



GRI Index

Legend

- AIF – Annual Information Form for the year ended October 31, 2019
- AR – BMO Financial Group 2019 Annual Report to Shareholders
- EENR – 2018 Employment Equity Narrative Report
- Sustainability Report and PAS – Sustainability Report and Public Accountability Statement
- PC – Notice of Annual Meeting of Shareholders and Management Proxy Circular (for the meeting held on April 2, 2019 – current at the time this report was published)

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
GENERAL DISCLOSURES		
Organizational Profile		
GRI 102-1	Name of the organization.	Bank of Montreal.
GRI 102-2	Activities, brands, products, and services.	Bank of Montreal brands the member companies of the organization as “BMO Financial Group.” As such, in this report, the names BMO and BMO Financial Group mean Bank of Montreal together with its subsidiaries. Further information: AR pages 15 and 199–200.
GRI 102-3	Location of headquarters.	BMO’s head office is located at 129 rue Saint-Jacques, Montreal, Quebec, H2Y 1L6, and its executive offices are located at 100 King Street West, 1 First Canadian Place, Toronto, Ontario, M5X 1A1.
GRI 102-4	Location of operations.	The topics addressed in the 2019 Sustainability Report cover our enterprise-wide operations. Further information: AR pages 199–200 (Operating and Geographic Segmentation); and AR page 203 (Significant Subsidiaries).
GRI 102-5	Ownership and legal form.	Bank of Montreal is a Canadian Schedule 1 bank and a public company with common shares that are listed on the Toronto and New York stock exchanges. These shares are widely held by institutional and retail shareholders. Further information: AR page 142.

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
GRI 102-6	Markets served.	<p>We conduct our business through three operating groups:</p> <ul style="list-style-type: none"> • Personal and Commercial Banking • BMO Wealth Management • BMO Capital Markets <p>Further information: AR pages 199–200.</p>
GRI 102-7	Scale of the organization.	<p>See inside front cover of the 2019 Sustainability Report and PAS: About Us.</p> <p>Further information: AR pages 15 and 199–200.</p>
GRI 102-8	Information on employees and other workers.	<p>See page 115 of the PAS: BMO Headcount.</p> <p>Further information: EENR page 2 (Highlights of representation for women in 2018) corporate-responsibility.bmo.com/reports/</p>
GRI 102-9	Supply chain.	<p>In 2019, we purchased goods and services in North America with a total cost of approximately CAD\$5.7 billion from approximately 9,713 suppliers. Of that amount, approximately CAD\$3.9 billion was spent through our Canadian operations and approximately CAD\$1.8 billion was spent through our U.S. operations.</p> <p>Supplier Diversity Diversity is a core value of the bank and our Supplier Diversity Program is a key component in BMO's overall diversity strategy. Integrating diverse suppliers into our supply chain aligns us with the goals of our shareholders, customers and employees. We are committed to building long-term relationships with diverse suppliers and ensuring that qualified minority, women, veteran, persons with disabilities, lesbian, gay, bisexual, transgender and Aboriginal-owned businesses have equal opportunity to compete for our business. We work directly with these diverse businesses and we expect our suppliers to provide similar opportunities in their supply bases. The Supplier Diversity Program has won numerous awards in 2019 and continues to accelerate its work in proactively integrating diverse suppliers into our supply chain.</p> <ul style="list-style-type: none"> • 2019 Corporation of the Year (Canada) – Canadian Gay and Lesbian Chamber of Commerce • 2019 Corporation of the Year Nominee (Canada) – Canadian Aboriginal and Minority Supplier Council (CAMSC) • 2019 Canada Most Improved Supplier Diversity Program (Canada) – Women Business Enterprise (WBE) Canada • 2019 Canada Champion of the Year, Catherine Grosz (Canada) – WBE • 2019 25 Women in Power Impacting Diversity, Catherine Grosz (U.S.) – CAMSC <p>Further information: www.bmo.com/home/about/banking/corporate-information/supplier-information/current-supplier-information</p>
GRI 102-10	Significant changes to the organization and its supply chain.	None.
GRI 102-11	Precautionary Principle or approach.	<p>For our approach to risk management in our financing and lending activities, see page 26 of the 2019 Sustainability Report and PAS: Responsible Lending.</p> <p>Further information: AR page 105 (Environmental and Social Risk); and page 70 of the 2019 Sustainability Report and PAS (Climate Report).</p>

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
GRI 102-12	External initiatives.	<ul style="list-style-type: none"> • 30% Club • Carbon Disclosure Project • Catalyst Accord • Equator Principles • ISO 14001 Environmental Management System • Leadership in Energy and Environmental Design (LEED) • Sustainability Accounting Standards Board Financial Industry Advisory Group • Task Force on Climate-related Financial Disclosures (TCFD) • United Nations Global LGBTI Standards of Conduct for Business • United Nations Principles for Responsible Investing • United Nations Universal Declaration of Human Rights • United Nations Women’s Empowerment Principles
GRI 102-13	Membership of associations.	<ul style="list-style-type: none"> • Asian Corporate Governance Association • Canadian Bankers Association • Carbon Pricing Leadership Coalition • Corporate Governance Advisory Committee • Council of Institutional Investors • Eumedion • Global Compact Network Canada • Global Investor Governance Network • Global Network Initiative • Institutional Investors Group on Climate Change • International Corporate Governance Network • Investment Association • Investor Forum • Responsible Investment Association (Canada) • UK Sustainable Investment and Finance Association • United Nations Environment Programme – Finance Initiative

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
Strategy		
GRI 102-14	Statement from senior decision-maker.	See page 2 of the 2019 Sustainability Report and PAS: Message from the CEO, BMO Financial Group; and page 3 of the 2019 Sustainability Report and PAS: Message from the Chair, BMO Sustainability Council.
GRI 102-15	Key impacts, risks, and opportunities.	<p>For risks related to environmental, social and governance (ESG) practices and activities, see page 105 of the AR: Environmental and Social Risk; and page 106 of the AR: Reputation Risk.</p> <p>For BMO's approach to risks and opportunities related to climate change, see page 70 of the 2019 Sustainability Report and PAS: Climate Report.</p> <p>Interests of our stakeholders are disclosed on page 10 of the 2019 Sustainability Report and PAS: Engaging Our Stakeholders (see table). Our approach to risk management is discussed on page 26 of the 2019 Sustainability Report and PAS: Responsible Lending.</p> <p>Further information:</p> <p>BMO's 2019 CDP Response corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances</p> <p>Statement on Human Rights corporate-responsibility.bmo.com/our-approach/statement-on-current-issues</p> <p>Page 68 of the 2019 Sustainability Report and PAS: Human Rights</p> <p>Modern Slavery and Human Trafficking Statement corporate-responsibility.bmo.com/our-approach/statement-on-current-issues</p>
Ethics and Integrity		
GRI 102-16	Values, principles, standards, and norms of behaviour.	<p>See page 54 of the 2019 Sustainability Report and PAS: Business Conduct.</p> <p>Further information:</p> <p>BMO's Code of Conduct www.bmo.com/home/about/banking/corporate-information/codeofconduct</p> <p>Supplier Code of Conduct www.bmo.com/home/about/banking/corporate-information/supplier-information/supplier-code-of-conduct</p> <p>Statement on Human Rights corporate-responsibility.bmo.com/our-approach/statement-on-current-issues</p> <p>Modern Slavery and Human Trafficking Statement corporate-responsibility.bmo.com/our-approach/statement-on-current-issues</p>
GRI 102-17	Mechanisms for advice and concerns about ethics.	See page 55 of the 2019 Sustainability Report and PAS: Business Conduct (Speak Up!).
Governance		
GRI 102-18	Governance structure.	<p>Our Board's oversight of issues related to sustainability is discussed on page 57 of the 2019 Sustainability Report and PAS: Corporate Governance. In addition, Board Committee charters are available on BMO's website under Corporate Governance and Board Committees. www.bmo.com/home/about/banking/corporate-governance</p> <p>Further information: page 70 of the 2019 Sustainability Report and PAS (Climate Report).</p>
GRI 102-19	Delegating authority.	<p>The CEO has delegated responsibility for sustainability, including climate change, to BMO's General Counsel, who is a member of BMO's Executive Committee and reports directly to the CEO. BMO has appointed a Chief Sustainability Officer (CSO), who is situated in Corporate Affairs and reports to the Corporate Secretary and General Counsel.</p> <p>The CSO is responsible for the development and execution of sustainability strategy, including internal advisories, stakeholder engagement and disclosure.</p> <p>Further information: page 70 of the 2019 Sustainability Report and PAS (Climate Report).</p>

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
GRI 102-20	Executive-level responsibility for economic, environmental, and social topics.	A Sustainability Council was established in 2008, chaired by BMO's General Counsel and composed of senior leadership representing each business and corporate area. The Sustainability Council meets quarterly and acts as a support and advisory body to oversee the implementation of BMO's sustainability strategy and discuss topics that include risks, opportunities and disclosure related to climate change. Further information: page 58 of the 2019 Sustainability Report and PAS (Sustainability Governance).
GRI 102-21	Consulting stakeholders on economic, environmental, and social topics.	See page 9 of the 2019 Sustainability Report and PAS: Partnerships for the Goals; and page 10 of the 2019 Sustainability Report and PAS: Engaging Our Stakeholders. See our Shareholder Engagement Policy at www.bmo.com/home/about/banking/corporate-governance/about-us/shareholder-engagement-policy
GRI 102-22	Composition of the highest governance body and its committees.	Board of Directors: www.bmo.com/home/about/banking/corporate-governance/board-of-directors Board Committees: www.bmo.com/home/about/banking/corporate-governance Further information: PC pages 11-36 (Directors and Corporate Governance).
GRI 102-23	Chair of the highest governance body.	The Chair of the Board of Directors is not an executive officer.
GRI 102-24	Nominating and selecting the highest governance body.	See our Governance and Nominating Committee Charter, Director Independence Standards and Board Diversity Policy at www.bmo.com/home/about/banking/corporate-governance/select-documents Further information: PC page 11 (Directors).
GRI 102-25	Conflicts of interest.	See page 43 of the PC (Ethical Business Conduct).
GRI 102-26	Role of the highest governance body in setting purposes, values, and strategy.	Sustainability issues fall within the mandate of the Board of Directors and several of its committees. Enterprise and group strategies are reviewed with the Executive Committee and the Board of Directors annually in interactive sessions that challenge assumptions and strategies in the context of both the current and the potential future business environment. Further information: page 58 of the 2019 Sustainability Report and PAS (Sustainability Governance); and AR page 105 (Strategic Risk).
GRI 102-27	Collective knowledge of highest governance body.	BMO's directors are recruited and evaluated based on a skills matrix that includes experience related to sustainability. Eight of our 14 independent Board members have such experience. New and current Board members receive training on sustainability topics. Training related to climate change risks and disclosure is available to all of BMO's directors. See page 58 of the 2019 Sustainability Report and PAS: Sustainability Governance. Further information: PC page 25 (Skills Matrix); and page 70 of the 2019 Sustainability Report and PAS (Climate Report).
GRI 102-28	Evaluating the highest governance body's performance.	The Governance and Nominating Committee of the Board of Directors is responsible for monitoring and evaluating the process for assessing the performance and effectiveness of the Board and committees of the Board (including a self-assessment of this committee), which takes into account the Board Mandate or Board Committee charters as applicable. Further information: Governance and Nominating Committee Charter, available on our website at www.bmo.com/home/about/banking/corporate-governance/select-documents
GRI 102-29	Identifying and managing economic, environmental, and social impacts.	The Executive Committee (EC), composed of our most senior leaders, is responsible for overseeing the overall sound governance and management of all aspects of our operations. The EC also oversees the execution of all strategies and business plans and reviews their effectiveness. Further information: AR page 105 (Strategic Risk).

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
GRI 102-30	Effectiveness of risk management processes.	<p>The Risk Management Committee is responsible for assisting the Board in fulfilling its oversight responsibilities for BMO's identification and management of risk, adherence to risk management corporate policies, and compliance with risk-related regulatory requirements. The Risk Review Committee Charter is available on our website at www.bmo.com/home/about/banking/corporate-governance/select-documents</p> <p>Further information: page 70 of the 2019 Sustainability Report and PAS (Climate Report).</p>
GRI 102-31	Review of economic, environmental, and social topics.	<p>The Risk Review Committee of the Board of Directors will meet as frequently as it determines necessary, but not less than eight times in each fiscal year. The committee has in-depth discussions with management at each committee meeting on risk management and risk strategies related to key businesses and products. For details on identification, analysis and management of risk, see page 35 of the PC: Report of the Risk Review Committee.</p> <p>Further information: page 70 of the 2019 Sustainability Report and PAS (Climate Report).</p>
GRI 102-32	Highest governance body's role in sustainability reporting.	<p>Board-level oversight of sustainability is embedded in the charter of our Board's Audit and Conduct Review Committee. This committee meets annually with the Chief Sustainability Officer and the Corporate Secretary and General Counsel to review and discuss the findings disclosed in the BMO Sustainability Report and to consider matters related to sustainability. In December 2019, the Sustainability Report and climate-related disclosure were reviewed by the full Board of Directors.</p> <p>See page 58 of the 2019 Sustainability Report and PAS: Sustainability Governance.</p> <p>Further information: PC page 45 (Audit and Conduct Review Committee); PC pages 48-49 (Sustainability); and page 70 of the 2019 Sustainability Report and PAS (Climate Report).</p>
GRI 102-33	Communicating critical concerns.	<p>Critical concerns are reported to the Board of Directors in the form of a report. For example, any non-compliance issues that arise are reported quarterly to the Audit and Conduct Review Committee.</p>
GRI 102-34	Nature and total number of critical concerns.	<p>Not disclosed.</p> <p>Reason for omission: Confidentiality constraints.</p> <p>Explanation: BMO considers this type of information confidential.</p>
GRI 102-35	Remuneration policies.	<p>For BMO's approach to executive compensation and 2018 results and compensation, see page 59 of the PC: Compensation Discussion and Analysis.</p> <p>Executives at the business group level are measured on the profitability of their areas of accountability. Informing the decisions relative to incentive compensation are contributions to productivity challenges and, more specifically, ongoing control over expenses. Sustainability contributions are also considered.</p> <p>Further information: page 66 of the 2019 Sustainability Report and PAS (Linking Sustainability and Executive Compensation); and PC pages 55-56 (Board of Directors' position on Shareholder Proposal 3 - Integrating Environmental, Social and Governance Criteria into Executive Compensation).</p>
GRI 102-36	Process for determining remuneration.	<p>For BMO's approach to executive compensation and 2018 results and compensation, see page 59 of the PC: Compensation Discussion and Analysis.</p>
GRI 201-37	Stakeholders' involvement in remuneration.	<p>See page 67 of the PC: Independent advice.</p>
GRI 102-38	Annual total compensation ratio.	<p>Not disclosed.</p> <p>Reason for omission: Confidentiality constraints.</p> <p>Explanation: See PC pages 54-55 (Board of Directors' position on Shareholder Proposal 2 - Disclosure of Pay Ratio).</p>
GRI 102-39	Percentage increase in annual total compensation ratio.	<p>See above.</p>

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
Stakeholder Engagement		
GRI 102-40	List of stakeholder groups.	See page 10 of the 2019 Sustainability Report and PAS: Engaging Our Stakeholders.
GRI 102-41	Collective bargaining agreements.	Currently, 0% of employees are covered by collective bargaining agreements. For BMO's position on freedom of association and collective bargaining, refer to corporate-responsibility.bmo.com/our-approach/statement-on-current-issues
GRI 102-42	Identifying and selecting stakeholders.	See page 10 of the 2019 Sustainability Report and PAS: Engaging Our Stakeholders.
GRI 102-43	Approach to stakeholder engagement.	See page 10 of the 2019 Sustainability Report and PAS: Engaging Our Stakeholders. For engagement undertaken specifically as part of the report preparation process, see GRI 102-46; and page 12 of the 2019 Sustainability Report and PAS: Materiality.
GRI 102-44	Key topics and concerns raised.	See page 10 of the 2019 Sustainability Report and PAS: Engaging Our Stakeholders. For the list of priority topics, see page 12 of the 2019 Sustainability Report and PAS: Materiality Matrix.
Reporting Practice		
GRI 102-45	Entities included in the consolidated financial statements.	For information about the inter-corporate relationships among Bank of Montreal and its significant subsidiaries, see page 203 of the AR (Significant Subsidiaries).
GRI 102-46	Defining report content and topic Boundaries.	See page 12 of the 2019 Sustainability Report and PAS: Materiality. Further information: BMO conducted a materiality assessment in 2017 using a three-stage assessment process: 1. Topic identification – we identified 19 sustainability topics in a broad review of global research and analysis that considered issues facing our industry, trends, peer benchmarking and disclosure standards. 2. Prioritization – we surveyed more than 3,000 individuals (employees, customers, investors, communities/civil society organizations and BMO leaders across geographic regions) to determine a materiality rating for each of the 19 topics. Ratings were based on a four-point scale and evaluated the importance of the topic to BMO and BMO's stakeholders, as well as the effectiveness of BMO's approach. The survey was supplemented with in-depth interviews with select stakeholders to establish a context for the survey scores and identify any gaps. 3. Validation – an internal workshop with BMO leaders and subject-matter experts was conducted to validate the results, including topics that fell below the threshold of materiality and topics not initially identified. The final materiality matrix was presented to BMO's Sustainability Council.
GRI 102-47	List of material topics.	See page 19 of this report, and see page 12 of the 2019 Sustainability Report and PAS: Materiality.
GRI 102-48	Restatements of information.	The following information has been restated in the 2019 Sustainability Report and PAS: <ul style="list-style-type: none"> • Substantiated complaints regarding breaches of customer privacy and losses of customer data – 2018 value has been restated to include the last quarter of the fiscal year. The previously reported 2018 value was as at Q3 2018. • Enterprise-wide Net Promoter Score – 2018 value has been restated to reflect changes in survey approach. In 2019, we shortened our surveys in line with best practice and shifted to more digital feedback capture versus phone-administered surveys. • Community development loans – 2017 and 2018 values have been restated due to timing of loans closing, timing of reports and receipt of new information. • Open positions filled by internal candidates – 2018 value has been restated to adjust for entry-level roles (see definition of Open positions filled by internal candidates in the Glossary of Terms).

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
GRI 102-49	Changes in reporting.	Data in this year's report is enterprise-wide, unless otherwise stated. Where there have been changes in measurement methods, we have identified those changes in a footnote.
GRI 102-50	Reporting period.	BMO's 2019 Sustainability Report and PAS covers our 2019 fiscal year (November 1, 2018 to October 31, 2019).
GRI 102-51	Date of most recent report.	Our most recent previous report is our 2018 ESG Report and PAS, published in December 2018.
GRI 102-52	Reporting cycle.	Annual.
GRI 102-53	Contact point for questions regarding the report.	sustainability@bmo.com
GRI 102-54	Claims of reporting in accordance with the GRI Standards.	The 2019 Sustainability Report and PAS has been prepared in accordance with the GRI Standards: Core option.
GRI 102-55	GRI content index.	This table.
GRI 102-56	External assurance.	See page 112 of the 2019 Sustainability Report and PAS: Independent Limited Assurance Report by KPMG LLP, Bank of Montreal's auditor.

ECONOMIC PERFORMANCE

GRI 103-1	Explanation of the material topic and its Boundary.	See page 6 of the 2019 Sustainability Report and PAS: How We Create Value. Further information: AR page 4 (Chair's Message); AR page 5 (Chief Executive Officer's Message); AR page 2 (Financial Snapshot); and AR page 137 (Consolidated Financial Statements).
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 201-1	Direct economic value generated and distributed.	See page 6 of the 2019 Sustainability Report and PAS: How We Create Value. See also BMO's PAS on page 114 of the 2019 Sustainability Report and PAS. See also BMO's Statement on Tax Principles: corporate-responsibility.bmo.com/our-approach/statement-on-current-issues
GRI 201-3	Defined benefit plan obligations and other retirement plans.	We provide and/or contribute to pension and/or retirement savings plans for eligible employees globally. See page 37 of the 2019 Sustainability Report and PAS: BMO Canada Pension Plan (table).
GRI 201-4	Financial assistance received from government.	None.

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
MATERIAL ISSUES		
Access to Banking		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 32 of the 2019 Sustainability Report and PAS: Access to Banking. For details on the Boundary of this topic, see page 19 of the 2019 Sustainability Report and PAS.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
FS14	Initiatives to improve access to financial services for disadvantaged people.	See page 32 of the 2019 Sustainability Report and PAS: Access to Banking. BMO is committed to creating specialized products and services that make our offerings more accessible.
Business Conduct		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 54 of the 2019 Sustainability Report and PAS: Business Conduct. For details on the Boundary of this topic, see page 19 of the 2019 Sustainability Report and PAS.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 412-2	Employee training on human rights policies or procedures.	The total number of training hours on BMO's Code of Conduct during the 2019 program year was 30,654 hours. This is a significant increase from the 17,515 hours completed in 2018 which is due primarily to an increase in the length of the course. See page 14 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Employee training on human rights policies or procedures).
GRI 419-1	Non-compliance with laws and regulations in the social and economic area.	See page 13 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Significant fines or monetary sanctions).
Climate Change		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 70 of the 2019 Sustainability Report and PAS: Climate Report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 201-2	Financial implications and other risks and opportunities due to climate change.	See above.

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
Consumer Protection and Transparency		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 56 of the 2019 Sustainability Report and PAS: Consumer Protection and Transparency. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
FS15	Policies for the fair design and sale of financial products and services.	<p>The fair design and sale of financial products and services is embedded in BMO's Code of Conduct. BMO has also participated in the development and is committed to Voluntary Commitments and Codes of Conduct that are designed to protect customers, which are listed on our website www.bmo.com/home/popups/global/codes-of-conduct.</p> <p>BMO complies with all regulations that aim to protect the interests of customers. Regulators to which our retail banking business are subject include the Financial Consumer Agency of Canada for our Canadian operations, and the Consumer Financial Protection Bureau for our U.S. operations. Regulators to which our wealth management business are subject include the Investment Industry Regulatory Organization of Canada and the Mutual Fund Dealers Association under the umbrella of the Canadian Securities Administrators for our Canadian operations, and the Financial Industry Regulatory Authority, the Securities and Exchange Commission, the Office of the Comptroller of the Currency, and the Department of Labor for our U.S. operations.</p> <p>BMO's compensation plans and other incentives are designed to encourage and reward performance aligned with appropriate behaviours. BMO's performance management process balances "what" our employees achieve with "how" they demonstrate our values. Sales force training reinforces these expectations. Sales revenue is generally recognized when a customer uses a product, and may be reversed if a customer cancels or does not use a product. Customers can raise and escalate concerns through defined processes. Regular monitoring of the sales force, along with audits and reviews of our policies and procedures, ensures the continued integrity of our practices and processes. In 2018, the Human Resources Committee of BMO's Board of Directors reviewed retail incentive compensation plans in conjunction with the joint review of retail sales practices at six of the Canadian banks conducted by the Financial Consumer Agency of Canada (FCAC) and OSFI.</p> <p>Further information: Page 54 of the 2019 Sustainability Report and PAS (Business Conduct); and page 56 of the 2019 Sustainability Report and PAS (Consumer Protection and Transparency). BMO Code of Conduct. Voluntary codes of conduct and public commitments regarding fair design and sale of financial products and services www.bmo.com/home/popups/global/codes-of-conduct What you need to know about Coercive Tied Selling www.bmo.com/bmo/files/images/3/1/CoerciveTiedSelling_eng.pdf</p>
Contributing to Communities		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 48 of the 2019 Sustainability Report and PAS: Contributing to Communities. For details on the Boundary of this topic, see page 19 of the 2019 Sustainability Report and PAS.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 203-2	Significant indirect economic impacts.	See page 48 of the 2019 Sustainability Report and PAS: Contributing to Communities. Further information: page 32 of the 2019 Sustainability Report and PAS (Access to Banking); and page 45 of the 2019 Sustainability Report and PAS (Financial Inclusion).

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
Corporate Governance		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 57 of the 2019 Sustainability Report and PAS: Corporate Governance. For details on the Boundary of this topic, see page 19 of this report
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 405-1	Diversity of governance bodies and employees.	See page 13 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Women on Board of Directors); and page 14 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Diversity and Inclusion).
Customer Experience		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 59 of the 2019 Sustainability Report and PAS: Customer Experience. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
See GRI 102-43 and GRI 102-44		
Cyber Security, Information Security and Privacy		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 62 of the 2019 Sustainability Report and PAS: Cyber Security, Information Security and Privacy. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data.	There were 4 privacy-related substantiated BMO customer complaints made to regulators in fiscal 2019. See page 13 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Substantiated complaints regarding breaches of customer privacy and losses of customer data).

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
Diversity and Inclusion		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 42 of the 2019 Sustainability Report and PAS: Diversity and Inclusion. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 405-1	Diversity of governance bodies and employees.	See page 13 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Women on Board of Directors); and page 14 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Diversity and Inclusion).
Employee Engagement		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 64 of the 2019 Sustainability Report and PAS: Employee Engagement. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
See GRI 102-43 and GRI 102-44		
Executive Compensation		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 66 of the 2019 Sustainability Report and PAS: Executive Compensation. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
See GRI 102-35		

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
Financial Inclusion		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 45 of the 2019 Sustainability Report and PAS: Financial Inclusion. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
FS13	Access points in low-populated or economically disadvantaged areas by type.	See page 45 of the 2019 Sustainability Report and PAS: Financial Inclusion.
FS14	Initiatives to improve access to financial services for disadvantaged people.	See page 45 of the 2019 Sustainability Report and PAS: Financial Inclusion. BMO is committed to making our facilities and services accessible to everyone. Initiatives include level or ramped entries to our branches, lowered height at our ATMs, account information and print materials in alternative formats (e.g., large print, Braille, audio or e-text statements), TTY/TTD (teletypewriter device), Bell Relay Service and sign language interpreter (ASL for English and LSQ for French). Further information: https://www.bmo.com/home/about/banking/accessibility
Financial Literacy		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 34 of the 2019 Sustainability Report and PAS: Financial Literacy. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
FS16	Initiatives to enhance financial literacy by type of beneficiary.	See page 34 of the 2019 Sustainability Report and PAS: Financial Literacy.
Human Rights		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 68 of the 2019 Sustainability Report and PAS: Human Rights. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
See GRI 412-2		

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
Learning and Development		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 38 of the 2019 Sustainability Report and PAS: Learning and Development. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 404-1	Average hours of training per year per employee.	See page 15 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Average training hours per full-time equivalent employee); and page 38 of the 2019 Sustainability Report and PAS: Learning and Development. A breakdown of average hours of training by gender and employee category is not disclosed. Reason for omission: Not applicable (training by gender). Explanation: Investments in training are made across the entire employee base (gender does not enter into these determinations).
GRI 404-3	Percentage of employees receiving regular performance and career development reviews.	See page 15 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Employees receiving regular performance and career development reviews).
Reducing Our Environmental Footprint		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 27 of the 2019 Sustainability Report and PAS: Reducing Our Environmental Footprint. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 302-1	Energy consumption within the organization.	See BMO's ECO ⁵ Summary Report corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances See BMO's 2019 CDP Response corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances
GRI 302-3	Energy intensity.	See BMO's 2019 CDP Response corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances
GRI 302-4	Reduction of energy consumption.	See BMO's ECO ⁵ Summary Report corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances See BMO's 2019 CDP Response corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances See Carbon Neutrality – Achieving Our Goal corporate-responsibility.bmo.com/our-practices/environmental-stewardship
GRI 303-1	Interactions with water as a shared resource.	See BMO's ECO ⁵ Summary Report corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances
GRI 305-1	Direct (Scope 1) GHG emissions.	See page 14 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Scope 1 emissions data). See BMO's ECO ⁵ Summary Report corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances See BMO's 2019 CDP Response corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
GRI 305-2	Energy indirect (Scope 2) GHG emissions.	See page 14 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Scope 2 emissions data). See BMO's ECO ² Summary Report corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances See BMO's 2019 CDP Response corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances
GRI 305-3	Energy indirect (Scope 3) GHG emissions.	See page 14 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Scope 3 emissions data). See BMO's ECO ² Summary Report corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances See BMO's 2019 CDP Response corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances
GRI 305-4	GHG emissions intensity.	See BMO's 2019 CDP Response corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances
GRI 305-5	Reduction of GHG emissions.	See page 14 of the 2019 Sustainability Report and PAS: Sustainability Scorecard. See BMO's ECO ² Summary Report corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances See BMO's 2019 CDP Response corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances See BMO's Environmental Policy and Approach corporate-responsibility.bmo.com/our-practices/environmental-stewardship/environmental-policy-and-approach
GRI 305-6	Emissions of ozone-depleting substances (ODS).	See BMO's ECO ² Summary Report corporate-responsibility.bmo.com/our-practices/environmental-stewardship/enviro-targets-performances
GRI 307-1	Non-compliance with environmental laws and regulations.	BMO has not paid any significant fines and was not otherwise sanctioned for non-compliance with environmental laws or regulations in fiscal 2019.

Responsible Investing

GRI 103-1	Explanation of the material topic and its Boundary.	See page 22 of the 2019 Sustainability Report and PAS: Responsible Investing. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 203-1	Infrastructure investments and services supported.	See page 14 of the 2019 Sustainability Report and PAS: Sustainability Scorecard (Community development investments); and page 22 of the 2019 Sustainability Report and PAS: Responsible Investing.
FS10	Percentage and number of companies held in the institution's portfolio with which the organization has interacted on environmental and social issues.	We disclose the number of companies we engaged with and the number of board-level meetings with companies (not the percentages). See page 22 of the 2019 Sustainability Report and PAS: Responsible Investing (Active, engaged, responsible).

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
Responsible Lending		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 26 of the 2019 Sustainability Report and PAS: Responsible Lending. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
FS1	Policies with specific environmental and social components applied to business lines.	<p>Environmental and social risks include the possibility of adverse effects on the natural environment arising from emissions, wastes and resource depletion, as well as risks to the livelihoods, health and rights of communities and their cultural heritage arising from a client's business operations and BMO's financing activities. The existence of environmental and social risks does not preclude us from providing financing to a borrower. We have internal policies for our Commercial Banking and BMO Capital Markets businesses that provide guidance on how to identify, manage and mitigate environmental and social risks in financing transactions. The policies are regularly reviewed and approved by senior management.</p> <p>Further information: AR page 105 (Environmental and Social Risk); and page 70 of the 2019 Sustainability Report and PAS (Climate Report).</p>
FS2	Procedures for assessing and screening environmental and social risks in business lines.	<p>Due diligence is performed by the lines of business to determine the magnitude of environmental and social risks. As part of the approval process, the transaction application will include the findings of the line of business.</p> <p>Environmental risk is most prevalent when dealing with environmentally sensitive industries. We have identified more than 50 industries that warrant a higher level of environmental due diligence. Specific due diligence questions are outlined in our financing policies.</p> <p>Environmental and social issues that BMO may encounter in lending (including counterparty transactions) or loan realization are considered in terms of credit, liability and reputation risks. Since 2005, BMO has applied the Equator Principles, a framework for addressing environmental and social risks in certain financing or lending activities (see Equator Principles, page 26). BMO's commitment to addressing environmental and social risks in other lending transactions is achieved through its normal assessment processes.</p> <p>Further information: AR page 105 (Environmental and Social Risk); Equator Principles Report corporate-responsibility.bmo.com/our-practices/responsible-lending; and page 70 of the 2019 Sustainability Report and PAS (Climate Report).</p>
FS3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions.	Social and environmental requirements in transaction agreements are monitored by the lines of business in the same way that other transaction requirements are monitored.
FS4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines.	Updates to our policies are widely distributed to all affected employees, and when necessary, we inform key decision-makers on a case-by-case or issue-by-issue basis.
FS9	Coverage and frequency of audits to assess implementation of environmental and social policies and risk assessment procedures.	The management of environmental and social risks is integrated into our enterprise-wide risk management processes. As a matter of course, our internal audit function periodically conducts audits on all operating units. These audits include assessing each unit's compliance with relevant environmental and social policies and risk management procedures.

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
Sustainable Finance		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 18 of the 2019 Sustainability Report and PAS: Sustainable Finance. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
F55	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities.	We work with our clients and suppliers to understand and manage social and environmental risks, and to take advantage of opportunities. In 2019, we established a Sustainable Finance team within Capital Markets. The group is responsible for mobilizing the enterprise to pursue opportunities that involve sustainability with customers across all lines of business and their mandate includes client advisory. BMO's Responsible Investing team within BMO GAM has an extensive investee engagement program. Further information: see page 18 of the 2019 Sustainability Report and PAS: Sustainable Finance; and page 22 of the 2019 Sustainability Report and PAS: Responsible Investing
Talent Attraction and Retention		
GRI 103-1	Explanation of the material topic and its Boundary.	See page 36 of the 2019 Sustainability Report and PAS: Talent Attraction and Retention. For details on the Boundary of this topic, see page 19 of this report.
GRI 103-2	The management approach and its components.	See above.
GRI 103-3	Evaluation of the management approach.	See above.
GRI 401-1	New employee hires and employee turnover.	See page 36 of the 2019 Sustainability Report and PAS: Talent Attraction and Retention. Voluntary turnover rates are provided with a breakdown by gender and region, but not by age. Reason for omission: Information unavailable. Explanation: We will review in 2020.
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees.	See page 36 of the 2019 Sustainability Report and PAS: Talent Attraction and Retention

GRI Disclosure	Description	2019 Location/Commentary/Explanation for Omission
ADDITIONAL INFORMATION (not related to the priority topics)		
GRI 403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities.	<p>During fiscal 2019, 116,073 sick days were recorded by our employees in North America; we did not record any work-related fatalities in fiscal 2019.</p> <p>A breakdown of sick days and work-related fatalities by region or by gender is not disclosed.</p> <p>Reason for omission: Not applicable.</p> <p>Explanation: We do not see any differences in our male and female employee populations that would significantly affect risk of injury or illness, nor do we see any regional differences.</p>
GRI 415-1	Political contributions.	<p>BMO supports efforts to enhance the transparency of the electoral systems in the jurisdictions in which it does business. BMO does not use corporate funds to make donations to political candidates or parties in Canada or the United States.</p> <p>In the United States:</p> <p>There are two Political Action Committees connected with BMO Financial Corp. that are registered with the U.S. Federal Election Commission (FEC): the BMO Financial Corp Good Governance Fund – Federal, and the BMO Financial Corporation Good Governance Fund – General. Over the period from November 1, 2018 to October 31, 2019, these funds contributed a total of US\$136,500 to political candidates and committees in the United States. These contributions were made from the BMO Financial Corp Good Governance Fund – Federal and the BMO Financial Corporation Good Governance Fund – General, in the amounts of US\$131,300 and US\$5,200, respectively.</p> <p>Further information: Statement on Political Contributions and Lobbying corporate-responsibility.bmo.com/our-approach/statement-on-current-issues</p>

BMO Material Issue	Boundary	
	Internal (within BMO)	External (outside of BMO)
Table for GRI 102-47		
Access to Banking	X	X
Business Conduct	X	X
Climate Change	X	X
Consumer Protection and Transparency	X	X
Contributing to Communities	X	X
Corporate Governance	X	
Customer Experience		X
Cyber Security, Information Security and Privacy	X	X
Diversity and Inclusion	X	X
Employee Engagement	X	X
Executive Compensation	X	
Financial Inclusion	X	X
Financial Literacy	X	X
Human Rights	X	X
Learning and Development	X	X
Reducing our Environmental Footprint	X	X
Responsible Investing	X	X
Responsible Lending	X	X
Sustainable Finance	X	X
Talent Attraction and Retention	X	X