries regarding key assumptions and the re-performance of calculations on a sample basis; and
- Review of the presentation of the subject matter information to determine whether the presentation is consistent with our overall knowledge of, and experience with, the performance of BMO.

3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
19 Four Focus Areas
87 Glossary
94 Public Accountability Statement

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We believe the evidence we obtained is sufficient and appropriate to provide a basis for our conclusion.

Practitioner's Independence, Quality Control and Competence

We have complied with the relevant rules of professional conduct/code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Canadian Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* which requires the firm to design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Significant Inherent Limitations

Non-financial information, such as that contained in the Report, is subject to more inherent limitations than financial information, given the qualitative characteristics of the underlying subject matter and methods used for determining this information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques, which can result in materially different measurements and can impact comparability.

Specific Purpose of Subject Matter Information

The subject matter information has been prepared and presented based on the applicable criteria. As a result, the subject matter information may not be suitable for another purpose.

Conclusion

Our conclusion has been formed on the basis of, and is subject to, the matters outlined in this report.

We believe the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Based on the procedures performed and evidence obtained, no matters have come to our attention to cause us to believe that the subject matter information contained within the Report for the year-ended October 31, 2022, is not properly prepared and presented, in all material respects, based on the applicable criteria identified above.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

February 28, 2023

Forward looking statements and non-GAAP measures

Cautionary statement regarding forward-looking information

Certain statements in this report are forward-looking statements under the United States Private Securities Litigation Reform Act of 1995 (and are made pursuant to the 'safe harbour' provisions of such Act) and applicable Canadian securities legislation. These forward-looking statements include, but are not limited to, statements with respect to customer growth and support, sustainable lending and underwriting targets, sustainable investment targets, BMO's Climate Ambition, net zero financed emissions targets, reducing operational GHG emissions, inclusivity, diversity and development. Forward-looking statements are typically identified by words such as "targeting", "committed", "commitment", "ambition", "goal", "expect", "plan", "will", "may", "aim to" and other similar expressions.

By their nature, forward-looking statements are based on various assumptions and are subject to inherent risks and uncertainties. Certain statements made in this report use a greater number and level of assumptions and estimates and are over longer time frames than many of our required disclosures. These assumptions and estimates are highly likely to change over time. Certain statements in this report are based on hypothetical or severely adverse scenarios and assumptions, and these statements should not necessarily be viewed as being representative of current or actual risk or forecasts of expected risk. While future events discussed in this report may be significant, any significance should not be read as necessarily rising to the level of materiality of the disclosures required under Canadian or U.S. federal securities laws. In addition, our climate risk analysis and net-zero strategy remain under development, and the data underlying our analysis and strategy remain subject to evolution over time. As a result, we expect that certain disclosures made in this report are likely to be amended, updated or restated in the future as the quality and completeness of our data and methodologies continue to improve.

We caution readers of this report not to place undue reliance on our forward-looking statements as the assumptions underlying such statements may not turn out to be correct and a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, commitments, ambitions, plans or goals expressed in the forward-looking statements. Such factors include, but are not limited to: the availability of comprehensive and high-quality GHG emissions data, the evolution of our lending portfolios over time, the need for active and continued participation of stakeholders (including enterprises, financial institutions and governmental and non-governmental organizations), the development and deployment of new technologies and industry-specific solutions, international cooperation, the development of regulations internationally, our ability to successfully implement various initiatives under expected time frames, the compliance of various third parties with our policies and procedures and legal requirements and those other factors set out in the Enterprise-Wide Risk Management section of BMO's 2022 Annual Report that may affect our future results and our ability to anticipate and effectively manage risks arising from all of the foregoing factors. We caution that the foregoing list is not exhaustive of all possible factors. These factors should be considered in addition to other uncertainties and potential events, and the inherent uncertainty of forward-looking statements.

BMO does not undertake to update any forward-looking statement, whether written or oral, that may be made, from time to time, by the organization or on its behalf, except as required by law.

Non-GAAP and Other Financial Measures

Results and measures in BMO's Management's Discussion and Analysis dated December 1, 2022 for the fiscal year ended October 31, 2022 ("2022 Annual MD&A") and this document are presented on an International Financial Reporting Standards ("IFRS") basis. We use the terms IFRS and Generally Accepted Accounting Principles ("GAAP") interchangeably. Reported and adjusted net revenue, adjusted net income, and adjusted revenue are non-GAAP measures. Adjusted net income by geography, reported and adjusted net efficiency ratio, adjusted average return on equity, adjusted diluted earnings per share, and adjusted diluted earnings per share growth are non-GAAP ratios. Readers are cautioned that non-GAAP measures and ratios do not have standardized meanings. They are unlikely to be comparable to similar measures and ratios presented by other companies and should not be viewed in isolation from, or as a substitute for,

GAAP results. For additional information regarding the composition of our non-GAAP and other financial measures, an explanation of how non-GAAP and other financial measures provide useful information, any additional purposes for which management uses such measures, and quantitative reconciliations of non-GAAP and other financial measures to the most directly comparable financial measures in BMO's financial statements for the period ended October 31, 2022, see Non-GAAP and Other Financial Measures starting on page 24 and the Glossary of Financial Terms starting on page 131 of the 2022 Annual MD&A. This information and these reconciliations are incorporated by reference. The 2022 Annual MD&A is available on SEDAR at www.sedar.com and on BMO's website at www.bmo.com/investorrelations.

Other Disclaimers

This report includes voluntary disclosures on customer growth and support, sustainable lending and underwriting targets, sustainable investment targets, operational GHG emissions and targets, climate-related opportunities and risks, governance, strategy, risk management and metrics and targets that may not be, and are not required to be, incorporated into our mandatory disclosures, where we use a definition of materiality established under applicable securities laws for the purpose of complying with the disclosure rules and regulations promulgated by applicable securities regulators and applicable stock exchange listing standards.

Any third-party information contained in this report or otherwise used to derive information in this report is believed to be reasonable and reliable, but no representation or warranty is made by as to the quality, completeness, accuracy, fitness for a particular purpose or non-infringement of such information. Specifically, the methodologies utilized to measure operational GHG emissions and financed emissions, set targets and track future progress against these targets use emissions information and estimates that have been derived from third-party sources, which Bank of Montreal believes to be reasonable. Further, in the absence of counter party specific emissions data, some financed emissions will be estimated using the best information available, including that provided by third-party sources. In no event shall Bank of Montreal be liable (whether in contract, tort, equity or otherwise) for any use by any party of, for any decision made or action taken by any party in reliance upon, or for any inaccuracies or errors in, or omissions from, such information contained herein. Certain third-party information, such as Scope 3 emissions and emissions factors, may change over time as methodologies evolve and are refined. These inherent weaknesses with current methodologies, and other factors could cause results to differ materially from those expressed in the estimates and beliefs made by third parties and by Bank of Montreal. While we are not aware of any misstatements regarding the industry, company or market data presented in this report, such data and estimates involve important uncertainties, risks, and assumptions and are subject to change based on various factors, including those discussed under the heading "Cautionary statement regarding forward-looking information" above.

Nothing in this report shall constitute, or form part of, an offer to sell or a solicitation of an offer to buy or subscribe for any security or other instrument of the Bank or any of its affiliates, or as an invitation, recommendation or inducement to enter into any investment activity, and no part of this document shall form the basis of, or be relied upon in connection with, any contract, commitment or investment decision. Offers to sell, sales, solicitations of offers to buy or purchases of securities issued by the Bank or any of its affiliates may only be made or entered into pursuant to appropriate offering materials prepared and distributed in accordance with the laws, regulations, rules and market practices of the jurisdictions in which such offers, solicitations or sales may be made. Professional advice should be sought prior to any decision to invest in securities.

Third-party references and website references and/or links throughout this report are provided for convenience only, and the content on the referenced websites is not incorporated by reference into this report. Such third-party references and website references and/or links do not imply an affiliation, sponsorship or endorsement.

3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
19 Four Focus Areas
87 Glossary
94 Public Accountability Statement

Public Accountability Statement

This section describes some of the contributions we made to the Canadian economy and society in fiscal 2022.

3 Message from the CEO
4 Message from the General Counsel
5 About BMO
9 Strategy
19 Four Focus Areas
87 Glossary
94 Public Accountability Statement
95 BMO 2022 Public Accountability Statement
96 Contributions to the community
97 Employees and locations
99 Taxes
100 Voluntary Codes of Conduct and Public Commitments
101 Bank of Montreal Mortgage Corporation Public Accountability Statement
102 BMO Life Assurance Company Public Accountability Statement
103 BMO Life Insurance Company Public Accountability Statement

BMO 2022 Public Accountability Statement

Fulfils the Government of Canada's public accountability statement requirements for banks (*Bank Act*, s. 627.996, and the *Financial Consumer Protection Framework Regulations*).

This document describes the activities of BMO and our prescribed affiliates with operations in Canada.

Our prescribed affiliates include the following BMO subsidiaries. All of them (except for our securities broker, BMO Nesbitt Burns Inc., and our mutual fund manager and trustee, BMO Investments Inc.) have less than \$1 billion in equity:

- BMO Asset Management Inc.
- BMO Capital Markets Corp.
- BMO Investments Inc.
- BMO InvestorLine Inc.
- BMO Mortgage Corp.
- BMO Nesbitt Burns Inc.
- BMO Private Equity (Canada) Inc.
- BMO Private Investment Counsel Inc.
- BMO Trust Company

Contributions to the community

Access to banking services – [see page 29](#)

Measures taken to provide products and services to low-income persons, senior persons, persons with disabilities, persons with accessibility, linguistic or literacy challenges – [see page 34](#)

Consultations undertaken with customers and the public in relation to existing products and services, the development of new products and services, identification of trends and emerging issues that may have an impact on customers or the public and matters in respect of complaints received – [see page 72](#)

Small business financing – [see page 31](#)

Community development and philanthropic activities – [see page 67](#)

Charitable donations – [see page 67](#)

Employee giving and volunteering – [see page 68](#)

Voluntary Codes of Conduct and Public Commitments – [see page 100](#)

Business debt financing – [see page 96](#)

Employees and locations

Number of employees – [see page 97](#)

Branches opened, closed and relocated – [see page 97](#)

ATMs opened and closed – [see page 98](#)

Taxes

Taxes paid and payable in Canada – [see page 99](#)



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

95 BMO 2022 Public Accountability Statement

96 Contributions to the community

97 Employees and locations

99 Taxes

100 Voluntary Codes of Conduct and Public Commitments

101 Bank of Montreal Mortgage Corporation Public Accountability Statement

102 BMO Life Assurance Company Public Accountability Statement

103 BMO Life Insurance Company Public Accountability Statement

Contributions to the community

Business debt financing

As at October 31, 2022
All amounts in CAD millions

Province or territory		\$0– \$24,999	\$25,000– \$99,999	\$100,000– \$249,999	\$250,000– \$499,999	\$500,000– \$999,999	\$1,000,000– \$4,999,999	\$5,000,000 and greater	Total
Alberta	Authorized amount	191	305	301	539	825	3,177	38,830	44,169
	Number of firms	16,932	7,784	1,903	1,572	1,187	1,437	814	31,629
British Columbia	Authorized amount	230	357	351	641	1,155	5,612	38,190	46,536
	Number of firms	21,043	9,165	2,237	1,839	1,664	2,496	1,516	39,960
Manitoba	Authorized amount	23	52	47	83	132	579	5,917	6,834
	Number of firms	2,308	1,302	304	238	187	266	183	4,788
New Brunswick	Authorized amount	19	45	56	92	166	678	2,660	3,716
	Number of firms	1,915	1,061	370	263	239	290	110	4,248
Newfoundland and Labrador	Authorized amount	14	39	51	90	130	532	1,549	2,405
	Number of firms	1,350	921	329	255	191	243	68	3,357
Northwest Territories/Nunavut	Authorized amount	1	3	3	6	14	31	29	86
	Number of firms	115	63	15	18	20	12	3	246
Nova Scotia	Authorized amount	27	55	68	143	287	1,063	5,802	7,445
	Number of firms	2,558	1,322	432	403	404	492	215	5,826
Ontario	Authorized amount	723	965	1,061	1,927	3,229	11,359	86,291	105,554
	Number of firms	66,725	24,550	6,694	5,532	4,604	5,229	2,494	115,828
Prince Edward Island	Authorized amount	5	12	20	36	81	350	394	898
	Number of firms	474	283	124	98	111	157	40	1,287
Quebec	Authorized amount	273	404	456	764	1,293	4,703	33,659	41,551
	Number of firms	25,528	10,284	2,853	2,195	1,867	2,161	1,033	45,921
Saskatchewan	Authorized amount	35	94	81	148	244	1,072	5,932	7,607
	Number of firms	3,160	2,229	515	425	357	475	172	7,333
Yukon	Authorized amount	2	4	3	5	13	46	53	127
	Number of firms	197	115	21	16	18	21	7	395
Total	Authorized amount	1,544	2,335	2,497	4,474	7,569	29,202	219,307	266,928
	Number of firms	142,305	59,079	15,797	12,854	10,849	13,279	6,655	260,818



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement[3 Message from the CEO](#)[4 Message from the General Counsel](#)[5 About BMO](#)[9 Strategy](#)[19 Four Focus Areas](#)[87 Glossary](#)[94 Public Accountability Statement](#)[95 BMO 2022 Public Accountability Statement](#)[96 Contributions to the community](#)[97 Employees and locations](#)[99 Taxes](#)[100 Voluntary Codes of Conduct and Public Commitments](#)[101 Bank of Montreal Mortgage Corporation Public Accountability Statement](#)[102 BMO Life Assurance Company Public Accountability Statement](#)[103 BMO Life Insurance Company Public Accountability Statement](#)

Employees and locations

Number of employees

Permanent, temporary and intern full-time and part-time employees, including active, paid employees, and employees on unpaid leave

As at October 31, 2022	Full-time	Part-time	Total
Canada			
Alberta	1,836	346	2,182
British Columbia	2,475	466	2,941
Manitoba	297	72	369
New Brunswick	220	47	267
Newfoundland and Labrador	176	55	231
Northwest Territories	11	4	15
Nova Scotia	471	68	539
Ontario	22,210	1,269	23,479
Prince Edward Island	46	11	57
Quebec	4,385	707	5,092
Saskatchewan	289	99	388
Yukon	8	2	10
Total¹	32,424	3,146	35,570
United States	12,251	850	13,101
International	752	7	759
Total employees	45,427	4,003	49,430

¹ Refers to the number of individuals employed full-time and part-time with a work location of Canada, in each province

Branches opened, closed and relocated

We opened, closed and relocated the following BMO Bank of Montreal branches in fiscal 2022 (Canada)

Branches opened	Address	City/Province	
Barrhaven West	4265 Strandherd Drive	Ottawa, ON	
Main & 28th	4402 Main Street	Vancouver, BC	
West 40th & Cambie	5594 Cambie Street	Vancouver, BC	
Branches closed	Address	City/Province	
Oxford & Cherryhill	101 Cherryhill Blvd	London, ON	
Red River & Court	256 Red River Rd	Thunder Bay, ON	
Wyandotte & Watson	8185 Wyandotte St E	Windsor, ON	
Branches relocated	From	To	City/Province
Carry Plaza	3215 E Dunmore Road SE	3214 Dunmore Road SE	Medicine Hat, AB
Cloverdale	5711 176a Street	17559 56 Avenue	Surrey, BC
County Fair Plaza	1020 Dawson Road	140 East Avenue	Thunder Bay, ON
Maple	2535 Major Mackenzie Drive	2921 Major Mackenzie Drive W	Maple, ON
Sherwood Forest Mall	1225 Wonderland Road N	534 Oxford St, Unit 1, West	London, ON
St John's Main Office	238 Water Street	331 Water Street	St. John's, NL
Weston & Hwy 7	30 Famous Avenue	7575 Weston Road, Unit 111a	Vaughan, ON
Woodchester Plaza	2458 Dundas Street W	3173 Winston Churchill Boulevard	Mississauga, ON

[3 Message from the CEO](#)[4 Message from the General Counsel](#)[5 About BMO](#)[9 Strategy](#)[19 Four Focus Areas](#)[87 Glossary](#)[94 Public Accountability Statement](#)[95 BMO 2022 Public Accountability Statement](#)[96 Contributions to the community](#)[97 Employees and locations](#)[99 Taxes](#)[100 Voluntary Codes of Conduct and Public Commitments](#)[101 Bank of Montreal Mortgage Corporation Public Accountability Statement](#)[102 BMO Life Assurance Company Public Accountability Statement](#)[103 BMO Life Insurance Company Public Accountability Statement](#)

ATMs opened and closed

We opened and closed the following automated teller machines (ATMs) in fiscal 2022 (Canada)

ATMs opened

Site	Address	City	Province	Site	Address	City	Province
Needs	9138 Commercial Street	New Minas	NS	Shell	4400 4th Avenue	Regina	SK
Needs	23 Marketway Lane	Timberlea	NS	Shell	1252 Baltzan Boulevard	Saskatoon	SK
IGA	315, boulevard Robert-Bourassa	Montréal	QC	Shell	15561 128 Avenue NW	Edmonton	AB
Les Halles Cartier	1191, avenue Cartier	Québec	QC	Shell	6008 75 Street NW	Edmonton	AB
Shell	275 Drinkwater Road W	Brampton	ON	Shell	3806 Highway Street	Valleyview	AB
Shell	10700 Bathurst Street	Maple	ON	Shell	5333 50 Avenue	Vegreville	AB
Shell	5889 Airport Road	Mississauga	ON	Shell	2551 Dobbins Road	Kelowna	BC
Shell	5445 Steeles Avenue E	Scarborough	ON	Shell	12389 Harris Road	Pitt Meadows	BC
Shell	6145 Finch Avenue E	Scarborough	ON	Main & 28th	4402 Main Street	Vancouver	BC
Major Mackenzie & Melville	2921 Major Mackenzie Drive W	Vaughan	ON	West 40th & Cambie	5594 Cambie Street	Vancouver	BC
Shell	8484 Dufferin Street	Vaughan	ON	Vancouver Aquarium	845 Avison Way	Vancouver	BC
Petro-Canada	568 River Road W	Wasaga Beach	ON	Shell	322 Burnside Road W	Victoria	BC

ATMs closed

Site	Address	City	Province	Site	Address	City	Province
IGA	969, rue Nordique	Beauport	QC	Metro	3201 Strandherd Drive	Nepean	ON
Pharmacie Jean Coutu	1819, avenue Dollard	Lasalle	QC	Metro	1111 Davis Drive	Newmarket	ON
IGA	1535, boulevard Le Corbusier	Laval	QC	Food Basics	6770 Mcleod Road S	Niagara Falls	ON
Centre Laval	1600, boulevard Le Corbusier	Laval	QC	CANEX	100 Duxford Drive	North Bay	ON
Mail Centre-Ville	701, rue Saint-Joseph E	Québec	QC	Metro	1090 Wilson Avenue	North York	ON
Shell	7900, chemin de Chambly	Saint-Hubert	QC	Metro	3090 Bathurst Street	North York	ON
Food Basics	555 Essa Road	Barrie	ON	Food Basics	478 Dundas Street W	Oakville	ON
Metro	110 North Front Street	Belleville	ON	Food Basics	530 Kerr Street	Oakville	ON
Pharmaplus	173 Dundas Street E	Belleville	ON	Food Basics	1670 Heron Road	Ottawa	ON
Food Basics	470 Dundas Street E	Belleville	ON	Metro	1070 Second Avenue E	Owen Sound	ON
Metro	371 St. Paul Avenue	Brantford	ON	Food Basics	1070 Major Mackenzie Drive E	Richmond Hill	ON
Food Basics	5353 Lakeshore Road	Burlington	ON	Metro	15 Ellesmere Road	Scarborough	ON
Metro	640 First Street Extension	Collingwood	ON	Metro	40 Eglinton Square	Scarborough	ON
Rexall	250 The East Mall	Etobicoke	ON	Shell	816 Queenston Road	Stoney Creek	ON
Food Basics	5559 Dundas Street W	Etobicoke	ON	Metro	5612 Main Street	Stouffville	ON
Food Basics	900 Albion Road	Etobicoke	ON	Red River & Court	256 Red River Road	Thunder Bay	ON
Food Basics	505 Ryman Road E	Hamilton	ON	Food Basics	1000 Gerrard Street E	Toronto	ON
Metro	310 Barrie Street	Kingston	ON	Metro	80 Front Street E	Toronto	ON
Oxford & Cherryhill	101 Cherryhill Boulevard	London	ON	Sobeys	81 St. Clair Avenue E	Toronto	ON
Metro	1030 Adelaide Street N	London	ON	Food Basics	853 Jane Street	Toronto	ON
Sherwood Forest	1225 Wonderland Road N	London	ON	Metro	4111 Thickson Road N	Whitby	ON
Metro	395 Wellington Road	London	ON	Wyndotte & Watson	8185 Wyndotte Street E	Windsor	ON
Maple	2535 Major Mackenzie Drive W	Maple	ON	Safeway	3550 32 Avenue NE	Calgary	AB
Pharmaplus	1240 Eglinton Avenue W	Mississauga	ON	Shell	9431 149 Street NW	Edmonton	AB
Metro	1585 Mississauga Valley Boulevard	Mississauga	ON	Save-on-Foods	3958 Shelbourne Street	Victoria	BC
Woodchester Plaza	2458 Dundas Street W	Mississauga	ON	Royal Oak	4470 West Saanich Road	Victoria	BC

BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

95 BMO 2022 Public Accountability Statement

96 Contributions to the community

97 Employees and locations

99 Taxes

100 Voluntary Codes of Conduct and Public Commitments

101 Bank of Montreal Mortgage Corporation Public Accountability Statement

102 BMO Life Assurance Company Public Accountability Statement

103 BMO Life Insurance Company Public Accountability Statement

Taxes

Taxes paid and payable in Canada

	\$ millions	Income taxes	Capital taxes	Other taxes
Federal	\$1,326.5	\$-		\$152.8
Province or territory				
Alberta	39.3	-		0.8
British Columbia	68.9	-		9.1
Manitoba	6.4	9.0		1.2
New Brunswick	4.6	2.8		1.6
Newfoundland and Labrador	4.4	4.8		2.4
Northwest Territories	-	-		-
Nova Scotia	9.0	4.8		2.7
Nunavut	0.3	-		-
Ontario	483.7	-		450.8
Prince Edward Island	1.2	0.7		0.3
Quebec	132.2	14.0		63.4
Saskatchewan	6.2	9.0		0.1
Yukon	0.3	-		-
Total provincial and territorial taxes	756.5	45.1		532.4
Total	2,083.0	45.1		685.2
Total income and capital taxes		\$2,128.1		
Total taxes		\$2,813.3		

Bank of Montreal, along with its Canadian subsidiaries, is a major Canadian taxpayer. In fiscal 2022, our overall tax contribution was \$2.8 billion.

This amount included \$2,083 million in income taxes, \$45 million in provincial capital taxes and \$685 million in other taxes. Included in the other taxes is \$427 million in goods and services tax/harmonized sales tax and other sales taxes, \$247 million in payroll taxes (employer portion), \$9 million in property taxes and \$2 million in business taxes and other sundry taxes.

[3 Message from the CEO](#)[4 Message from the General Counsel](#)[5 About BMO](#)[9 Strategy](#)[19 Four Focus Areas](#)[87 Glossary](#)[94 Public Accountability Statement](#)[95 BMO 2022 Public Accountability Statement](#)[96 Contributions to the community](#)[97 Employees and locations](#)[99 Taxes](#)[100 Voluntary Codes of Conduct and Public Commitments](#)[101 Bank of Montreal Mortgage Corporation Public Accountability Statement](#)[102 BMO Life Assurance Company Public Accountability Statement](#)[103 BMO Life Insurance Company Public Accountability Statement](#)

Voluntary Codes of Conduct and Public Commitments

Voluntary Codes of Conduct and Public Commitments are non-legislated commitments, voluntarily made by companies, associations and other organizations. BMO Financial Group has participated in the development and is committed to the following Voluntary Commitments and Codes of Conduct that are designed to protect consumers. For more information please visit our [website](#).

Code of Conduct for the Delivery of Banking Services to Seniors

A code of conduct that sets out principles that apply to banks to guide them when they deliver banking products and services to Canada's seniors.

BMO Adherence to the Code of Conduct for the Delivery of Banking Services to Seniors

BMO's actions which comply with the code of conduct principles to deliver enhanced banking products and services to our senior customers.

Code of Conduct for the Credit and Debit Card Industry in Canada

Code of conduct that sets principles for business practices related to the issuance and acceptance of payment cards and operation of payment card networks.

Commitment to Provide Information on Mortgage Security

Banks that offer residential mortgages agree to provide consumers shopping for a mortgage loan with certain comparative information about collateral charge and conventional charge mortgages to help consumers choose the mortgage product that best suits their needs.

Commitment on Powers of Attorney and Joint Deposit Accounts

Banks that accept Powers of Attorney from or open joint deposit accounts for clients agree to provide clients with certain information to help clients understand the implications of using them.

Commitment on the Expansion of Low-Cost and No-Cost Bank Accounts

Banks in Canada have agreed individually with the Government of Canada to expand their current offerings of low-cost and no-cost bank accounts.

Commitment on Modification or Replacement of Existing Products & Services

Banks provide consumers with assurances related to the modification or replacement of existing products and services.

Code of Conduct for Federally Regulated Financial Institutions – Mortgage Prepayment Information

If customers choose to break their mortgage or pay it off early, there could be a mortgage prepayment charge. This code of conduct outlines the type of information customers will receive to help them make an informed decision about mortgage prepayment.

Online Payments

Consumer and industry responsibilities related to the use of online payments systems in Canada.

Canadian Code of Practice for Consumer Debit Card Services

Industry practices and consumer and industry responsibilities related to debit cards.

Guidelines for Transfers of Registered Plans

What to expect when transferring a registered savings plan (RSP) between financial institutions.

CBA Code of Conduct for Authorized Insurance Activities

Outlines the banks' standards for branch employees offering credit, travel and personal accident insurance with respect to training, disclosure, promotion practices, customer privacy protection and customer redress.

Principles of Consumer Protection for Electronic Commerce: A Canadian Framework

A guide to protecting customers in online transactions, developed with input from industry, government and consumer groups.

Model Code of Conduct for Bank Relations with Small- and Medium-Sized Businesses

Model code of conduct for bank dealings with small- and medium-sized businesses. The key elements of the model code are incorporated into individual bank codes.

Plain Language Mortgage Documents – CBA Commitment

A commitment by Canada's banks to improve readability of residential mortgage documents.

Mastercard – Zero Liability

Information regarding consumer's liability in the event of the unauthorized use of your Canadian-issued Mastercard card.

Visa – Zero Liability

Information regarding consumer's liability in the event of the unauthorized use of your Canadian-issued Visa card.

Undertaking – Principal Protected Notes

Describes the rescission rights available to clients who purchase any principal protected note by electronic means and/or by telephone.



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

95 BMO 2022 Public Accountability Statement

96 Contributions to the community

97 Employees and locations

99 Taxes

100 Voluntary Codes of Conduct and Public Commitments

101 Bank of Montreal Mortgage Corporation Public Accountability Statement

102 BMO Life Assurance Company Public Accountability Statement

103 BMO Life Insurance Company Public Accountability Statement

Bank of Montreal Mortgage Corporation Public Accountability Statement¹

Due to the specific nature of its activities, Bank of Montreal Mortgage Corporation (BMMC) provides the following information in response to the requirements set out in section 444.2(1) of the *Trust and Loan Companies Act* and in the applicable regulations.

BMMC, a wholly owned, fully integrated subsidiary of Bank of Montreal, raises funds for mortgage financing by issuing deposit-type instruments (such as GICs) through Bank of Montreal's retail branch network and other proprietary channels, where Bank of Montreal acts for BMMC, as well as through third-party channels. BMMC does not operate branches that are open to the public or other facilities at which deposits are accepted or cash is distributed to customers. BMMC employs 11 full-time employees.

The income and capital taxes paid in Canada by BMO Financial Group, of which BMMC is a member, are listed on [page 99](#) of BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement.

BMMC shares BMO's commitment to community development and philanthropic activity as described in BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement. The community development activities of BMMC's employees are integrated with those of BMO Financial Group and its employees, as described in BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement on [page 67](#).

As detailed in BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement, business debt financing and programs to improve access to financial services are engaged in by Bank of Montreal for BMO Financial Group. BMMC has no other affiliates in respect of which this Public Accountability Statement is published.



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

95 BMO 2022 Public Accountability Statement

96 Contributions to the community

97 Employees and locations

99 Taxes

100 Voluntary Codes of Conduct and Public Commitments

101 Bank of Montreal Mortgage Corporation Public Accountability Statement

102 BMO Life Assurance Company Public Accountability Statement

103 BMO Life Insurance Company Public Accountability Statement

¹As stipulated by the *Trust and Loan Companies Act*, Bank of Montreal Mortgage Corporation, wholly owned by Bank of Montreal, is required to publish a separate Public Accountability Statement.

BMO Life Assurance Company Public Accountability Statement¹

Due to the specific nature of its activities, BMO Life Assurance Company (BMOLA) provides the following information in response to the requirements set out in section 489.1(1) of the *Insurance Companies Act* and in the applicable regulations.

BMOLA is a wholly owned indirect subsidiary of BMO Life Insurance Company, which in turn is a wholly owned subsidiary of Bank of Montreal. BMOLA is a federally regulated life and health insurance company and is licensed to underwrite life, accident and sickness insurance in all provinces and territories of Canada. BMOLA offers individual life, accident and sickness insurance and individual and group annuities through independent insurance agents and directly to consumers. BMOLA has no employees of its own. All of its activities are conducted by employees of Bank of Montreal and BMO Nesbitt Burns Inc.

The income and capital taxes paid in Canada by BMO Financial Group, of which BMOLA is a member, are listed on [page 99](#) of BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement.

BMOLA shares BMO's commitment to community development and philanthropic activity, as described in BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement. The community development activities of BMOLA are integrated with those of BMO Financial Group and its employees, as described in BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement on [page 67](#).

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BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

95 BMO 2022 Public Accountability Statement

96 Contributions to the community

97 Employees and locations

99 Taxes

100 Voluntary Codes of Conduct and Public Commitments

101 Bank of Montreal Mortgage Corporation Public Accountability Statement

102 BMO Life Assurance Company Public Accountability Statement

103 BMO Life Insurance Company Public Accountability Statement

¹As stipulated by the *Insurance Companies Act*, BMOLA, wholly owned by Bank of Montreal, is required to publish a separate Public Accountability Statement.

BMO Life Insurance Company Public Accountability Statement¹

Due to the specific nature of its activities, BMO Life Insurance Company (BMOLI) provides the following information in response to the requirements set out in section 489.1(1) of the *Insurance Companies Act* and in the applicable regulations.

BMOLI is a wholly owned subsidiary of Bank of Montreal. BMOLI is a federally regulated life and health insurance company and is licensed to underwrite life, accident and sickness insurance in all provinces and territories of Canada. BMOLI has no employees of its own. All of its activities are conducted by employees of Bank of Montreal and BMO Nesbitt Burns Inc.

The income and capital taxes paid in Canada by BMO Financial Group, of which BMOLI is a member, are listed on [page 99](#).

of BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement.

BMOLI shares BMO's commitment to community development and philanthropic activity, as described in BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement. The community development activities of BMOLI are integrated with those of BMO Financial Group and its employees, as described in BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement on [page 67](#).

As detailed in BMO Financial Group's 2022 Sustainability Report and Public Accountability Statement, business debt financing and programs to improve access to financial services are engaged in by Bank of Montreal for BMO Financial Group. BMOLI has no other affiliates in respect of which this Public Accountability Statement is published.



BMO Financial Group

2022 Sustainability Report
and Public Accountability Statement

3 Message from the CEO

4 Message from the General Counsel

5 About BMO

9 Strategy

19 Four Focus Areas

87 Glossary

94 Public Accountability Statement

95 BMO 2022 Public Accountability Statement

96 Contributions to the community

97 Employees and locations

99 Taxes

100 Voluntary Codes of Conduct and Public Commitments

101 Bank of Montreal Mortgage Corporation Public Accountability Statement

102 BMO Life Assurance Company Public Accountability Statement

103 BMO Life Insurance Company Public Accountability Statement

¹As stipulated by the *Insurance Companies Act*, BMOLI, wholly owned by Bank of Montreal, is required to publish a separate Public Accountability Statement.

Need help?

Email us at: sustainability@bmo.com



BMO's Sustainability Leaders Podcast

BMO's Sustainability Leaders podcast series introduces you to the innovative minds and diverse perspectives that are pushing the boundaries in sustainability good practice.

<https://sustainabilityleaders.bmo.com/en/home/sustainability-leaders-podcast/>



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