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INDEPENDENT PRACTITIONERS' LIMITED ASSURANCE REPORT

To the management of Bank of Montreal ("BMO" or "the Entity")

KPMG LLP ("KPMG" or "we") were engaged by BMO to provide limited assurance as to whether BMO's impact management systems, as described in BMO's Operating Principles for Impact Management Disclosure Statement (the "Disclosure Statement") for year-ended April 30, 2022, are aligned with the Operating Principles for Impact Management ("Impact Principles").

We have not performed any work, and do not express any conclusion, over any other information that may be included in the Disclosure Statement or displayed elsewhere on BMO's website for the current year or for previous periods.

Management's Responsibility and Applicable Criteria

The applicable criteria, defined below and included in Appendix 1 of the Disclosure Statement, were developed by management to determine if the impact management systems, as described in the Disclosure Statement, are aligned with Operating Principles for Impact Management:

- The Disclosure Statement includes a description of BMO's impact management systems and processes matched to each of the Operating Principles for Impact Management.
- The Disclosure Statement presents fairly the impact management systems and processes that apply to BMO's Impact Fund and how these are aligned with the Operating Principles for Impact Management through:
 - presenting how impact management systems and processes are designed and implemented;
 - including relevant details of changes to impact management systems and processes during the period covered by the Disclosure Statement;



- does not omit or distort information relevant to the scope of the impact management systems and processes being described, while acknowledging that the Disclosure Statement has been prepared to meet the common needs of a broad range of users and may not, therefore, include every aspect of impact management systems and processes that each individual user may consider important in its own particular circumstances;
- describes how each Principle is incorporated into the impact management systems; and
- affirms that BMO is a signatory to the Operating Principles for Impact Management.

Management is responsible for:

- the preparation and presentation of the contents of the Disclosure Statement in accordance with the applicable criteria;
- determining the appropriateness of the use of the applicable criteria, as well as designing, implementing and maintaining impact management policies, systems and processes, that are suitable to achieve alignment with the Impact principles;
- 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.

Practitioners' Responsibilities

Our responsibility is to express a limited assurance conclusion on whether BMO's impact management systems, as described within the Disclosure Statement, are, in all material respects, aligned with the Impact Principles based on evidence we have obtained. We conducted our limited assurance engagement in accordance with Canadian Standards on Assurance Engagements (CSAE) 3000, *Attestation Engagements Other than Audits or Reviews of Historical Financial Information*. This standard requires that we plan and perform our engagement to conclude whether a matter(s) has come to our attention that causes us to believe that the BMO's impact management systems, as described within the Disclosure Statement, are materially misstated.

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:

- Checking whether the Disclosure Statement, includes a description of an impact management systems for each Impact principle;
- Making inquiries of BMO's management and performing walkthroughs to obtain an understanding of impact management systems and the key processes, including controls in place over the preparation of the Disclosure statement;



- On a sample basis, performing testing to check that information within the Disclosure Statement has been appropriately collected and reported;
- Considering the appropriateness of the presentation and disclosure of the Disclosure Statement; and
- Reading the Disclosure Statement to ensure assumptions and key judgments have been clearly disclosed and information presented is consistent with our overall knowledge of BMO's impact management systems.

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.

Practitioners' Independence and Quality Control

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 Control 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements* and, accordingly, maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Significant Inherent Limitations

The Disclosure Statement is prepared to meet the common needs of a broad range of users and may not, therefore, include every aspect of BMO's impact management system that each individual user may consider important.

The scope of our procedures does not include an assessment of the suitability of design of BMO's impact management systems and processes to achieve alignment with the Impact Principles nor their operating effectiveness and therefore our procedures provide no assurance over the design and operating effectiveness of the impact management systems and processes, nor of the resulting impacts achieved.



Opinion

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that BMO's impact management systems, as described in the Disclosure Statement, are not, in all material respects, aligned with the Impact Principles as at April 30, 2022.

Specific Purpose of the Disclosure Statement

Our report has been prepared for BMO's use in accordance with the terms of our engagement. It has been released to BMO on the basis that our report shall not be copied, referred to or disclosed, in whole or in part, without prior written consent.

As a signatory to the Impact Principles, BMO is required to "provide regular independent verification affirming the alignment of its impact management systems with the Impact Principles." Without affecting, adding to, or extending our duties and responsibilities to BMO or giving rise to any duty or responsibility being accepted or assumed by or imposed on us to any part except BMO, we have consented to the disclosure of our report on BMO's website at -insert link- to facilitate BMO meeting this requirement.

A handwritten signature in black ink that reads "KPMG LLP". The signature is written in a cursive, slightly slanted style. Below the signature is a long, horizontal, slightly wavy line that serves as a separator or underline.

Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada

May 31, 2022