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BMO Financial Group

# 2022 Sustainability Report Data Pack and Glossary



This Data Pack provides quantitative sustainability performance data to support our disclosures and to supplement the sustainability scorecard included in our Sustainability Report. It is intended to provide greater detail and enhanced transparency for investors, analysts and other stakeholders.<sup>1</sup> The Glossary defines the terms we use and our approach to measuring performance.

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

#### Reporting period

Covers the fiscal year ended October 31, 2022

#### Data

Unless otherwise noted:

as of October 31, 2022

enterprise-wide

may be rounded

dollar amounts are in Canadian dollars

◆ KPMG provided limited assurance of this figure in 2022. Please see KPMG's Independent Limited Assurance Report in our [2022 Sustainability Report](#).



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

<sup>1</sup> This Data Pack includes voluntary disclosures on sustainability and ESG topics, including climate-related risks and opportunities, that may not be, and are not necessary 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.



# Thriving Economy

## Financial inclusion

### Women

	2022	2021	2020	Target
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

### Indigenous communities in Canada

	2022	2021	2020	Target
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	-

### Small businesses

	2022	2021	2020	Target
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

### Community investment

	2022	2021	2020	Target <sup>1</sup>
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

<sup>1</sup> 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](#).



### Customers with unique needs

#### Number of clients receiving complimentary or discounted services

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

### Financial literacy

	2022	2021	2020
Participants in financial literacy sessions offered by BMO Harris - United States (#)	6,067	7,868	3,314



# Sustainable Future

## Sustainable finance

### Sustainable financing

#### Sustainable financing by transaction type (\$ billions)

	2022	2021	2020	Total since fiscal 2019	Target
<b>Capital to clients pursuing sustainable outcomes</b>	<b>\$90.92</b> ◆	\$71.07	\$77.26	\$266.64	
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	\$300 billion by 2025 Progress to date: 89%
Sustainable equity and debt financing	\$2.86	\$9.84	\$17.04	\$35.83	
Sustainable finance advisory	\$2.57	\$0.83	\$0.44	\$3.84	
Sustainable investments (including the Impact Investment Fund)	\$0.55	\$0.46	\$0.43	\$1.73	
Capital deployed for BMO Impact Investment Fund (\$ millions)	\$68.2	\$44.0	\$24.0	\$136.2	
Capital towards affordable and accessible housing (\$ billions)	\$2.6	-	-	-	\$12 billion by 2030

#### Sustainable financing by outcome (\$ billions)

	2022	2021	2020	Total since fiscal 2019
<b>Sustainable</b>	<b>\$65.28</b>	\$35.27	\$35.99	\$140.17
<b>Green</b>	<b>\$13.82</b>	\$26.74	\$30.73	\$84.36
Low-carbon energy	\$3.11	\$5.59	\$14.21	\$31.78
General green	\$7.59	\$10.06	\$7.11	\$27.69
Green buildings	\$0.34	\$5.31	\$3.00	\$8.67
Waste management	\$0.73	\$3.63	\$3.71	\$8.19
Clean transportation	\$1.67	\$1.57	\$1.75	\$5.51
Sustainable agriculture	\$0.38	\$0.58	\$0.95	\$2.52
<b>Social</b>	<b>\$11.82</b>	\$9.06	\$10.54	\$42.11
Health care	\$3.15	\$1.95	\$4.56	\$13.93
Gender equality <sup>1</sup>	\$3.45	\$3.37	\$1.75	\$11.02
General social	\$2.50	\$2.35	\$1.17	\$7.30
Education	\$0.25	\$0.46	\$1.40	\$2.76
Public administration	\$0.68	\$0.23	\$0.88	\$3.06
Social assistance	\$0.21	\$0.17	\$0.47	\$1.25
Employment services	\$0.41	\$0.23	\$0.25	\$1.23
Indigenous peoples <sup>1</sup>	\$1.17	\$0.30	\$0.06	\$1.56

<sup>1</sup> To avoid double counting, loans to women-owned businesses or Indigenous peoples that also have other sustainability characteristics are reported according to their other sustainability characteristics.



## Responsible investing

### Engagement<sup>1</sup>

	2022	2021	2020
Companies engaged on sustainability topics	848	781	716
Board and senior executive level meetings held with companies	219	223	322
Engagements that influenced change <sup>2</sup>	216	320	346

### Company engagement themes

	2022	2021	2020
Labour standards	15%	28%	27%
Corporate governance	18%	23%	22%
Climate change	29%	21%	22%
Public health	7%	10%	9%
Environmental stewardship, including biodiversity	19%	8%	11%
Human rights	9%	8%	4%
Business conduct	3%	2%	5%

<sup>1</sup> Totals include engagements 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.

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



## Environmental and social risk management

### Climate change

	2022	2021	2020
Lending to carbon-related assets – Metric 1 (non-renewable energy and power generation focus) <sup>1</sup> (%)	1.4% <span style="color: green;">◆</span>	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) <sup>2</sup> (%)	19.8% <span style="color: green;">◆</span>	–	–

### Equator Principles reporting

BMO has been a signatory to the Equator Principles (EP), a risk management framework adopted by financial institutions for identifying, assessing, and managing environmental and social risk in transactions that fall within their scope, since 2005. BMO recommitted to the EP in 2006 and 2012.

The Project Finance group within Corporate Banking is the first line of defence responsible for identifying whether a given transaction falls within the scope of the EP framework. The Corporate Banking team has more than a dozen members that review and validate that applicable transactions comply with the EPs, as part of the commercial lending process at BMO.

The Corporate and Commercial Credit team reviews the Corporate Banking team's recommendations and is responsible for approving such transactions.

The Sustainability team, reporting to the Chief Sustainability Officer, is also involved in the review and validation of EP transactions and is notified of EP transactions as part of an Environmental and Social Risk Rating due diligence process, where applicable. The Corporate Banking team typically engages a third-party environmental consultant for transactions to assess consistency of the financing with the EP. If the consultant's findings require additional clarification, the Sustainability team may be brought in for further guidance. This is determined on a case-by-case basis.

Additionally, if the Corporate Banking team determines that a transaction is not subject to the EP or does not require the appointment of a third-party consultant (i.e., for smaller or less complex transactions), the Sustainability team can be brought in to provide the necessary guidance to advise on the EP as applied to the project, with the aim that the Corporate Banking team's determination is aligned with the EP. The Sustainability team may also be consulted on complex transactions when the Corporate Banking team or the Corporate and Commercial Credit team requires additional EP guidance.

The EP are incorporated into BMO's credit and risk management policies and procedures through requirements found in our Environmental and Social Risk General Financing Guideline, our Project Finance Financing Guideline, and certain sector-specific Financing Guidelines.

Additionally, BMO has developed internal EP training and guidance on the application of the EP.

### Project finance

In fiscal 2022, BMO closed four project finance transactions under the Equator Principles IV. The breakdown is as follows:

	Category A	Category B	Category C
<b>Sector</b>			
Mining	0	0	0
Infrastructure	0	0	0
Oil and gas	0	1	0
Power	0	3	0
Others	0	0	0

(continued on next page)

<sup>1</sup> 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.

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

**Project finance** (continued from previous page)

	Category A	Category B	Category C
<b>Region</b>			
Americas	0	4	0
Europe, Middle East and Africa	0	0	0
Asia Pacific	0	0	0
<b>Country Designation</b>			
Designated	0	4	0
Non-designated	0	0	0
<b>Independent Review</b>			
Yes	0	4	0
No	0	0	0
<b>Total reaching financial close</b>	<b>0</b>	<b>4</b>	<b>0</b>

Project name	Sector	Host Country/Project Location	Calendar Year of Financial Close	Category
Not disclosed	Power	United States	2022	B
Opal Fuels Intermediate Holdco 2 LLC	Oil and gas	United States	2022	B
Deerfield Wind Energy 2 LLC	Power	United States	2022	B
Travers 2 Solar LP	Power	Canada	2022	B

**Project finance advisory services**

No project finance advisory services transactions reached financial close in fiscal 2022.

**Project-related corporate loans**

No project-related corporate loans reached financial close in fiscal 2022.

**Project-related refinance and acquisition finance**

No project-related refinance or acquisition finance transactions reached financial close in fiscal 2022.





## Operational efficiency

Activity Data	2022	2021 <sup>1</sup>	2020	Target
Employees (full-time equivalent)	46,722	43,863	43,360	
Occupied building space (m <sup>2</sup> ) <sup>2</sup>	1,543,776	1,615,796	1,667,616	
<b>Energy consumption</b>				
Fuels (MWh) <sup>3</sup>	168,418	171,115	164,117	
Electricity and steam (MWh)	310,234	325,863	327,607	
Renewable energy certificates (RECs) purchased (MWh)	308,819	325,442	326,446	
Electricity from renewable sources (% of electricity consumed)	100%	100%	100%	100% annually Progress: achieved
<b>Greenhouse gas emissions</b>				
Scope 1 emissions (tonnes CO <sub>2</sub> e) <sup>4</sup>	34,083	33,661	31,621	30% reduction by 2030 vs. 2019 baseline Progress to date: 35% <sup>5</sup>
Scope 2 location-based emissions (tonnes CO <sub>2</sub> e) <sup>4</sup>	54,788	63,634	62,661	
Scope 2 market-based emissions (tonnes CO <sub>2</sub> e) <sup>4</sup>	295	88	242	
Scope 3 category 5 emissions from waste sent to landfill (tonnes CO <sub>2</sub> e) <sup>4,6</sup>	667	1,047	676	
Scope 3 category 6 emissions from business travel (tonnes CO <sub>2</sub> e) <sup>4,7</sup>	6,297	1,919	7,778	
<b>Total operational GHG emissions (tonnes CO<sub>2</sub>e)</b>	<b>95,835</b>	<b>100,261</b>	<b>102,736</b>	
Scope 1 and 2 GHG intensity (tonnes CO <sub>2</sub> e/FTE)	1.90	2.22	2.17	
Carbon credits retired (tonnes CO <sub>2</sub> e)	41,342	36,715	40,317	
GHG reductions from RECs (tonnes CO <sub>2</sub> e)	54,493	63,546	62,419	
<b>Net operational GHG emissions (tonnes CO<sub>2</sub>e)</b>	<b>0</b>	<b>0</b>	<b>0</b>	Carbon neutral operations annually Progress: achieved
Global electricity use procured from renewable sources	100%	100%	100%	100% annually Progress: achieved

(continued on next page)

<sup>1</sup> 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 results for prior years, which were calculated based on our fiscal year. All results reflect 12 months of operations and are comparable.

<sup>2</sup> Represents buildings occupied as at the end of the reporting period.

<sup>3</sup> Includes natural gas, heating oil, propane and diesel used to heat our buildings, and fuel used in company-owned vehicles.

<sup>4</sup> An independent third party, Morrison Hershfield, has provided reasonable assurance for all of BMO's Scope 1 and Scope 2 emissions and some of BMO's Scope 3 emissions. Our water consumption was also verified by Morrison Hershfield. Both verification statements can be found on our [website](#).

<sup>5</sup> 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.

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

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



Activity Data (continued from previous page)	2022	2021 <sup>1</sup>	2020	Target
<b>Waste management</b>				
Waste generated – landfill (tonnes) <sup>2</sup>	692	790	483	
Waste generated – recycled or reused (tonnes) <sup>2</sup>	1,629	1,499	1,598	
% waste diverted from landfill	70.2%	65.5%	76.8%	
% e-waste diverted from landfill	95.6%	91.5%	87.3%	
<b>Water consumption<sup>3</sup></b>				
Water consumption (m <sup>3</sup> )	246,897	498,837	425,541	

<sup>1</sup> 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 results for prior years, which were calculated based on our fiscal year. All results reflect 12 months of operations and are comparable.

<sup>2</sup> Data includes waste audit results and reflects approximately 21% of our total occupied building space.

<sup>3</sup> Includes water consumption at facilities for which data is available (North America only). For 2022, water consumption data reflects approximately 51% of our total occupied building space.



## Building certifications

Facility	Certification
BMO office – First Canadian Place, Toronto, ON	LEED Gold – Existing building (Operations and maintenance)
BMO office – 320 South Canal, Chicago, IL	LEED Gold – New construction (Core and shell)
BMO office – 151 West 42nd Street, New York, NY	LEED Gold – Existing building (Operations and maintenance)
BMO office – 100 Liverpool Street, London, UK	BREEAM Outstanding & WELL Building Gold – New construction base building (Core and shell)
BMO office – 3 Pacific Place, Hong Kong	BEAM Platinum – Existing building
BMO office – 1600 Carling, Ottawa, ON	LEED Platinum – Existing Building (Operation and maintenance)
BMO office – 595 Burrard St, Vancouver, BC	LEED Platinum – Existing building
BMO office – 4730 Kingsway, Burnaby, BC	LEED Platinum – Core and shell
BMO office and branch – 1695 Grafton St, Halifax, NS	LEED Gold – Core and shell
BMO customer contact facility – Mississauga, ON	LEED Gold – Core and shell
BMO branch – 351 King Street E, Toronto, ON	LEED Gold – Core and shell
BMO branch – 105 Clair Road E, Guelph, ON	LEED Silver – New construction
BMO branch – 631-645 Commissioners Road E, London, ON	LEED Silver – New construction (Core and shell)
BMO branch – 9608 Macleod Trail SE, Calgary, AB	LEED Silver – New construction
BMO branch – 12920 S Route 47, Huntley, IL	LEED Silver – New construction
BMO branch – 15450 W National Avenue, New Berlin, WI	LEED Silver – New construction
BMO branch – 1454 Merivale Rd, Ottawa, ON	LEED Silver – New construction
BMO branch – 5111 New Street, Burlington, ON	LEED Certified – Interior design and construction (Core and shell)
BMO office and support facility – Naperville, IL	EPA Energy Star
BMO office – 790 N Water St, Milwaukee, WI	EPA Energy Star



# Inclusive Society

## Diversity, equity and inclusion

Representation goals <sup>1</sup>	2022	2021	2020	Target
Gender equity in senior leadership roles – enterprise-wide <sup>2</sup>	42.0% <span style="color: green;">◆</span>	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% <span style="color: green;">◆</span>	24.2%	–	31% by 2025
People of Colour in senior leadership roles – United States	26.5% <span style="color: green;">◆</span>	24.5%	–	30% by 2025
Indigenous peoples across our workforce – Canada	1.4% <span style="color: green;">◆</span>	1.3%	1.2%	1.6% by 2025
Persons with disabilities across our workforce – Canada and United States	5.6% <span style="color: green;">◆</span>	4.5%	4.7%	5%-7% by 2025
2SLGBTQ+ representation across our workforce – Canada and United States	4.3% <span style="color: green;">◆</span>	2.2%	–	3% by 2025
<b>Workforce</b>				
Employees by age range				
Gen Z	12.8%	9.6%	5.3%	
Millennial	44.1%	43.4%	22.9%	
Gen X	31.0%	32.9%	52.0%	
Boomers	12.1%	14.1%	19.7%	
Pre-Boomers	0.03%	0.03%	0.1%	
Employees by seniority				
Senior leadership	1.5%	1.5%	–	
Senior management	16.9%	15.8%	–	
Mid-career	35.4%	34.9%	–	
Early career	46.1%	47.8%	–	

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<sup>1</sup> 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.

<sup>2</sup> Our Zero Barriers to Inclusion goal for 2025 for gender equity in senior leadership roles is enterprise-wide.



(continued from previous page)	2022	2021	2020	Target
<b>Gender</b>				
Women in our workforce	52.9%	53.6%	54.0%	
Women as a percentage of new employees	51.1%	53.3%	52.6%	
Women by seniority				
Executive officer <sup>1</sup>	27.3%	27.3%	27.3%	
Senior leadership	42.0%	41.2%	-	
Senior management	35.2%	34.3%	-	
Mid-career	45.9%	45.9%	-	
Early career	65.2%	66.1%	-	
Women promoted – enterprise-wide	61.2%	54.6%	-	
Women in technology positions	24.3%	23.2%	-	
Women in STEM positions	31.3%	31.6%	-	
<b>People of Colour</b>				
People of Colour in our workforce				
Canada	41.2%	40.8%	-	
United States	29.7%	29.3%	-	
Student opportunities for Black, Indigenous and People of Colour – Canada and United States	56%	51%	-	
Black and Latinx interns and entry-level employees – United States	24%	28%	-	
People of Colour employees promoted – Canada and United States	39.5%	59.9%	-	
<b>Other</b>				
Employees enabled to learn from difference <sup>2</sup>	93.3%	89.6%	83.5%	100% by 2025

<sup>1</sup> The 2021 value has been restated to align the definition of “executive officer” with the Annual Information Form..

<sup>2</sup> The metric was broadened in 2022 to include the development of inclusion-focused learning. Performance in 2022 includes multiple programs (see Glossary).



## Employee-centric value proposition

### Talent attraction and retention

<b>Hiring</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Total number of new hires (#)	12,480	8,989	-
Open positions filled by internal candidates <sup>1</sup>	42%	53%	55%
<b>New hires by age range</b>			
Gen Z	32.9%	34.4%	-
Millennial	48.9%	48.2%	-
Gen X	15.0%	14.2%	-
Boomers	3.2%	3.2%	-
Pre-Boomers	0.0%	0.0%	-
<b>New hires by gender</b>			
Female	51.1%	53.3%	-
Male	48.9%	46.7%	-
<b>New hires by race</b>			
Visible minority or People of Colour	40.6%	40.0%	-
<b>New hires by seniority</b>			
Senior leadership	0.3%	0.2%	-
Senior management	7.5%	4.6%	-
Mid-career	27.4%	17.9%	-
Early career	64.8%	77.3%	-
<b>Turnover</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
<b>Total turnover rate<sup>2</sup></b>			
Enterprise-wide	18.9% ◆	18.9%	15.5%
Canada	19.1% ◆	18.0%	13.9%
United States	18.8% ◆	20.6%	19.3%

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<sup>1</sup> In 2020, we updated our methodology for the calculation of open positions filled by internal candidates to exclude campus internship positions which by their nature are filled by external candidates.

<sup>2</sup> 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.



Turnover (continued from previous page)	2022	2021	2020
<b>Voluntary turnover rate<sup>1</sup></b>			
Enterprise-wide	15.9% <span style="color: green;">◆</span>	15.0%	10.1%
Canada	16.5% <span style="color: green;">◆</span>	15.0%	9.8%
United States	14.4% <span style="color: green;">◆</span>	15.3%	11.1%
<b>Voluntary turnover rate by age range</b>			
Gen Z	39.0%	38.0%	-
Millennial	17.8%	16.8%	-
Gen X	7.5%	7.2%	-
Boomers	11.0%	14.5%	-
Pre-Boomers	22.2%	21.6%	-
<b>Voluntary turnover rate by gender</b>			
Female	16.3%	15.5%	-
Male	15.3%	14.0%	-
<b>Voluntary turnover rate by race</b>			
Visible minority or People of Colour	17.2%	15.8%	-
Non-visible minority or People of Colour	15.1%	14.6%	-
<b>Voluntary turnover rate by seniority</b>			
Senior leadership	4.9%	5.3%	-
Senior management	6.8%	6.9%	-
Mid-career	10.6%	10.3%	-
Early career	22.9%	20.8%	-
<b>Involuntary turnover rate</b>			
Enterprise-wide	3.1%	4.0%	5.4%
Canada	2.6%	3.1%	4.2%
United States	4.4%	5.3%	8.3%

<sup>1</sup> 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.



### Learning and development

	2022	2021	2020	Target
Employees equipped with future-focused skills <sup>1</sup> (#)	19,400	7,560	5,000	20,000 by 2025
Employees who received annual performance reviews	100%	100%	100%	100% annually
Hours of learning	1,823,320	1,168,984	902,131	
Average learning hours per FTE	40.3	27.0	20.3	
Investment in learning and development (\$ millions)	\$67.3 ◆	\$60.2	\$65.8	

### Employee engagement

	2022	2021	2020
Employee engagement index <sup>2</sup>	85%	80%	-
Employee engagement index by age range			
Gen Z	85%	83%	-
Millennial	84%	78%	-
Gen X	87%	81%	-
Boomers	86%	83%	-
Pre-Boomers	100%	100%	-
Employee engagement index by gender			
Female	86%	81%	-
Male	84%	79%	-
Employee engagement index by race			
Visible minority or People of Colour – Canada	85%	80%	-
Non-visible minority or People of Colour – Canada	83%	79%	-
Visible minority or People of Colour – United States	89%	83%	-
Non-visible minority or People of Colour – United States	87%	80%	-
Employee engagement index by seniority			
Senior leadership	93%	90%	-
Senior management	87%	82%	-
Mid-career	86%	79%	-
Early career	84%	80%	-

<sup>1</sup> The metric was broadened in 2022 to include engagement in “BMO Forward” plus a range of new learning programs that were launched to target focused skills. (see Glossary).

<sup>2</sup> 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.





## Health and well-being

	2022	2021	2020
Sick days <sup>1</sup>	90,228	73,644	87,157
Fatalities	0	0	0

## Community impact

### Community giving

	2022	2021	2020
Donations – Canada and United States (\$ millions)	\$69.3 ◆	\$66.3	\$66.0

### Community giving by focus area

	2022	2021	2020
Health and social services (includes hospitals and federated appeals)	42.4%	41.0%	38.3%
Arts and culture	20.2%	20.9%	23.3%
Education	19.3%	20.1%	19.6%
Civic/community services and economic development	14.2%	13.6%	14.0%
Other	3.9%	4.4%	4.8%

### Employee giving and volunteering

	2022	2021	2020
Employee volunteer hours <sup>2</sup>	47,000+	31,000+	2,682
Total pledged through BMO Employee Giving Campaign (\$ millions)	\$27.0	\$23.0	\$22.7

### Pro bono program

	2022	2021	2020
Canada			
Number of new agencies or projects	0	0	1
Total volunteer hours	299	198	327
Number of volunteers	22	20	45
United States			
Number of new agencies or projects	3	3	3
Total volunteer hours	170	534	591
Number of volunteers	14	45	28

<sup>1</sup> As a result of the COVID-19 pandemic and BMO's support for employees requiring time off, absences recorded as sick days declined in 2020 and 2021 relative to prior years. Absences related to COVID-19 in 2020 and 2021 including absences involving child and family care, quarantine requirements or illness, were recorded as paid days off.

<sup>2</sup> In fiscal year 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.



# Foundation of Trust

## Customer experience

<b>Customer loyalty</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>
Customer loyalty surveys completed <sup>1</sup> (#)	<b>1,086,075</b>	1,041,742	1,285,925
Net Promoter Score® (NPS) – enterprise-wide	<b>57</b>	55	54

### 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%

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



## Innovation and digitalization

	2022	2021	2020
Active digital users (thousands) – North America <sup>1</sup>	3,606	3,419	3,229
Self-serve transactions – North America <sup>1</sup>	89.9%	89.6%	87.5%
Digital adoption – Canada <sup>2</sup>	70.3%	68.3%	66.3%
Digital adoption – U.S.	55.6%	51.8%	48.9%

## Data security

	2022	2021	2020
Information Security and Privacy Matters training <sup>3</sup> (% completion)	99.7%	99.1%	–
Substantiated complaints regarding breaches of customer privacy and losses of customer data <sup>4</sup> (#)	1 <span style="color: green;">◆</span>	1	1
Phishing test exercises per employee <sup>5</sup>	12	12	12
Average phishing test pass rate in the past 12 months	97.1%	94.6%	94.2%

## Corporate governance

	2022	2021	2020
Number of Board members	13	13	12
Percentage of independent directors	92%	92%	92%
Average annual Board attendance	99%	99%	98%
Average tenure of members of Board of Directors (years)	8	7	7
Women on Board of Directors (% of independent directors)	50%	50%	45%
People of Colour on Board of Directors (% of independent directors)	8%	8%	–
Board members identified as having Environmental, Social or Governance skills and experience (% of independent directors)	75%	75%	63%

<sup>1</sup> In 2022, the value was aggregated for the North American footprint. 2020 and 2021 values have been restated.

<sup>2</sup> 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.

<sup>3</sup> Completion rates above 95% are considered acceptable from a risk management perspective.

<sup>4</sup> In 2021, we updated the definition of substantiated complaints to include any complaints determined to be well-founded by a privacy regulator.

<sup>5</sup> BMO's procedures and frequency for conducting phishing tests either meets or exceeds industry standards.



## Business conduct

	2022	2021	2020
Ethics training (% completion) <sup>1</sup>	99.7%	99.0%	-
Anti-bribery and anti-corruption training (% completion) <sup>1</sup>	99.7%	99.2%	-

## Human rights

	2022	2021	2020
Human Rights learning hours	254,286	222,699	-

<sup>1</sup> Completion rates above 95% are considered acceptable from a risk management perspective.

# 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.

### 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.

**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.

## Glossary

### 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.



# 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.

## 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 us 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.

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