

Module: Introduction

Page: Introduction

0.1

Introduction

Please give a general description and introduction to your organization.

Established in 1817 as Bank of Montreal, BMO Financial Group (TSX, NYSE: BMO) is a highly diversified financial services organization. With total assets of \$388 billion as of October 31, 2009, and more than 36,000 employees, BMO provides a broad range of retail banking, wealth management and investment banking products and solutions. We serve Canadian clients through BMO Bank of Montreal®, our personal and commercial banking business, BMO Nesbitt Burns®, one of Canada's leading wealth management firms, and BMO Capital Markets™, our North American investment and corporate banking division. In the United States, clients are served through Harris, a major U.S. Midwest financial services organization with a network of community banks in the Chicago area and wealth management offices across the United States, as well as BMO Capital Markets™, our North American investment and corporate banking division. We help our customers "make money make sense" by delivering the broadest range of financial services through a single point of contact. Our financial service professionals provide access to any services our customers require across the entire enterprise.

0.2

Reporting Year

Please state the start and end date of the year for which you are reporting data.

Enter Periods that will be disclosed

Sat 01 Nov 2008 - Sat 31 Oct 2009

0.3

Are you participating in the Walmart Sustainability Assessment?

No

0.4

Modules

As part of the Investor CDP information request, electric utilities, companies with electric utility activities or assets, companies in the automobile or auto component manufacture sectors and companies in the oil and gas industry should complete supplementary questions in addition to the main questionnaire.

If you are in these sectors, the corresponding sector modules will be marked as default options to your information request.

If you have not been presented with a sector module that you consider would be appropriate for your company to answer, please select the module below. If you wish to view the questions first, please see www.cdproject.net/cdp-questionnaire.

0.5

Country list configuration

Please select the countries for which you will be supplying data. This selection will be carried forward to assist you in completing your response.

Select country
Australia
Barbados
Canada
China
France
Germany
Hong Kong
Ireland
Mexico
Switzerland
United Kingdom
United States of America

0.6

Please select if you wish to complete a shorter information request.

Further Information

Attachments

Module: Governance

Page: Governance

1.1

Where is the highest level of responsibility for climate change within your company?

Board committee or other executive body

1.1a

Please specify who is responsible.

Other: Sustainability Council

1.1b

Select the lower level department responsible.

1.2**What is the mechanism by which the board committee or other executive body reviews the company's progress and status regarding climate change?**

The Sustainability Council (SC), comprised of executives representing each of the business areas (i.e. Retail, Wealth, and Capital Markets) and Corporate areas (e.g. Strategic Management, Legal, Communications, Marketing/Brand), is mandated with providing oversight and guidance in the execution of our Clear Blue Skies strategy, the primary driver of which is climate change. The Chair of the SC is a member of the banks' Management Committee (MC) and provides linkage to senior leadership on the progress and direction of the work. The SC meets quarterly, but on a day to day basis, the direct impacts of climate change (i.e. our own operations) are managed within the Environmental Sustainability group, while the indirect impacts (impact our business activities may have) are managed within the Corporate Responsibility & Sustainability group. Both groups are represented as members of the SC. Any issues requiring escalation are brought to MC. Further escalation to the Board is at the discretion of the CEO and depends on materiality.

1.3a

Please explain how overall responsibility for climate change is managed within your company.

1.3b

Please explain how overall responsibility for climate change is managed within your company.

1.4

Do you provide incentives for the management of climate change issues, including the attainment of greenhouse gas (GHG) targets?

Yes

1.5

Please complete the table.

Who is entitled to benefit from those incentives?	The type of incentives
Environment/sustainability managers	Monetary reward
Corporate executive team	Monetary reward
Facility managers	Monetary reward

Further Information

Monetary incentives are linked to performance. The two key groups responsible (Environmental Sustainability & Corporate Responsibility & Sustainability) for execution of our overall strategy are evaluated on their performance on a regular basis. In terms of tangible attainment of GHG targets, our carbon neutrality goal includes a 5% reduction in our overall emissions. The Environmental Sustainability group is responsible for identifying and working with various areas, the most significant one being Corporate Real Estate, to implement programs aimed at achieving these targets. Their success in meeting these goals/targets factors into their performance measurement and is linked

directly to incentive payouts at the end of the year. Our real estate portfolio represents the most significant area of opportunity to reduce GHG emissions. Personnel within our Corporate Real Estate group have internalized the reduction challenges and are also being measured from a performance and incentive payout perspective on the achievement of this target. In addition, the contractual arrangements with our third party facilities provider (Canada – Retail branches) include an incentive relating to energy efficiencies / resultant GHG reductions annually. Business group executives within BMO are also measured and incented on their success in reducing expenses related to things like employee travel (e.g. Commercial Air). While the driver is cost reduction, the collateral benefits serve to contribute to our GHG reduction targets.

Attachments

Module: Risks and Opportunities

Page: Risks & Opportunities Identification Process

2.1

Describe your company's process for identifying significant risks and/or opportunities from climate change and assessing the degree to which they could affect your business, including the financial implications.

As a financial services company, the management of risk is integral to our business. We evaluate the risks associated with our clients on an ongoing basis. Our comprehensive risk management framework covers all risks in the organization. We have strong market and credit risk disciplines and a systemic process for review and mitigation of operational risk. Operating groups are accountable for owning the risk in their businesses, while the Risk Management group, along with other Corporate Support areas, provide a second line of defence and Corporate Audit a third. Typically, risks associated with climate change inherent in lending activities are managed within our credit and counterparty risk framework. BMO's robust and effective credit risk management begins with our experienced and skilled professional lending and credit risk officers, who operate in a dual control structure to authorize lending transactions. These individuals are subject to a rigorous lender qualification process and operate in a disciplined environment with clear delegation of decision making authority, including individually delegated lending limits. Credit decision making is conducted at the management level appropriate to the size and risk of each transaction in accordance with comprehensive corporate policies, standards and procedures governing the conduct of credit risk activities. The output of our evaluation/process is our credit risk profile which forms part of our overall risk reporting and quarterly disclosure directed at key stakeholders including the Board, Regulators, and the Investor Community. When evaluating clients, we consider all risks in an integrated fashion as applicable; however, specific guidelines related to climate change are applied to transactions with clients operating in emissions-intensive industry sectors. We seek to understand the borrower's climate change adaptation and mitigation strategies. We assess: - Whether the borrower monitors and reports their greenhouse gas emissions, as well as the extent and quality of such monitoring and reporting; - The extent of the borrower's overall greenhouse gas emissions; - Whether the borrower has a carbon mitigation plan, how it is being implemented and whether its board of directors was involved in its development; and - The borrower's preparedness to deal with forthcoming regulatory requirements regarding greenhouse gas emissions. Significant opportunities related to climate change are evaluated within the parameters of our existing initiative decisioning processes. The frameworks may differ depending on the uniqueness of our various businesses, but the underlying principles are the same and involve ensuring that the opportunity identified meets customer needs; is aligned with approved business strategy; and an appropriate level of due diligence is applied and includes all applicable risks identified, assessed and managed. Decisions are made with the involvement of stakeholders from across the enterprise and include lines of business & corporate support areas (e.g. risk, legal, finance, tax).

Further Information

Attachments

3.1

Do current and/or anticipated regulatory requirements related to climate change present significant risks to your company?

No

Do you want to answer using:

The table below

3.2A

What are the current and/or anticipated significant regulatory risks related to climate change and their associated countries/regions and timescales?

Risk	Region/Country	Timescale in Years	Comment

3.2B

What are the current and/or anticipated significant regulatory risks related to climate change and their associated countries/regions and timescales?

3.3

Describe the ways in which the identified risks affect or could affect your business and your value chain.

3.4

Are there financial implications associated with the identified risks?

3.5

Please describe them.

3.6

Describe any actions the company has taken or plans to take to manage or adapt to the risks that have been identified, including the cost of those actions.

3.7

Please explain why you do not consider your company to be exposed to significant regulatory risks - current and/or anticipated.

We do not face direct regulatory risk because in the event of regulation, the financial services sector is not classified as emissions intensive. We do our best to anticipate and work with our customers to understand the level of their regulatory risk, since failure to do so could lead to negative effects which may result in reputation risk or potential financial impacts for BMO. The bulk of our clients and operations are in North America. Currently, there are legislative initiatives in the United States and Canada (e.g. new fuel efficiency standards, renewable energy plans) which may have an impact on customers in specific sectors in terms of things such as higher operating costs &/or changes in consumer demand. Whether this will have an impact on us directly, will depend on how our customers are able to handle the changes. We continue to monitor changes as they occur.

3.8

Please explain why not.

Further Information

Attachments

Page: Physical Risks

4.1

Do current and/or anticipated physical impacts of climate change present significant risks to your company?

Yes

Do you want to answer using:

A text box

4.2A

What are the current and/or anticipated significant physical risks, and their associated countries/regions and timescales?

Risk	Region/Country	Timescale in Years	Comment

4.2B

What are the current and/or anticipated significant physical risks, and their associated countries/regions and timescales?

We are exposed to many of the operational and infrastructure risks that affect all large corporations. Such risks include the physical impacts of climate change however these may not necessarily be significant when assessed against the breadth of opportunities that our organization is faced with. Due to both their high likelihood of occurrence and moderate to high impacts when they occur, severe weather related natural events could have an impact on us. In addition to impacts on human safety, property damage and service interruption, weather related hazards (e.g., blizzard / snowfall, ice storm, severe thunderstorm, hurricanes, tornadoes, and temperature extremes) can cause secondary disruptions to transportation, power and telecommunications. These cascading effects exacerbate the service impacts, making it difficult for employees to get to and from the office, or disrupt critical infrastructure on which we rely. The bulk of our operations are in Canada where the Atlantic, Pacific and Great Lakes coastal regions are more vulnerable to rising water levels and increased flooding than other parts of the country. We have units in the United States, Europe and China as well. Some of these locations may be exposed to extreme weather events, including flooding, hurricanes and changing seasonal weather patterns. The timeframe associated with this is current/short term. Changing weather patterns may impact our workforce as well. Prolonged heat waves and associated airborne pollution such as smog poses a health risk to individuals which could potentially lead to increased workforce absenteeism. Another aspect of the physical impact is the potential for increased energy costs for the organization as a result of extreme temperature fluctuations. There is also the chance that as regulatory frameworks are applied, energy producers faced with increased carbon costs may pass the effect to end users such as us, thereby resulting in increased operational costs.

4.3

Describe the ways in which the identified risks affect or could affect your business and your value chain.

Physical risks resulting from Climate Change could affect our value chain in a variety of ways. Physical risks affecting our suppliers could ultimately impact not only our own operations but our provision of products or services to our customers as well, depending on the circumstances. We view the range of impacts as follows: - minor delay in service or delivery (e.g. if paper supplies are impacted, internal processes and perhaps paper based deliverables to customers could be delayed) - supply chain issues resulting in need to switch to alternate supplier; results could include delayed delivery, process workarounds, increased costs and differences in quality of materials (better or worse) - complete cessation of service or delivery in the short to medium term For the vast majority of goods supplied, our supply base is relatively diverse and we would anticipate the ability to move to an alternate provider with relative ease and at cost competitive pricing. For more significant suppliers/partner relationships, where there is perhaps more risk associated with the failure to perform, BMO Financial Group diligently manages and classifies these vendors as "high risk". One of the key governance focuses for these relationships is on the business contingency plans in effect. For large suppliers, including outsourced arrangements we pay particular attention to the need to have documented and tested business contingency plans in place. We also request confirmation of annual testing of the BCP plans as part of our annual attestation exercise with these suppliers. In addition, the internal supplier relationship manager is responsible for ensuring that there are plans in place to deal with disruption of service in the event that the supplier or partner encounters issues. Questions such as how quickly or easily the relationship could be replaced, either externally or in house, are critical to the assessment.

4.4

Are there financial implications associated with the identified risks?

Yes

4.5

Please describe them.

Both workforce absenteeism and increased energy costs would have financial implications associated with them. To date we haven't experienced either in a severe magnitude therefore we don't consider it material. As a result of weather related impacts, we could be faced with increased general costs of flood remediation in the range of \$50k - \$100K per unit depending on the severity of the damage. Costs could escalate if not addressed right away as mold or decay could be an issue in the future. These costs are not material to our financial results. It is difficult to quantify a cost for supplier replacement (as an example) as it is very dependent on the goods being supplied but the cost would include internal resources devoted to finding a substitute as well as the cost differential of said substitute.

4.6

Describe any actions the company has taken or plans to take to manage or adapt to the risks that have been identified, including the cost of those actions.

In order to minimize the disruption of weather related hazards to our operations, we have preventative or mitigating actions in place. In addition, each business group develops business continuity plans appropriate to the time sensitivity of the activities it performs. Examples of business continuity strategies include split operations, and employees working from home or other alternate locations. In the event that our branches are unable to operate, we rely on our wide distribution network (several branches in an area) as well as alternate delivery channels (online banking, telephone banking) to provide service to our customers. BMO's planning has helped keep the impacts we've experienced slight. A partial list of events includes: • 1998: The "Great Ice Storm" affecting eastern Ontario, southern Quebec and as far east as Nova Scotia • June '01: Flood in Houston; Hurricane Juan in Atlantic Canada, especially the Halifax area • Aug '03: Forest fires in B.C. • Sep '04: Hurricane Frances affecting Florida and the Atlantic Provinces • Jan '05: Back-to-back blizzards (a week apart) in the Maritimes (Blizzards routinely result in branch closures across many divisions of our retail bank in both Canada and the U.S. • '05, '07 & '08 – Hurricanes Katrina, Rita, Wilma, Ike and others affected our operations in Florida and Houston, sometimes extending to Nova Scotia and Newfoundland.

4.7

Please explain why you do not consider your company to be exposed to significant physical risks - current and/or anticipated.

4.8

Please explain why not.

Further Information

Attachments

Page: Other risks

5.1

Does climate change present other significant risks - current and/or anticipated - for your company?

No

Do you want to answer using:

The table below

5.2A

What are the current and/or anticipated other significant risks, and their associated countries/regions and timescales?

Risk	Region/Country	Timescale in Years	Comment

5.2B

What are the current and/or anticipated other significant risks, and their associated countries/regions and timescales?

5.3

Describe the ways in which the identified risks affect or could affect your business and your value chain.

5.4

Are there financial implications associated with the identified risks?

5.5

Please describe them.

5.6

Describe any actions the company has taken or plans to take to manage or adapt to the other risks that have been identified, including the costs of those actions.

5.7

Explain why you do not consider your company to be exposed to other significant risks - current and/or anticipated.

As stated earlier, our organization will not directly be subject to regulatory risk; we manage for physical risks and as the regulatory landscape evolves (e.g. implementation of new fuel efficiency standards, provincial renewable energy plans) we continue to monitor the impacts as they relate to our customers. Thus at this point, we have not identified any other significant risks (current and/or anticipated) from climate change.

5.8

Please explain why not.

Further Information

Attachments

Page: Regulatory Opportunities

6.1

Do current and/or anticipated regulatory requirements related to climate change present significant opportunities for your company?

No

Do you want to answer using:

The table below

6.2A

What are the current and/or anticipated significant regulatory opportunities and their associated countries/regions and timescales?

Opportunities	Region/Country	Timescale in Years	Comment

6.2B

What are the current and/or anticipated significant regulatory opportunities and their associated countries/regions and timescales?

6.3

Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

6.4

Are there financial implications associated with the identified opportunities?

6.5

Please describe them.

6.6

Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

6.7

Explain why you do not consider your company to be presented with significant opportunities - current and/or anticipated.

While there are regulatory opportunities in place, we do not consider them to be significant when assessed against the breadth of opportunities that our organization is faced with. However, we have developed guidance for our commercial account managers on the characteristics of the Ontario government's Micro Feed in Tariff Program for small scale renewable energy projects and how it would fit within current customer financing needs. In addition, BMO Capital Markets completed a high level review of the impact of changing regulatory requirements related to climate change. No material impact and opportunities were identified. We will continue to assess climate change opportunities along with other emerging changes as part of our annual strategic business planning and review process but at this point, we do not see significant opportunities.

6.8

Please explain why not.

Further Information

Attachments

7.1

Do current and/or anticipated physical impacts of climate change present significant opportunities for your company?

No

Do you want to answer using:

The table below

7.2A

What are the current and/or anticipated significant physical opportunities and their associated countries/regions and timescales?

Opportunities	Region/Country	Timescale in Years	Comment

7.2B

What are the current and/or anticipated significant physical opportunities and their associated countries/regions and timescales?

7.3

Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

7.4

Are there financial implications associated with the identified opportunities?

7.5

Please describe them.

7.6

Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

7.7

Explain why you do not consider your company to be presented with significant opportunities - current and/or anticipated.

While current and/ or anticipated physical impacts of climate change present some opportunities for BMO, we do not consider them to be significant when assessed against the breadth of opportunities that our organization is faced with. However, as a matter of course, we are involved in Infrastructure Finance in the communities in which we operate (e.g. roads, building facilities, etc.) The volume and need may increase as the physical impacts of climate change become more apparent. This may present opportunities for us. In January, 2008 we outsourced the facilities management of our Canadian retail branches to a third party. A key aspect of the relationship is environmental sustainability management across these facilities. An efficiency performance benchmark (consumption intensity/m2) has been completed for the majority of these facilities and a 5 year capital improvement plan is in place to deal with specific actions and initiatives we can undertake to help us further reduce our carbon impact. Examples of these recommendations made by our facilities manager include: HVAC system upgrades (unit replacements, heating/cooling zoning), lighting retrofits (T12 to T8/T5) and building envelope retrofits (single pane to double glazed window replacements). In our office towers and other critical facilities (operations centres) we continue to actively assess the building infrastructure for similar opportunities to upgrade equipment, retrofit for improved efficiency and refine operating processes to reduce our overall emissions impacts. In certain geographic areas, we have also completed bulk energy purchases, at the wholesale level, to proactively manage our costs in the face of rising fuel costs.

7.8

Please explain why not.

Further Information

Attachments

Page: Other Opportunities

8.1

Does climate change present other significant opportunities - current and/or anticipated - for your company?

Yes

Do you want to answer using:

A text box

8.2A

What are the current and/or anticipated other significant opportunities and their associated countries/regions and timescales?

Opportunities	Region/Country	Timescale in Years	Comment

8.2B

What are the current and/or anticipated other significant opportunities and their associated countries/regions and timescales?

We have the opportunity to take advantage of increasing demand for alternative/renewable energy sources in the North American market. BMO Capital Markets, and its predecessor firms, has been a trusted financial advisor to power and utility companies since the early financing of hydro-electric development in Canada almost a century ago. Today, we continue to be a leader in the financing of renewable energy projects, having been one of the first financial institutions to finance the development of wind power generation. Since 2001, BMO Capital Markets has been involved in raising over \$2 billion to finance renewable energy projects, including wind, hydro-electric and biomass. BMO currently offers two sustainable mutual funds, the BMO Sustainable Climate Class and the BMO Sustainable Opportunities Class. They provide exposure to climate and environmentally conscious technologies, products and services, as well as other sustainable themes, including healthy living, alternative energy and natural resources. As our retail customers seek ways to limit their impact on the environment, providing them with financial products that can assist in that way is also a current opportunity for us in the North American market.

8.3

Describe the ways in which the identified opportunities affect or could affect your business and your value chain.

As the demand for renewable energy broadly increases, BMO as a consumer might benefit from the effects of increased competition, choice and possibly reduced costs.

8.4

Are there financial implications associated with the identified opportunities?

Yes

8.5

Please describe them.

As a financial services provider, the delivery of new products or participation in new markets will have financial implications for us in the form of potential increased revenue. We see the opportunities identified as natural extensions of our existing business and have not isolated the financial impact.

8.6

Describe any actions the company has taken or plans to take to exploit the opportunities that have been identified, including the investment needed to take those actions.

Team members of BMO Capital Markets' Power & Utility Group are located in Toronto, Calgary, Montreal, Vancouver, Houston and New York and provide financial advisory, capital raising and other investment banking services to companies and projects in the renewable energy sector. Examples:
1. Sole bookrunner of a \$80 million offering of convertible debentures for Innergex Renewable Energy.

The proceeds were to be used to construct hydro-electric and wind power generation facilities in British Columbia and Quebec. 2.Co-lead of a \$86 million offering of convertible debentures and common shares for Algonquin Power & Utilities. The proceeds were to be used in part to acquire hydro-electric power generation facilities and construct a wind power generation facility in Saskatchewan. 3.Co-lead arranger of the \$132 million project financing for a natural-gas-fired peaking facility by Northland Power. The 86 MW facility will be built near Spy Hill, Saskatchewan providing a reliable peaking plant that will support the province's electrical system and utilize environmentally responsible technologies. 4. Co-bookrunner of a \$120 million initial public offering of common shares for Innergex Renewable Energy. The proceeds were to be used to construct hydro-electric and wind power generation facilities in British Columbia and Quebec. 5.Sole bookrunner of a \$57 million initial public offering of common trust units for Creststreet Power & Income Fund LP. The proceeds were to be used to invest in wind power generation facilities located in Nova Scotia and Quebec. 6.Sole lead arranger and agent of the \$52 million project financing for the 23 MW Umbata Falls hydro-electric power generation facility by Innergex Renewable Energy in Ontario. 7.Lead arranger and agent of the \$73 million project financing for the 99 MW St. Leon wind power generation facility by Algonquin Power & Utilities in Manitoba. Power generated from the St. Leon facility is capable of powering approximately 41,000 homes. St. Leon was the first wind project in Manitoba and one of the largest wind energy developments in Canada. 8.Co-lead arranger and agent of the \$660 million project financing for the 1,005 MW Greenfield Energy Centre, a natural-gas-fired power generation facility in Sarnia, Ontario. The Greenfield facility is environmentally friendly relative to other fossil fuel firing power generation facilities. 9.Co-lead arranger and agent in the \$452 million project financing of the 265 MW Thorold Combined Heat and Power plant, a natural gas-fired power generation facility in Thorold, Ontario. The Thorold facility is one of the largest cogeneration plants in Ontario and will provide competitively priced power and steam while helping to reduce the province's reliance on coal-fired generation. 10.Financial advisor to Innergex Power Income Fund on its strategic combination with Innergex Renewable Energy, creating one of the largest independent renewable power producers in Canada with significantly greater scale and financial resources. 11.Independent valuator to the Special Committee of Boralex Power Income Fund on its acquisition by Boralex Inc., creating a large, diversified renewable power producer in Canada. 12. Sole bookrunner of a US\$644 million debt financing for American Municipal Power. This is the first of three financings that will be used to construct three hydro-electric generation facilities on existing dams along the Ohio River. The projects will have aggregate generating capacity of 208 MW when they come on-line in 2015. In addition, BMO Capital Markets is mandated to serve as sole bookrunner on a financing for a 15 MW wind project in the northeast US that will come to market this summer. We are also actively reviewing several other opportunities to finance the development of renewable energy generation in Canada and the US. In addition to investing in renewable energy, BMO Capital Markets Equity Research produces research reports on the renewable energy sector and its participants who have operations across North America and in Europe. BMO Capital Markets' renewable energy sector publications detail current events in the industry, including current and proposed legislation, updates on the construction of new projects and transactions including financings and mergers/acquisition activities. To take advantage of opportunities on the retail side of our business, in 2008, BMO launched two mutual funds: (1) BMO Sustainable Climate Class; exposure to global equities offering technologies, products or services that are expected to reduce or delay climate change, or alleviate the consequences of global warming; (2) BMO Sustainable Opportunities Class; exposure to equity securities of a globally diversified portfolio of companies that are leaders in the field of sustainability like new energy sources, water, materials, healthy living and climate change.

8.7

Explain why you do not consider your company to be presented with significant opportunities - current and/or anticipated.

8.8

Please explain why not.

Further Information

9.1

Please describe how your overall group business strategy links with actions taken on risks and opportunities (identified in questions 3 to 8), including any emissions reduction targets or achievements, public policy engagement and external communications.

Our strategic agenda is comprised of our vision, guiding principle, and strategic priorities. Notable is the inclusion of the environment in our guiding principle: "We aim to maximize total shareholder return and balance our commitments to financial performance, our customers, our employees, the environment and the communities where we live and work". Across our enterprise and in partnership with stakeholders, including our customers, other businesses and national and international environmental organizations, we are working to protect – and improve – the quality of the air we breathe. We've named this effort the Clear Blue Skies Initiative (CBSI). As part of this effort, we are integrating environmental best practices into our daily operations. An important component of CBSI is the BMO ECO5 Strategy, which establishes goals and action plans to reduce our impact on the environment. Our strategy is built around five main operational areas: energy reduction and efficiency, sustainable transport, sustainable materials, waste management and sustainable procurement (details about our ECO5 Strategy framework can be found on our website at www.bmo.com/environment). We are on track to meet our publically articulated commitment of enterprise carbon neutrality for energy consumption and transportation emissions in 2010. We have also committed to a targeted 5% reduction in absolute emissions by the end of 2010 vs. 2007 baseline levels. Our real estate portfolio represents the most significant area of opportunity to reduce GHG emissions. Personnel within our Corporate Real Estate group have internalized the reduction challenges and are also being measured from a performance and incentive payout perspective on the achievement of this target. In addition, the contractual arrangements with our third party facilities provider (Canada – Retail branches) include an incentive relating to energy efficiencies/resultant GHG reductions annually. Our overall strategy for Carbon Neutrality is threefold: 1. Primary focus is on reducing consumption and as a result emissions - these actions provide the longest lasting benefits, from both a cost and emissions perspective (current target is 5% as stated above and we are on target to meet this goal by end of fiscal 2010). 2. Purchase renewable energy to further mitigate emissions. At the end of 2009, approximately 8% of our total enterprise emissions had been mitigated by our purchases of renewable electricity in both Canada and the U.S. Our target for 2010 is to increase this percentage to approx. 35% of our total emissions. 3. Purchase high quality carbon emissions to close the remaining gap. In 2009, BMO committed \$10MM (CAD) to the Greening Canada Fund, which provides direct access to credits, offsets greenhouse gas emissions and will help us invest in local emission reduction projects. In the near term, we will continue to focus on changing the mix between emissions reductions, renewable energy purchases and carbon offsets purchases. The ultimate goal is to better balance these expenditures by spending more on emissions reductions activities and less on carbon offsets over time. In addition to the focused activities relative to our existing facilities (detailed below), we are also actively updating our standards for both the retail branch environment and the office environment to incorporate required sustainability elements for new facilities/renovations. A good example of this, relating to our office environment, is the pilot that has recently been implemented to introduce mobility options for employees. The standard configuration of this new office environment reduces the floor space, improves lighting and introduces a host of efficiencies to lower emissions. We communicate externally our progress on a regular basis through our Annual Report, Corporate Responsibility Report, website and News Releases as warranted.

9.2

Do you have a current emissions reduction target?

Yes

9.3

Please explain why not and forecast how your Scope 1 and Scope 2 emissions will change over the next 5 years. (If you do not have a target)

9.4

Please give details of the target(s) you are developing and when you expect to announce it/them. (If you are in the process of developing a target)

9.5

Please explain if you intend to set a new target. (If you have had a target and the date for completing it fell within your reporting year, please answer questions 9.5 and 9.6)

9.6

Please complete the table. (If you have a current emissions reduction target or have a recently completed target)

Target Type	Value of Target	Unit	Base year	Emissions in base year (metric tonnes CO2-e)	Target Year	GHGs and GHG sources to which the target applies	Target met?	Comment
Absolute emissions reduction	5.00	% reduction from base year	2007	171464	2010	Scope 1 + 2 + 3	Target ongoing	Target is relative to scope 1, 2 & 3 emissions resulting from: - purchased electricity and fuel

Target Type	Value of Target	Unit	Base year	Emissions in base year (metric tonnes CO2-e)	Target Year	GHGs and GHG sources to which the target applies	Target met?	Comment
n								combustion in real estate facilities enterprise-wide - transportation for business purposes by employees
Other: Carbon Neutral in 2010	100.00	Other: % mitigation of total emissions	Other: Announced in September, 2008		2010	Scope 1 + 2 + 3	Target ongoing	BMO Financial Group announced in September 2008 its intent to be Carbon Neutral in 2010 with respect to emissions from purchased electricity, fuel combustion in real estate facilities enterprise-wide and transportation for business purposes by employees. This incorporates Scope 1 emissions (owned facilities and owned transportation equipment), Scope 2 emissions (purchased electricity used in owned facilities) and Scope 3 emissions (fuel combustion/purchased electricity - leased facilities, and transportation for business purposes by employees using third party means). Note - leased facilities have been classified as Scope 3 due to our organizational reporting boundary identification as "Financial Control".

Further Information

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Is question 9.7 relevant for your company?

Yes

9.7

Please use the table below to describe your company's actions to reduce its GHG emissions.

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO ₂ -e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
In August, 2009 BMO Financial Group engaged an external engineering firm to conduct detailed energy audits at 52 retail bank branch locations across Canada. These units were identified as the worst performing units relative to their 2008 energy intensity use per square	Anticipated	9966470	MJ (Megajoule)	547	Anticipated	529497	CAD (\$)	183793	CAD (\$)	Anticipated	The monetary savings number quoted reflects the anticipated annual savings based on the investment number noted. This initiative has a simple payback of 2.9 years, an internal rate of return of 37% and a 20 year NPV of \$2,038,731 CAD. The implementation of the

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
<p>foot. The audits were completed in September/October, 2009 with detailed reports for each unit and an overall summary report provided. The reports detailed an overview of the building systems, utility usage history, findings and recommendations and savings - from a \$ amount, utilities and tCO2e emissions perspective. The details for each facility included; suggested energy conservation measures/opportunities by type (e.g.</p>											<p>recommended energy management opportunities commenced in late calendar 2009 and all work is expected to be completed by August, 2010.</p>

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO ₂ -e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
lighting, HVAC, etc.), investment required, potential savings and ROI calculations.											
Base building Chiller replacement (major office tower) - In February/ March 2009, two existing base building chiller units (1050 Ton York code kit chiller and a 700 Ton York Heat Pump Code Kit) were replaced with two 1050 Ton Mcquay variable speed drive chillers in a 435,515 s.f. office tower in Toronto, Ontario (Canada). The existing chillers were 35 years old	Achieved	882 329	kWh (kilowatt-hour)	142	Achieved	2021 000	CAD (\$)	882 30	CAD (\$)	Achieved	Timescale - 9 months from approval to final installation. This initiative and its associated capital investment have a long term simple payback of approximately 20 years. While the units needed to be replaced, primarily for obsolescence reasons, we are now able to take advantage of the new chiller units' increased efficiency as they are approximately 52%

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
<p>and had reached the end of their useful life. As well, the refrigerant (R123) utilized in the old units is due to be phased out in the next couple of years. The new chillers use the R134A refrigerant which is a far superior product and is in line with our environmental goals. The efficiencies, from an energy savings/cost savings perspective, emissions and noise reductions achieved with the new units were also significant drivers in terms of the replacement decision.</p>											<p>more efficient than the equipment replaced.</p>

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO ₂ -e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
<p>Base building heating Boiler replacement (major office tower) - This initiative replaced the existing three heating boilers, which were only 74% energy efficient, with high efficiency rated units. In addition to the annual energy efficiency savings (approx 60,000 cubic meters of gas) the new boilers also eliminated the reliance on existing inefficient heat pump chillers to produce heat. A heat exchanger was utilized with these</p>	Anticipated	6125460	MJ (MegaJoule)	308	Anticipated	432547	CAD (\$)	63847	CAD (\$)	Anticipated	<p>Timescale - 2 months to complete once initiative started. Simple payback of approximately 7 years and an annual estimated energy saving of 12%.</p>

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO ₂ -e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
boilers to produce domestic hot water to negate the existing domestic hot water boilers. Additionally these boilers were also connected to the building automation system to enable monitoring of performance and events and aid in achieving further efficiencies .											
Variable Air Valve (VAV) box controller retrofit (learning centre facility) - This initiative involved the replacement of existing VAV box controllers with new Automated Logic controllers	Anticipated	55000	kWh (kilowatt-hour)	9	Anticipated	78200	CAD (\$)	21958	CAD (\$)	Anticipated	Timescale - 2 1/2 months to complete once initiative started. Simple payback of approximately 3 1/2 years.

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
<p>and completes the building automation system upgrade initiatives for this facility. Items replaced include the controllers, actuators and space sensors. The vendor re-used all existing network wire, end devices and thermostat wire. Benefits of new ALC controllers are improved user interface through thermodynamic colour floor plans, full scheduling capabilities and the ability to adjust minimum and maximum air flows and energy savings through</p>											

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO ₂ -e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
zone demand HVAC controls.											
Lighting retrofit (major data centre) – This initiative involved the retrofit of Type A and B fluorescent light fixtures from T12 to T8 to achieve energy savings and emissions reductions within the facility.	Achieved	428 065	kWh (kilowatt-hour)	69	Achieved	1820 00	CAD (\$)	357 64	CAD (\$)	Achieved	Timescale - 5 months to complete once initiative started. Simple payback of approximately 5 years.
Variable speed drive retrofits (major office tower) – This initiative replaced the high temperature heating pump with two variable speed 50 horsepower pumps (using one as a back-up). This eliminated	Anticipated	250 000	kWh (kilowatt-hour)	41	Anticipated	2016 63	CAD (\$)	208 87	CAD (\$)	Anticipated	Timescale - 2 1/2 months to complete once initiative started. Simple payback of approximately 9 1/2 years.

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
the use of our existing low temperature pump, resulting in ongoing operating cost savings and energy/emissions reductions.											
Technology use to reduce travel for business purposes (commercial air) - BMO Financial Group's ongoing focus on cost management and emissions reductions has yielded significant progress during fiscal 2009. Tools such as videoconferencing and teleconferencing, as well as desktop sharing technology	Achieved	19966991	Other : kilometres travelled	2278	Achieved		Insignificant costs - not quantified			Not quantified	Technology costs (videoconferencing, teleconferencing, desktop tools) are distributed throughout the company and difficult to consolidate/quantify specifically - hence the absence of this data. Cost savings are also variable (cost of travel, travel profile year over year), and are also distributed across business groups and therefore

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO2-e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
es for virtual meetings are now being utilized to achieve savings, both financial and emissions based.											not quantified. The data that is easily identifiable (kilometres travelled) and/or calculated (emissions impact) has been recorded.
Improved Automobile efficiency (service fleet) - Our ongoing focus on improving the efficiency of our service fleet continues. Vehicles at end of life are being replaced with increasingly fuel efficient hybrids.	Achieved	86313	Other : litres of gasoline consumed	206	Achieved		Insignificant costs - not quantified			Not quantified	Service vehicles are used by various employees/ departments within the bank on an ongoing basis. As automobiles in the fleet are refreshed, they are being replaced with hybrids in order to achieve additional fuel efficiencies . As of October 31, 2009 we had a total of 39 hybrid vehicles which represents 27% of total vehicles used. We

1. Actions - please describe	2. Annual energy saving	3. Annual energy savings - number	4. Annual energy saving - units	5. Annual emission reduction in metric tonnes CO ₂ -e	6. Reduction - achieved or anticipated	7. Investment - number	8. Investment - currency	9. Monetary savings - number	10. Monetary savings - currency	11. Monetary savings	12. Timescale of actions & associated investments (if relevant)
											have quantified those elements that are readily available - these being litres of fuel consumed and the resultant carbon emissions.

9.8

Please explain why not.

9.9

Please provide any other information you consider necessary to describe your emission reduction activities.

BMO Financial Group continues to focus on carbon emissions reductions, primarily in the areas of facilities related fuel combustion/purchased electricity and transportation by employees for business purposes. The initiatives noted in Q9.7 above represent a sampling of the types of activities we have undertaken. From a fuel combustion/purchased electricity perspective, the cross section provided represents activities within our retail branches in both Canada and the U.S., office tower locations and special purpose facilities (e.g. data centres, learning facilities, processing centres). These initiatives range from simple lighting retrofits to base building equipment retrofits and recommissioning activities. While not identified in the examples above, we are also focused on other activities such as changing behaviours at the employee level (e.g. turning off lights in rooms when meetings have been completed by posting reminder signs) to the investigation of centralized monitoring and control capabilities within our branch network for elements such as HVAC systems, interior lighting and exterior signage. We expect to pilot the latter activity in 2010 for about 10 existing branches. We continue to focus on the implementation of our formal Environmental Management System (EMS) having certified our first location to ISO 14001 in December, 2008. Activities commenced in 2009 to implement our EMS at other locations and we expect additional certification success in 2010. The rigour of our EMS requires a focus on defined program plans. In 2009 we were successful in meeting location specific near term goals in the areas of energy and travel reductions as well as waste diversion. In addition to our targeted activities for existing facilities, we are also actively updating our standards for both the retail branch environment and the office environment to incorporate required sustainability elements for new facilities/renovations. A good example of this, in our office environment, is the pilot that has recently

been implemented to introduce mobility options for employees. The standard configuration of this new office environment reduces the floor space, improves lighting and introduces a host of efficiencies to lower emissions. We now capture information relating to carbon emissions (reduced or avoided) as part of the detailed business case for each new investment initiative relating to energy use reduction. We are also "pricing in" the opportunity avoidance costs of carbon emissions as a way of reducing our project-based carbon credit funding requirements. Specifically, we are targeting to drive ongoing energy use reductions, and hence emissions reductions, as part of the business case. In question 9.7, we have also provided a couple of examples of the types of ongoing initiatives that are aimed at reducing transportation costs and emissions when employees travel for business purposes.

9.10

Do you engage with policy makers on possible responses to climate change including taxation, regulation and carbon trading?

No

9.11

Please describe.

Further Information

Attachments

Module: GHG Emissions Accounting, Energy and Fuel Use, and Trading

Page: Emissions Boundary - (1 Nov 2008 - 31 Oct 2009)

10.1

Please indicate the category that describes the company, entities, or group for which Scope 1 and Scope 2 GHG emissions are reported.

Companies over which financial control is exercised per consolidated audited financial statements

10.2

Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions within this boundary which are not included in your disclosure?

No

10.3

Please complete the following table.

Source	Scope	Explain why the source is excluded

Further Information

Attachments

Page: Methodology - (1 Nov 2008 - 31 Oct 2009)

11.1a

Please give the name of the standard, protocol or methodology you have used to collect activity data and calculate Scope 1 and Scope 2 emissions and/or describe the procedure you have used (in the text box in 11.1b below).

Please select the published methodologies that you use.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

ISO 14064-1

11.1b

Please describe the procedure that you use.

We utilize ICF International's "GHG:ID Tool" customized for our use. It is fully compliant with both: • "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)" developed by the World Resources Institute and the World Business Council for Sustainable Development ("the GHG Protocol") and; • ISO 14064 Part 1: Greenhouse gases — Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals. The database organizes the data according to the guidelines of the Greenhouse Gas Protocol and identifies the organizational characterization from the scoping and boundary process. Additionally, our emissions management/calculation process is based on the ISO 14064-1. Process used for collecting activity data: For owned real estate facilities (Scope 1 and Scope 2), we utilize the following data collection methodology: 1) Consumption data is gathered directly from utilities invoices paid for each property via the following sources: Canada Retail facilities - third-party facilities management provider Canada Office and Special Purpose facilities - internal Corporate Real Estate personnel USA Retail facilities - third-party facilities management provider The monthly data is then consolidated in a spreadsheet resulting in an annual consumption number (per utility) for each property. The input is verified independently on a sample basis and sampling verification is weighted towards the larger facilities to minimize the risk of significant error. Prior to reporting, we routinely review intensities (consumption/square foot) to identify any obvious anomalies. Our calculation methodology for owned/leased real estate facilities includes calculations for the following GHGs: • Carbon dioxide (CO₂), • Methane (CH₄), • Nitrous oxide (N₂O). Our calculation methodology for owned real estate facilities does not include calculations for the following GHGs for the following reasons: • Hydrofluorocarbons (HFCs) family of gases – For the 2009 reporting period, we observed no reported instances of HFC leakage, from the closed systems HVAC units operated. Additionally, any such instances of leaks, if noted, would certainly be de minimis • Perfluorocarbons (PFCs) family of gases – not applicable for a financial institution • Sulphur hexafluoride (SF₆) - not applicable for a financial institution For owned transportation equipment (Scope 1) data, we utilize the following data collection methodology: 1) Transportation equipment data is gathered from internal records and

consists either of actual volume of fuel consumption (litres) or actual distances travelled (kilometres/miles) per equipment type. Consumption and/or distance travelled/vehicle type information is then input to the ICF International GHG:ID Tool to calculate the relevant emissions. Our calculation methodology for transportation equipment includes calculations only for Carbon Dioxide (CO2) as this is all that is available from the GHG Protocol - Mobile source. For real estate premises, where actual consumption data is not available, we utilize an estimation methodology, detailed as follows: Within the GHG:ID Tool, after all actual data is loaded we use the functionality provided to estimate consumption based on the following criteria: 1) where sample size of actual data is sufficient at the Subregional level, for each type of facility (e.g. office, retail, operations centre, etc.) we use this "averaged" facility intensity information as a proxy to estimate for like facilities in the portfolio across electricity, natural gas, heating oil and diesel as appropriate 2) where sample size of available actual data is not sufficient at the Subregional level, we default to the Subregional intensity reference data (NRCan or US EPA - factors updated annually or as available) for each type of facility (e.g. office, retail, operations centre, etc.) to estimate for like facilities in the portfolio across electricity, natural gas, heating oil and diesel as appropriate 3) for those facilities in areas where Subregional data (actual or reference data) is not available, we default to Regional actual data (if sufficient sample size exists) or Regional reference data (from the IEA) as appropriate. We believe that using these three estimation techniques provides for consistent, conservative, defensible, referential and reasonable estimation of energy consumption where no data exists. For transportation equipment where fuel consumption is not available, we use distance travelled and fuel efficiency data for a mid-sized automobile to approximate the consumption. This is then used to determine the relative emissions. For perspective, the total amount of emissions estimated in this year's submission (all Scopes) is approximately 14.5% and we have been successful at reducing this percentage each year.

11.2

Please also provide the names of and links to any calculation tools used.

Please select the calculation tools used.

Other: ICF International - GHG:ID Tool

11.3

Please give the global warming potentials you have applied and their origin.

Gas	Reference	GWP
Carbon dioxide	IPCC Second Assessment Report (SAR - 100 year)	1
Methane	IPCC Second Assessment Report (SAR - 100 year)	21
Nitrous oxide	IPCC Second Assessment Report (SAR - 100 year)	310

11.4

Please give the emission factors you have applied and their origin.

Fuel/Material	Emission Factor	Unit	Reference
Other: Purchased	246.34	Other: kg	Environment Canada -

Fuel/Material	Emission Factor	Unit	Reference
Electricity - Alberta, Canada		CO2e per GJ	2008
Other: Purchased Electricity - British Columbia, Canada	4.22	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - Manitoba, Canada	3.36	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - New Brunswick, Canada	127.32	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - Newfoundland, Canada	5.87	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - Northwest Territories, Canada	17.55	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - Nova Scotia, Canada	218.81	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - Ontario, Canada	44.76	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - Prince Edward Island, Canada	0.00	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - Quebec, Canada	0.57	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - Saskatchewan, Canada	196.34	Other: kg CO2e per GJ	Environment Canada - 2008
Other: Purchased Electricity - Yukon, Canada	17.55	Other: kg CO2e per GJ	Environment Canada - 2008
Other:	146.75	Other:	US EPA -

Fuel/Material	Emission Factor	Unit	Reference
Purchased Electricity - Arizona, USA		kg CO2e per GJ	2005
Other: Purchased Electricity - California, USA	68.31	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Colorado, USA	242.02	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Florida, USA	169.70	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Georgia, USA	177.67	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Illinois, USA	142.67	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Indiana, USA	264.50	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Maryland, USA	171.23	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Massachusetts, USA	160.04	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Nevada, USA	182.41	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - New Jersey, USA	91.07	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - New York, USA	104.97	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity -	171.49	Other: kg CO2e	US EPA - 2005

Fuel/Material	Emission Factor	Unit	Reference
Texas, USA		per GJ	
Other: Purchased Electricity - Virginia, USA	151.81	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Washington, USA	41.97	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Wisconsin, USA	217.86	Other: kg CO2e per GJ	US EPA - 2005
Other: Purchased Electricity - Australia	255.70	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)
Other: Purchased Electricity - Barbados	201.20	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)
Other: Purchased Electricity - China	218.97	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)
Other: Purchased Electricity - France	23.60	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)
Other: Purchased Electricity - Germany	112.12	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)
Other: Purchased Electricity - Hong Kong	237.39	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)
Other: Purchased Electricity - Ireland	148.70	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)
Other: Purchased Electricity - Mexico	150.36	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)
Other: Purchased Electricity - Switzerland	7.15	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)

Fuel/Material	Emission Factor	Unit	Reference
Other: Purchased Electricity - United Kingdom	140.20	Other: kg CO2 per GJ	GHG Protocol - Electricity (2006)
Natural gas	50.61	Other: kg CO2e per GJ	GHG Protocol - Facilities (2000)
Distillate fuel oil No 2	73.91	Other: kg CO2e per GJ	GHG Protocol - Facilities (2000)
Motor gasoline	2382.20	Other: kg CO2 per m3	GHG Protocol - Facilities (2000)
Jet kerosene	2552.00	Other: kg CO2 per m3	GHG Protocol - Facilities (2000)
Other: Air Travel Distance (Short Haul)	150.00	Other: kg CO2 per metre	GHG Protocol - Facilities (2000)
Other: Air Travel Distance (Medium Haul)	120.00	Other: kg CO2 per metre	GHG Protocol - Facilities (2000)
Other: Air Travel Distance (Long Haul)	110.00	Other: kg CO2 per metre	GHG Protocol - Facilities (2000)
Other: Vehicle Travel Distance	233.00	Other: kg CO2 per metre	GHG Protocol - Facilities (2000)
Other: Rail Travel Distance	1033.00	Other: kg CO2 per metre	GHG Protocol - Facilities (2000)
Other: Rental Car Travel Distance	190.00	Other: kg CO2 per metre	GHG Protocol - Facilities (2000)

Further Information

Attachments

Page: Emissions Scope 1 - (1 Nov 2008 - 31 Oct 2009)

12.1

Please give your total gross global Scope 1 GHG emissions in metric tonnes of CO2-e.

20060

¿

Is question 12.2 relevant to your company?

Yes

12.2

Please break down your total gross global Scope 1 emissions in metric tonnes CO2-e by country/region.

Country	Scope 1 Metric tonnes CO2-e
Canada	15387
United States of America	4673

12.3

Please explain why not.

12.4

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 1 emissions by business division. (Only data for the current reporting year requested.)

Business Division	Scope 1 Metric tonnes CO2-e
Bank of Montreal	15387
Harris NA	4673

12.5

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 1 emissions by facility. (Only data for the current reporting year requested.)

Facilities	Scope 1 Metric tonnes CO2-e
Retail Facilities (Branches, ABMs)	10715
Office Facilities	3873
Special Purpose Facilities (Operations Centres, Data Centres, Learning Centres)	3703
Transportation Equipment	1769

¿

Is question 12.6 relevant to your company?

Yes

12.6

Please break down your total gross global Scope 1 emissions by GHG type. (Only data for the current reporting year requested.)

GHG Type	Scope 1 Emissions (Metric tonnes)	Scope 1 Emissions (Metric tonnes CO2-e)
CO2	20006.55	20006
CH4	1.77	37
N2O	0.05	17
HFCs	0.00	0
PFCs	0.00	0
SF6	0.00	0

12.7

Please explain why not.

¿

Is question 12.8 relevant to your company?

Yes

12.8

Please give the total amount of fuel in MWh that your organization has consumed during the reporting year.

101652

12.9

Please explain why not.

¿

Is question 12.10 relevant to your company?

Yes

12.10

Please complete the table by breaking down the total figure by fuel type.

Fuels	MWh
Natural gas	81654.70
Distillate fuel oil No 2	13113.70
Jet kerosene	2204.40
Motor gasoline	4679.20

12.11

Please explain why not.

12.12

Please estimate the level of uncertainty of the total gross global Scope 1 figure that you have supplied in answer to question 12.1 and specify the sources of uncertainty in your data gathering, handling, and calculations.

Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
More than 2% but less than or equal to 5%	Data Gaps Metering/ Measurement Constraints Data Management	We consider the main sources of uncertainty with respect to our data as follows: Data gathering: 1) Completeness – we still estimate a small percentage of our Scope 1 emissions due to the lack of available data. Consumption data for Scope 1

Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
		<p>facilities/transportation equipment emissions is gathered internally by BMO personnel or via facilities managers (for facilities). (reference our explanation on estimation methodology for missing data per question 11.1b). 2) Accuracy - there is a degree of risk that data provided by 3rd party providers (facilities managers) is not completely accurate. We rely on the internal controls implemented by our facilities managers and periodically audit their processes to provide a reasonable level of assurance regarding their activities. Data handling: 1) Collection and transposition of data from original utility invoices to consolidation spreadsheets also introduces the risk of error. For internally gathered information, we task one individual to gather and consolidate the monthly data to a spreadsheet record with verification checks performed by separate individuals on a spot check basis. We focus the spot checks on those facilities with the largest consumption in order to mitigate any significant misstatements. We request the same processes be followed for information provided by our facilities managers (e.g. where they have responsibility for utility bill handling for our owned facilities. We attempt to mitigate</p>

Uncertainty Range	Main sources of uncertainty	Please expand on the uncertainty in your data
		<p>transposition risk when uploading to the GHG:ID Tool by using automated methods to perform the data loading activities and use hash total checks, comparing before and after. Data collected from across the enterprise and from 3rd party providers is populated in a data collection template. Any gaps requiring estimation are identified during this process. The populated data collection template is then loaded into the GHG:ID Tool where data integrity checks are completed (facility counts, record counts and consumption total checks) to ensure that the data has been loaded consistently from one program to another. For internally developed spreadsheet driven calculations, we mitigate these risks by segregating the responsibilities for creation and verification between separate individuals.</p>

Further Information

Attachments

13.1

Please give your total gross global Scope 2 GHG emissions in metric tonnes of CO2-e.

45446

¿

Is question 13.2 relevant to your company?

Yes

13.2

Please break down your total gross global Scope 2 emissions in metric tonnes of CO2-e by country/region.

Country	Metric tonnes CO2-e
Canada	21848
United States of America	23598

13.3

Please explain why not.

13.4

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 2 emissions by business division. (Only data for the current reporting year requested.)

Business division name	Metric tonnes CO2-e
Bank of Montreal	21848
Harris NA	23598

13.5

Where it will facilitate a better understanding of your business, please also break down your total gross global Scope 2 emissions by facility. (Only data for the current reporting year requested.)

Facility name	Metric tonnes CO2-e
Retail Facilities (Branches, ABMs)	32470
Office Facilities	3038
Special Purpose Facilities (Operations Centres, Data Centres, Learning Centres)	9938

¿

Is question 13.6 relevant to your company?

Yes

13.6

How much electricity, heat, steam, and cooling in MWh has your organization purchased for its own consumption during the reporting year?

Please supply data for these energy types.	MWh
Electricity	172082

13.7

Please explain why not.

13.8

Please estimate the level of uncertainty of the total gross global Scope 2 figure that you have supplied in answer to question 13.1 and specify the sources of uncertainty in your data gathering, handling, and calculations.

Uncertainty range	Main sources of uncertainty in your data	Please expand on the uncertainty in your data.
More than 2% but less than or equal to 5%	Data Gaps Metering/ Measurement Constraints Data Management	Similar to the uncertainties reported for Scope 1 (see 12.12) we consider the main sources of uncertainty with respect to our data as follows: Data gathering: 1) Completeness – we still estimate a small percentage of our Scope 2 emissions due to the lack of available data. Data for Scope 2 (purchased electricity) is gathered internally by

Uncertainty range	Main sources of uncertainty in your data	Please expand on the uncertainty in your data.
		<p>BMO personnel for facilities we manage or via 3rd party facilities managers, where this activity has been outsourced. (reference our explanation on estimation methodology for missing data per question 11.1b). 2) Accuracy - there is a degree of risk that data provided by 3rd party providers (facilities managers) is not completely accurate. We rely on the internal controls implemented by our facilities managers and periodically audit their processes to provide a reasonable level of assurance regarding their activities.</p> <p>Data handling: 1) Collection and transposition of data from original utility invoices to consolidation spreadsheets also introduces the risk of error. For internally gathered information, we task one</p>

Uncertainty range	Main sources of uncertainty in your data	Please expand on the uncertainty in your data.
		<p>individual to gather and consolidate the monthly data to a spreadsheet record with verification checks performed by separate individuals on a spot check basis. We focus the spot checks on those facilities with the largest consumption in order to mitigate any significant misstatements. We request the same processes be followed for information provided by our facilities managers (e.g. where they have responsibility for utility bill handling for our owned facilities. We attempt to mitigate transposition risk when uploading to the GHG:ID Tool by using automated methods to perform the data loading activities and use hash total checks, comparing before and after. Data collected from across the enterprise and from 3rd party providers is populated in a</p>

Uncertainty range	Main sources of uncertainty in your data	Please expand on the uncertainty in your data.
		<p>data collection template. Any gaps requiring estimation are identified during this process. The populated data collection template is then loaded into the GHG:ID Tool where data integrity checks are completed (facility counts, record counts and consumption total checks) to ensure that the data has been loaded consistently from one program to another. For internally developed spreadsheet driven calculations, we mitigate these risks by segregating the responsibilities for creation and verification between separate individuals.</p>

Further Information

Attachments

Do you consider that the grid average factors used to report Scope 2 emissions in question 13 reflect the contractual arrangements you have with electricity suppliers?

Yes

14.2

You may report a total contractual Scope 2 figure in response to this question. Please provide your total global contractual Scope 2 GHG emissions figure in metric tonnes CO₂-e.

14.3

Explain the origin of the alternative figure including information about the emission factors used and the tariffs.

14.4

Has your organization retired any certificates, e.g. Renewable Energy Certificates, associated with zero or low carbon electricity within the reporting year or has this been done on your behalf?

Yes

14.5

Please provide details including the number and type of certificates.

Type of certificate	Number of certificates	Comments
Renewable Energy Certificates	15070	For the reporting period, BMO Financial Group has purchased a cumulative total of 14,879,963 kwh of renewable electricity (14,880 RECs) in Canada from energy retailer - Bullfrog Power Inc. The RECs represent power from EcoLogo-certified wind and low-impact

Type of certificate	Number of certificates	Comments
		<p>hydro generators. BMO has thus far deployed this renewable energy in retail branches in the provinces of Ontario, British Columbia, Alberta, Nova Scotia, New Brunswick and Prince Edward Island. The Renewable Energy Certificates associated with these purchases have been retired as per the legal contract between BMO Financial Group (legal entity Bank of Montreal) and Bullfrog Power Inc. The current contract runs for a 3 year term and provides assurance that RECs will only be retired and will not be sold or transferred by Bullfrog Power Inc. to any party. In the USA, BMO Financial Group has purchased RECs to support two LEED registered</p>

Type of certificate	Number of certificates	Comments
		<p>retail branch facilities with the total amount purchased totalling 190,000 kwh (190 RECs). The Renewable Energy Certificates associated with these purchases have been retired as per the legal contract between BMO FG (Harris N.A.) and Constellation Energy (Illinois) and 3Degrees (Indiana). The current contracts provide assurance that RECs will only be retired and will not be sold or transferred by the sellers to any party.</p>

Further Information

Attachments

¿

Is question 15.1 relevant to your company?

Yes

Please provide data on sources of Scope 3 emissions that are relevant to your organization.

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
Business travel	11433	<p>As a financial institution, our most significant Scope 3 emissions relating to employee business travel include the following: - commercial air, ground travel (incl. employees' personal vehicles, rental vehicles, and rail). For the past three years BMO has used a customized version of ICF International's GHG:ID Tool for the calculation of greenhouse gas emissions. The ICF International GHG:ID Tool for BMO is fully compliant with both:</p> <ul style="list-style-type: none"> • "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)" developed by the World Resources Institute and the World Business Council for Sustainable Development ("the GHG Protocol") and; • ISO 14064 Part 1: Greenhouse gases — Specification with guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals. For transportation data, we utilize the following data collection methodology: Commercial Air Travel data for business purposes is provided by our preferred travel 	<p>We also recognize that employee travel for business purposes may include the use of public transportation, taxis or limousines however we do not have access to reliable source data currently in order to calculate the emission impacts.</p>

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
		<p>supplier on an annual basis. The data provided consists of one-way flight segment distances and the number of instances of each segment travelled. This information is used to calculate the relevant emissions within the ICF International GHG:ID Tool for short haul, medium haul and long haul flights.</p> <p>Ground Travel 1) Employee travel for business purposes using personal vehicles – all data is captured via our internal expense reimbursement system as claims are submitted. Annually we extract this data and use kilometres travelled and a proxy for vehicle type (mid sized automobile efficiency) within the ICF International GHG:ID Tool for calculation of emissions. 2) Rail travel data for business purposes is provided directly by our rail service supplier on a quarterly basis. The data provided consists of one-way rail segment distances and the number of instances of each segment travelled. This information is used to calculate the relevant emissions within the ICF International GHG:ID Tool. 3) Rental vehicles – data is provided by our two preferred suppliers on a quarterly basis. The data consists of vehicle type and</p>	

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
		<p>total distance travelled for input to the ICF International GHG:ID Tool to calculate the relevant emissions. Emissions are reflected in tCO2e (calculating CO2 only) as the source GHG Protocol - Mobile provides for CO2 only.</p>	
Leased assets (Scope 1 emissions of the lessor)	20714	<p>Based on our reporting scope (Financial Control) and contractual obligations per leased facilities (per GHG Protocol Appendix F), emissions from leased premises have been classified as Scope 3. The emissions relating to fuel combusted in our leased facilities (Scope 1 emissions of the lessor) form a significant portion of our total Scope 3 emissions reported. For the past three years BMO has used a customized version of ICF International's GHG:ID Tool for the calculation of greenhouse gas emissions. The ICF International GHG:ID Tool for BMO is fully compliant with both:</p> <ul style="list-style-type: none"> • "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)" developed by the World Resources Institute and the World Business Council for Sustainable Development ("the GHG Protocol") and; • ISO 14064 Part 1: Greenhouse gases — Specification with 	

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
		<p>guidance at the organization level for quantification and reporting of greenhouse gas emissions and removals. At our request, consumption data is provided annually by the landlord/facilities managers for the facilities occupied by BMO Financial Group. In those instances where check meters are installed, actual consumption information for fuels is used to reflect our actual consumption. In the absence of this specific level of information, we receive consumption information for the entire facility and based on the area occupied by BMO Financial Group, we determine our prorated portion for each of the fuels consumed. We also ask for confirmation from our landlords that the information provided accurately reflects the consumption figures provided and for a number of facilities, we receive the actual source utility data. We retain a detailed calculation worksheet for each of the leased properties where information has been gathered in this manner. The consumption data provided is routinely reviewed for intensity (consumption/square foot) to identify any obvious anomalies for further investigation. Finally,</p>	

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
		the consumption information is then input to the ICF International GHG:ID (Trademark) tool to calculate the relevant emissions.	
Energy-related activities not included in scope 2	61487	Based on our reporting scope (Financial Control) and contractual obligations per leased facilities (per GHG Protocol Appendix F), emissions from leased premises have been classified as Scope 3. The emissions relating to purchased electricity used in our leased facilities (Scope 2 emissions of the lessor) form the most significant portion of our total Scope 3 emissions reported. For the past three years BMO has used a customized version of ICF International's GHG:ID Tool for the calculation of greenhouse gas emissions. The ICF International GHG:ID Tool for BMO is fully compliant with both: <ul style="list-style-type: none"> • "The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)" developed by the World Resources Institute and the World Business Council for Sustainable Development ("the GHG Protocol") and; • ISO 14064 Part 1: Greenhouse gases — Specification with guidance at the organization level for quantification and reporting of greenhouse gas 	

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
		<p>emissions and removals. At our request, consumption data is provided annually by the landlord/facilities managers for the facilities occupied by BMO Financial Group. In those instances where check meters are installed, actual consumption information for electricity is used to reflect our actual consumption. In the absence of this specific level of information, we receive consumption information for the entire facility and based on the area occupied by BMO Financial Group, we determine our prorated portion for electricity consumed. We also ask for confirmation from our landlords that the information provided accurately reflects the consumption figures provided and for a number of facilities, we receive the actual source utility data. We retain a detailed calculation worksheet for each of the leased properties where information has been gathered in this manner. The consumption data provided is routinely reviewed for intensity (consumption/square foot) to identify any obvious anomalies for further investigation. Finally, the consumption information is then input to the ICF International GHG:ID</p>	

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
		(Trademark) tool to calculate the relevant emissions.	
Transportation & distribution of sold products	474	<p>Data relates to the transportation and distribution of Annual Report and Corporate Responsibility Report only for fiscal 2009. For the past three years (2007 thru 2009), the emissions associated with the production and delivery of our Annual Reports and Corporate Responsibility Reports have been completely neutralized via the purchase of carbon offset credits from a third party. Annual Report and Corporate Responsibility Reports only: BMO Financial Group contracted with a third party to calculate the emissions and associated offsets necessary to neutralize the production and delivery emissions related to these reports. Details of the volumes, materials used, transportation methods and destinations were provided to Zerofootprint Inc. for the purposes of calculating the total emissions and resultant impacts to be neutralized. Zerofootprint reported using the following methods, calculation tools to complete the analysis on behalf of BMO Financial Group: A total</p>	<p>As a financial institution our main sources of emissions in terms of external distribution/logistics relate to the delivery by third parties (Canada/US postal delivery, couriers) of customer account statements, enclosed advertising and other paper based materials (e.g. Annual Reports, Corporate Responsibility Reports, etc.). BMO Financial Group has not undertaken the measurement of emissions relating to the transportation/distribution of paper based customer account statements and related materials to date. We have introduced e-statements for a limited number of product types and continue to actively pursue electronic alternatives to mitigate the emissions associated with 3rd party distribution.</p>

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
		<p>lifecycle approach was followed to calculate the emissions associated with the collection and processing of virgin and recycled paper, residual disposal at the processing plant, transportation of paper to market, printing of the reports and distribution of same. Calculations of emissions included emissions factors from the GHG Protocol, Mobile Combustion CO2 Emissions Calculation Tool, paper processing from Environmental Defense, Energy, Air Emissions, Solid Waste Outputs, Waterborne Wastes and Water Use Associated With Component Activities of Three Methods for Managing Office paper, and provincial electricity data from Environment Canada, Environment Canada Greenhouse Gas Inventory, 2006.</p>	
<p>Purchased goods & services - direct supplier emissions</p>			<p>BMO Financial Group's direct supplier emissions result from our purchase of goods and services including: - technology/telecommunications equipment (personal computers, servers, copiers, printers, routers, switches, etc.), - office supplies (e.g. pens, paper, etc.), - furniture and fixtures for premises (desks, chairs, lighting, building materials, etc.), - consulting services as provided by third parties, - marketing and advertising materials. The primary reason BMO Financial Group has not focused on the specific measurement of emissions related to its supply</p>

Sources of Scope 3 emissions	Metric tonnes of CO2-e	Methodology	If you cannot provide a figure for a relevant source of Scope 3 emissions, please describe the emissions.
			chain is due to the lack of available source data. Since early 2008 we have employed a Sustainable Procurement questionnaire as part of competitive bids (supply chain focus) and have used the results to form part of the award process.
Waste generated in operations			As goods are consumed by the organization, or reach obsolescence, waste is created. BMO Financial Group is indirectly responsible for the emissions created by the haulage of waste from BMO premises to either landfill or recycling facilities as well as the emissions released from landfill (methane) as materials break down. BMO has not attempted to measure the transportation emissions related to the haulage of waste from our facilities to date. We have made some progress in the capture of information for waste generated in our facilities, however are not confident enough in the data at this point to report quantitatively.
Employee commuting and teleworking			BMO Financial Group is indirectly responsible for the emissions created by employees commuting to and from our offices as well as existing teleworking arrangements in effect. Teleworking may result in both scope 1 (combustion of fuels) and scope 2 (purchased electricity) emissions for employees at "home office" locations. In 2009, BMO employed just over 36,000 employees. The lack of readily available information about their commuting modes and travel distances is the prime reason we do not currently report on scope 3 emissions from this source. The number of employees and the relative impact of scope 3 emissions related to teleworking are not considered significant.

Please explain why not.

Further Information

Attachments

Page: Emissions 7

16.1

Does the use of your goods and/or services enable GHG emissions to be avoided by a third party?

No

16.2

Please provide details including the anticipated timescale over which the emissions are avoided, in which sector of the economy they might help to avoid emissions and their potential to avoid emissions.

¿

Is question 17.1 relevant to your company?

No

17.1

Please provide your total carbon dioxide emissions in metric tonnes CO2 from the combustion of biologically sequestered carbon i.e. carbon dioxide emissions from burning biomass/biofuels.

17.2

Please explain why not.

As a financial institution, BMO Financial Group does not combust biomass/biofuels in any of its facilities.

Further Information

Q 16.1 - As a financial institution, BMO Financial Group does not specifically produce goods or services that would enable GHG emissions to be avoided by a third party.

18.1a

Please describe a financial intensity measurement for the reporting year for your gross combined Scope 1 and Scope 2 emissions.

If you do not consider a financial intensity measurement to be relevant to your company, select "Not relevant" in column 5 and explain why in column 6.

Figure for Scope 1 and Scope 2 emissions	GHG units	Multiple of currency unit	Currency unit	Financial intensity metrics	Please explain if not relevant. Alternatively provide any contextual details that you consider relevant to understand the units or figures you have provided.
				Not Relevant	As a low emitter, BMO Financial Group does not consider this measurement as particularly relevant to the financial services business. As a financial organization our main products are lending, investment and deposit based services, rather than the production and sales of physical goods. Additionally, we lease a significant portion of our overall premises, which based

Figure for Scope 1 and Scope 2 emissions	GHG units	Multiple of currency unit	Currency unit	Financial intensity metrics	Please explain if not relevant. Alternatively provide any contextual details that you consider relevant to understand the units or figures you have provided.
					on our organizational reporting boundary, fall into Scope 3 emissions and would therefore be excluded from this calculation. We also question how the anticipated fluctuations of this measure, based on recent volatile economic times and effects on a financial institution's profitability, would be interpreted from an emissions reporting perspective.

18.1b

Please describe an activity-related intensity measurement for the reporting year for your gross combined Scope 1 and Scope 2 emissions.

Oil and gas sector companies are also asked to report activity-related intensity metrics in answer to table O&G1.3.

If you do not consider an activity-related intensity measurement to be relevant to your company, select "Not relevant" in column 3 and explain why in column 4.

Figure for Scope 1 and Scope 2 emissions	GHG units	Activity-related metrics	Please explain if not relevant. Alternatively provide any contextual details that you consider relevant to understand the units or figures you have provided.
0.11	Metric tonnes CO2-e	Other: m2 of premises occupied	As a diversified financial institution with a significant percentage of leased facilities (scope 3 per organizational reporting boundary), activity related intensity measurements for Scope 1 and Scope 2 emissions only have limited applicability. We have however calculated intensity measurements based on tCO2e per m2 of premises owned/controlled. This measurement pertains only to those facilities that are owned/controlled to align with Scope 1 and Scope 2 emissions reported.

19.1

Do the absolute emissions (Scope 1 and Scope 2 combined) for the reporting year vary significantly compared to the previous year?

No

19.2

Please explain why they have varied and why the variation is significant.

20.1A

Please complete the following table indicating the percentage of reported emissions that have been verified/assured and attach the relevant statement.

Scope 1 (Q12.1)	Scope 2 (Q13.1)	Scope 3 (Q15.1)
More than 80% but less than or equal to 100%	More than 80% but less than or equal to 100%	More than 60% but less than or equal to 80%

20.1B

I have attached an external verification statement that covers the following scopes:

Scope 1
Scope 2
Scope 3

Further Information

Q18.1(B) - We have been investigating the following activity related intensity metric: "tCO₂e per full time equivalent employee" However as many of our facilities are leased and fall under Scope 3 per our organizational reporting boundary, it is difficult for us to break out the number of employees located in facilities which generate Scope 1 & Scope 2 emissions only. As a result, we have calculated our "tCO₂e per full time equivalent employee" to include all Scope 1, 2 & 3 emissions as stated in this submission. The resultant metric is as follows: 4.40 tCO₂e / full time equivalent employee (includes Scopes 1, 2 & 3) Q19.1 - While fiscal 2009 emissions have not changed significantly versus those of the prior year (down marginally), we continue to track the various upward and downward pressures, including the following: Upward pressures: - organic growth - absolute increase in m² area of real estate premises occupied and associated emissions - extreme fluctuations in seasonal temperatures (e.g. hotter in summer, colder in winter) Downward pressures: - positive impacts realized from emissions reduction workplan efforts - use of revised emissions factors as introduced by the various regulatory bodies - extreme fluctuations in seasonal temperatures (e.g. cooler in summer, warmer in winter)

Attachments

[https://www.cdproject.net/Sites/2010/17/1417/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Emissions-Other2/Verification Statement - 2009.pdf](https://www.cdproject.net/Sites/2010/17/1417/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Emissions-Other2/Verification%20Statement%20-%202009.pdf)

21.1

Do you participate in any emission trading schemes?

No, we don't participate nor do we currently anticipate participating in any emissions trading scheme within the next two years.

21.2

Please complete the following table for each of the emission trading schemes in which you participate.

Scheme name	Period for which data is supplied.	Allowances allocated	Allowances purchased	Verified emissions - number	Verified emissions - units	Details of ownership
	Mon 01 Jan 0001 - Mon 01 Jan 0001					

21.3

What is your strategy for complying with the schemes in which you participate or anticipate participating?

21.4

Has your company originated any project-based carbon credits or purchased any within the reporting period?

Yes

21.5

Please complete the following table.

Credit origination or credit purchase?	Project identification	URL link to project documentation	Verified to which standard?	Number of credits (metric tonnes of CO ₂ -e)	Credits retired?	Purpose e.g. compliance
Credit Purchase	Project Number R-AAA-0062 IGRS East Quarry Landfill Gas Recovery Project - Ontario ISO 14064 - 2 verified	http://ghgregistries.ca/reductions/rer_masterprojectdetails_e.cfm?pid=786	Other: ISO 14064 - 2	474	Yes	Voluntary Offsetting

Credit origin ation or credit purchase?	Project identification	URL link to project documentation	Verifi ed to which stand ard?	Num ber of cred its (met ric tonn es of CO2 -e)	Cred its retir ed?	Purpo se e.g. compli ance
	<p>This project - located in Niagara Falls, Ontario - captures landfill gas from the East Quarry landfill and distributes it to a nearby plant that produces recycled content paper. Previously, all of this gas leaked into the atmosphere, where it played a significant role in perpetuating global warming. New amendments to the landfill have diverted these emissions, while simultaneously providing power to other facilities. The captured</p>					

Credit origin ation or credit purchase?	Project identification	URL link to project documentation	Verified to which stand ard?	Num ber of cred its (met ric tonn es of CO2 -e)	Cred its retir ed?	Purpo se e.g. compli ance
	<p>landfill gas gets dehydrated and compressed, before it is transported to the nearby Abitibi mill. Here, it is used instead of natural gas, which offsets some of the energy requirements of this facility. The benefits are twofold: primary reductions are achieved by preventing gas release from the landfill, while secondary benefits come from displacing the use of natural gas.</p>					

Further Information

Attachments**Module: Climate Change Communications****Page: Communications 1**

22.1

Have you published information about your company's response to climate change/GHG emissions in other places than in your CDP response?

Yes

22.2

In your Annual Reports or other mainstream filing? (If so, please attach your latest publication(s).)

Yes

22.3

Through voluntary communications such as CSR reports? (If so, please attach your latest publication(s).)

Yes

Further Information

In addition to the Annual Report and the Corporate Responsibility Report attached below, we publish information about our response to climate change on our public website:
http://www2.bmo.com/content/0,1089,divId-7_langId-1_navCode-4135,00.html

Attachments

[https://www.cdproject.net/Sites/2010/17/1417/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Communications/BMO_CRPAS2009en.pdf](https://www.cdproject.net/Sites/2010/17/1417/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Communications/BMO_CRPAS2009en.pdf)
[https://www.cdproject.net/Sites/2010/17/1417/Investor CDP 2010/Shared Documents/Attachments/InvestorCDP2010/Communications/bmo_ar2009.pdf](https://www.cdproject.net/Sites/2010/17/1417/Investor%20CDP%202010/Shared%20Documents/Attachments/InvestorCDP2010/Communications/bmo_ar2009.pdf)