

## Engaging Our Stakeholders

Our business succeeds when we listen closely to our customers, work hard to understand their priorities and respond meaningfully to their concerns.

“To thrive and grow as a society we need to constantly have our views challenged. In fact, what we really need is to spend more time with more people who disagree with us. Sameness ultimately leads to ignorance, while diversity of thought breeds innovation.”

– Darryl White  
CEO, BMO Financial Group

We are committed to taking a similar approach when we engage with the broader community of stakeholders who contribute to our success and are affected by the way we do business, including our employees and investors, as well as governments, regulators and civil society at large. In this time of accelerating change and growing expectations for financial institutions and their role in society, it’s more important than ever for us to understand what our many diverse stakeholders are thinking, exchange ideas with them and work to turn new insights into effective action.

We engage with our stakeholders in the course of our day-to-day business operations, as well as through ESG-specific activities. Here are some examples:

Stakeholder Group	Engagement Activities		Key ESG Issues Raised	
Customers	<ul style="list-style-type: none"> <li>Advisory panels</li> <li>Complaints management process (e.g., BMO’s Ombudsman Office)</li> <li>Customer experience surveys (see page 23)</li> </ul>	<ul style="list-style-type: none"> <li>Dedicated mailboxes</li> <li>Focus groups</li> <li>Meetings, phone calls and email correspondence</li> <li>Social media</li> <li>Stakeholder ESG surveys</li> </ul>	<ul style="list-style-type: none"> <li>Business conduct</li> <li>Fees and interest rates</li> <li>Financial hardship</li> <li>Fraud and fraud prevention</li> </ul>	<ul style="list-style-type: none"> <li>Level of service</li> <li>Marketing campaigns and rewards</li> <li>Policies and procedures</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Dedicated mailboxes</li> <li>Enterprise Resource Groups</li> <li>Internal grievance mechanisms</li> <li>Senior leader internal blogs</li> <li>Stakeholder ESG surveys</li> </ul>	<ul style="list-style-type: none"> <li>Surveys (ad hoc surveys, annual employee survey) (see page 42)</li> <li>Team meetings</li> <li>Town halls</li> </ul>	<ul style="list-style-type: none"> <li>Career development</li> <li>Customer experience</li> <li>Diversity and inclusion in the workplace</li> </ul>	<ul style="list-style-type: none"> <li>Employee wellness</li> <li>Ethical culture and shared values</li> </ul>
Shareholder and Investor Community	<ul style="list-style-type: none"> <li>Annual meeting</li> <li>Disclosure of interim and annual financial results</li> <li>Investor conferences</li> <li>Investor Relations website</li> <li>Management proxy circular</li> </ul>	<ul style="list-style-type: none"> <li>Meetings, phone calls and email correspondence</li> <li>Quarterly conference calls</li> <li>Stakeholder ESG surveys</li> <li>Shareholder and Investor dialogue</li> </ul>	<ul style="list-style-type: none"> <li>Business conduct and related policies and procedures</li> <li>Corporate governance and disclosure practices</li> <li>Corporate structure, lines of business and geographical footprint</li> </ul>	<ul style="list-style-type: none"> <li>Credit performance</li> <li>Financial performance</li> <li>Human rights</li> <li>Leadership development and succession planning</li> <li>Management of key risks, including cyber security</li> <li>Sales practices</li> </ul>
Government and Regulators	<ul style="list-style-type: none"> <li>Meetings, phone calls and email correspondence</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory submissions</li> </ul>	<ul style="list-style-type: none"> <li>Carbon pricing</li> <li>Climate change initiatives in the financial services sector (e.g., TCFD)</li> <li>Sustainable finance</li> </ul>	<ul style="list-style-type: none"> <li>Supporting women entrepreneurs</li> <li>Sustainable development goals</li> </ul>
Civil Society	<ul style="list-style-type: none"> <li>Interviews</li> <li>Meetings, phone calls and email correspondence</li> <li>Questionnaires</li> <li>Research papers (on key issues for our industry)</li> </ul>	<ul style="list-style-type: none"> <li>Stakeholder ESG surveys</li> <li>Surveys (on key issues for our organization)</li> </ul>	<ul style="list-style-type: none"> <li>Access to banking/ financial inclusion</li> <li>Business conduct</li> <li>Climate change</li> <li>Corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Responsible investing</li> <li>Responsible lending</li> <li>Transparency and consumer protection</li> </ul>