

BMO Sustainable & Climate Finance Framework



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1. Introduction

Established in 1817, BMO Financial Group is the eighth largest bank in North America by assets, with assets of \$1.37 trillion.¹ We are a highly diversified financial institution, providing a broad range of personal and commercial banking, wealth management, global markets and investment banking products and services. We serve thirteen million customers across Canada and the United States, and in select markets globally, through three integrated operating groups: Personal and Commercial Banking, BMO Wealth Management, and BMO Capital Markets.

BMO's Purpose to **Boldly Grow the Good in business and life** empowers us to explore new opportunities that will support our customers, employees, and communities – because we believe success can and must be mutual.



For a Thriving Economy

Providing access to capital and valuable financial advice – investing in businesses, supporting home ownership and strengthening the communities we serve, while driving innovation that makes banking easier.



For a Sustainable Future

Being our clients' lead partner in the transition to a net-zero world, delivering on our commitments to sustainable financing and responsible investing.



For an Inclusive Society

Committing to zero barriers to inclusion through investments, financial products and services, and partnerships that remove systemic barriers for under-represented customers, employees and communities – and drive inclusion and equitable growth for everyone.

BMO's financing activities for clients pursuing sustainable outcomes supports our Purpose and advances our commitments for a sustainable future, a thriving economy and an inclusive society. The BMO Sustainable & Climate Finance Framework "The Framework" defines the scope, classification, eligibility requirements, and processes for products or services to be labelled and reported as sustainable finance and climate finance. The Framework is applicable to sustainable and climate finance reporting subsequent to its publication date.

BMO also recently updated its [Sustainable Bond Framework](#), which guides the issuance of our sustainability, green, transition, and social bonds. As noted in Section 4, the [Sustainable Bond Framework](#) was used to guide the development of this Framework. For further information on BMO's sustainability strategy, initiatives, and targets, please refer to our latest reports published online, at [our-impact.bmo.com/reports](#).

2. Scope, Classification & Identification

Sustainable Finance refers to financing provided to, or facilitated for, clients pursuing sustainable outcomes that meet BMO's eligibility criteria. Climate Finance is a sub-set of Sustainable Finance and refers to outcomes linked to climate-related decarbonization or resilience outcomes for clients (See Section 4).²

Eligible sustainable finance activities may occur across business lines and operating groups, including credit facilities, advisory, carbon credit origination, derivative, capital raised through debt and equity markets, investments, and corporate spend (see Section 3 for specific eligible activities).³ We use classification pathways to determine the eligibility of transactions, which are then reviewed, tracked, and reported (See Figure 1).

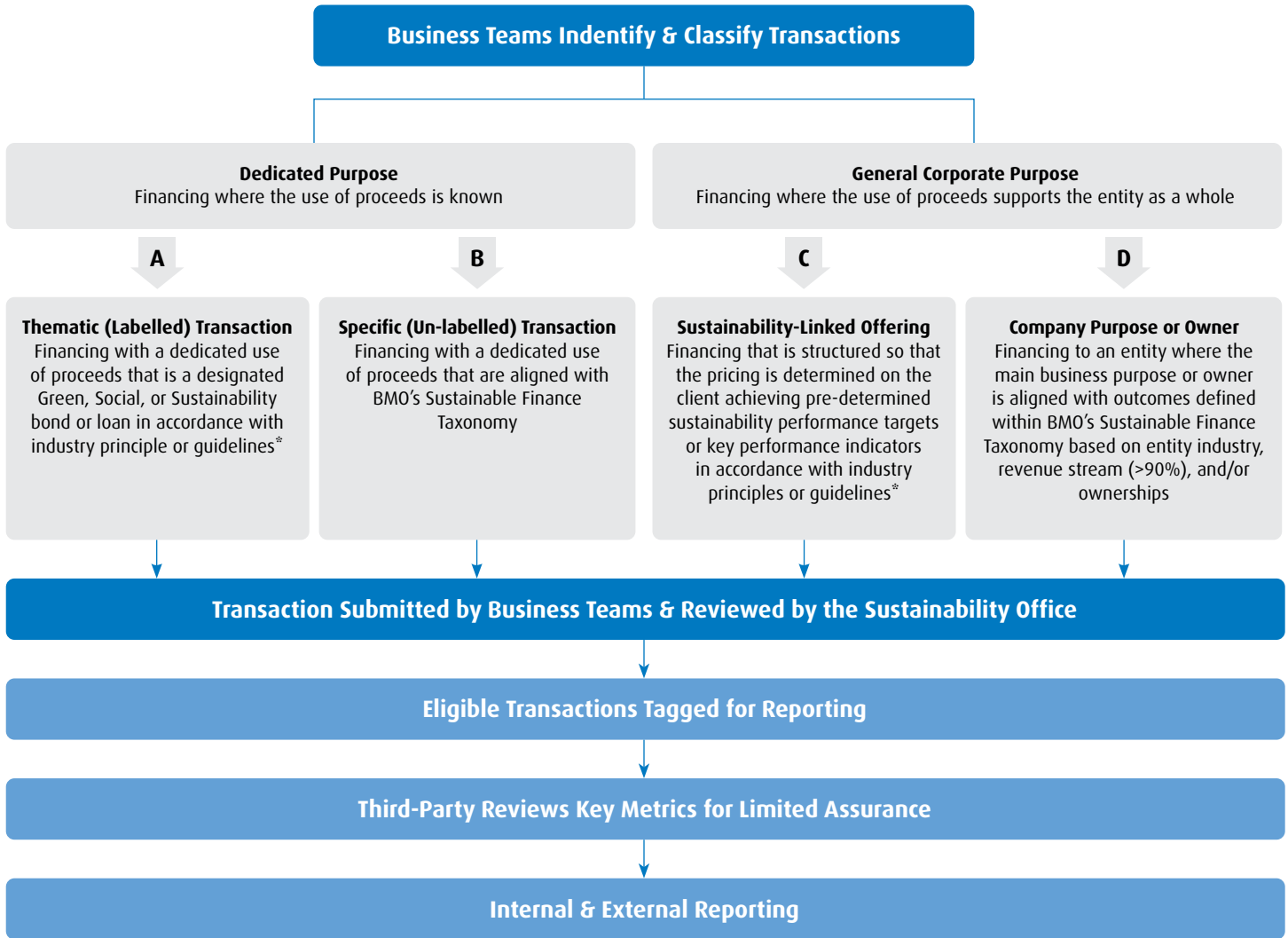


¹ As of April 30, 2024.

² Includes the Environmental and Transition categories within BMO's Sustainable Finance Taxonomy as outlined in Section 4.

³ BMO's sustainable finance tracking and reporting does not include BMO Global Asset Management (GAM) Responsible Investment products that manage capital on behalf of clients, GAM seed investments in new mutual funds or exchange traded funds, sustainable or sustainability-linked deposits, or grants for philanthropic purposes.

Figure 1. BMO Sustainable & Climate Finance Classification & Review Pathways



The lines of business are responsible for identifying transactions, selecting a classification pathway, and ensuring that transactions meet eligibility criteria. An internal Sustainable and Climate Finance Directive, issued in support of BMO’s Environmental and Social Risk Corporate Policy, guides the enterprise in its work to classify, review,

and report sustainable finance activity. In addition, training on the Directive, including the content in this Framework, is provided to business teams. BMO’s Sustainability Office reviews eligibility, tracks relevant sustainable and/or climate finance metrics for internal and public reporting (see Section 5).

* International Capital Market Association (“ICMA”) Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines, Sustainability-Linked Bond Principles, or the Asia Pacific Loan Market Association (“APLMA”) / Loan Market Association (“LMA”) / Loan Syndications and Trading Association (“LSTA”) Green Loan Principles, Social Loan Principles, or Sustainability-Linked Loan Principles.

3. Eligible Activities & Measurement

Activities tracked as sustainable finance and/or climate finance, and the corresponding measurement for each activity, are set out in the table below.

Business Activity	Definition/Description	Measurement	Relevant Frameworks
Credit	Lending or other credit facilities (e.g., letters of credit, guarantees) authorized to entities through corporate, commercial/business, or consumer business, including syndicated loans ⁴	Net new authorized amount since baseline ⁵ (BMO's share in the case of syndicated loans)	LMA/LSTA/APLMA Sustainability-Linked Loan Principles LMA/LSTA/APLMA Green Loan Principles LMA/LSTA/APLMA Social Loan Principles BMO Sustainable Finance Taxonomy U.S. Community Reinvestment Act's CD Loan Eligibility
Mergers & Acquisition ("M&A")	M&A advisory	League table value allocated in full to both buy and sell side advisors upon full closing	BMO Sustainable Finance Taxonomy
Carbon Credit Advisory & Origination	Advisory services that support the origination and serialization of carbon credits	Number of credits serialized x average credit price	Compliance carbon markets Verified Carbon Standard Gold Standard American Carbon Registry Standard Climate Action Reserve Standard Puro.earth Clean fuel standards
Derivatives	Derivatives that have a sustainability-linked component, or forward contracts that support decarbonization project development and provide long-term pricing support	Potential future exposure as at day of trade	BMO Sustainable Finance Taxonomy
Capital Raised	Capital raised through debt or equity markets, including bond underwriting, private placements, securitization, project finance (e.g., capital raised through special purpose vehicles)	League table value allocated proportionately per bookrunner share for public transactions, and allocated equally per bookrunner for private transactions	BMO Sustainable Finance Taxonomy ICMA Green Bond Principles ICMA Social Bond Principles ICMA Sustainability-Linked Bond Principles ICMA Sustainability Bond Guidelines
Investments⁶	Equity or equity equivalent investments of BMO's own capital Treasury investments (e.g., bond purchase holdings) Tax-credit investments	Investment amount deployed	BMO Sustainable Finance Taxonomy U.S. Community Reinvestment Act
Corporate Spend	Corporate spend on operational improvements or grants issued by the business to eligible businesses (e.g., BMO for Women grants)	Amount spent	BMO Sustainable Finance Taxonomy

⁴ Credit may include business lending, project finance, trade or supply chain finance, and/or equipment loans and leases.

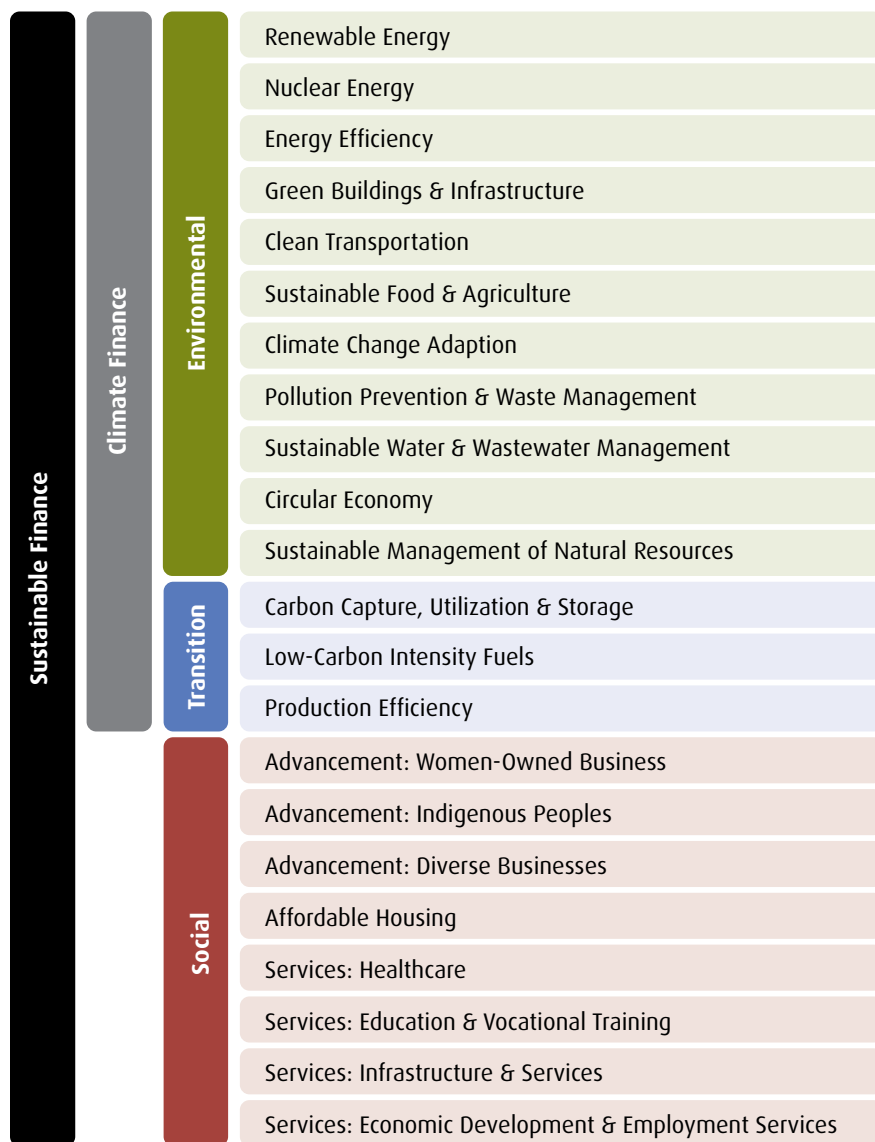
⁵ The current baseline is beginning of BMO's fiscal year 2024.

⁶ Investments may be made through BMO's Impact Investment Fund, U.S. Community Reinvestment Act Investments, or other programs.

4. Sustainable Finance Taxonomy/Eligible Outcomes

BMO’s Sustainable Finance Taxonomy (“Taxonomy”) outlines the activities and outcomes eligible for sustainable finance and/or climate finance reporting⁷ categorized as follows:

- **Environmental** - Refers to activities that contribute to positive environmental outcomes.
- **Transition** - Refers to activities that enable strategic change to directly decarbonize the entity’s primary business activities or enable decarbonization within the business or its value chain in alignment with the goals of the Paris Agreement.
- **Social** - Refers to activities that aim to address or serve a specific social need or population.



This Taxonomy is informed by relevant industry guidelines such as the International Capital Market Association (ICMA) Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines, and Sustainability-Linked Bond Principles; the Asia Pacific Loan Market Association (APLMA), the Loan Market Association (LMA),

and the Loan Syndications and Trading Association (LSTA) Green Loan Principles, Social Loan Principles and Sustainability-Linked Loan Principles; and market guidelines, taxonomies and standards, such as the United Nations Sustainable Development Goals (SDGs), as well as [BMO’s Sustainable Bond Framework](#).

⁷ If a transaction qualifies for multiple categories, it is tracked and reported as: General Green, General Social, General Transition, or General Sustainable.












Category	Eligible Activities & Outcomes
ENVIRONMENTAL	
<p>Renewable Energy</p>  	<p>Acquisition, development, manufacturing, construction, operation, transmission, distribution, and maintenance of renewable energy assets (i.e., equipment, infrastructure, and facilities) including:</p> <ul style="list-style-type: none"> • Offshore & onshore wind • Solar photovoltaic • Waste biomass (biogas) and renewable biofuels whose sources include sustainable agriculture and forestry residues with direct emissions <100 grams of CO₂/kWh • Run-of-river and small-scale hydroelectricity facilities that meet emission intensity and power density requirements⁸ • Refurbishment, operation, or maintenance of existing hydroelectric facilities provided the size of the dam or reservoir is not increased • Geothermal energy facilities with direct emissions <100 grams CO₂/kWh • Hydrogen generation facilities using renewable energy • Tidal power.
<p>Nuclear Energy⁹</p>  	<p>Research, development, demonstration, construction, deployment, and safe operation of technologies that produce energy from nuclear processes with minimal waste from the fuel cycle, for purposes of generating electricity or heat, including for hydrogen production.</p> <p>Construction and safe operation of new nuclear power plants, for the generation of electricity and/or heat, including for hydrogen production.</p> <p>Investments associated with operating life extension and/or efficiency enhancement of existing nuclear energy facilities, including maintenance and/or refurbishment with the purpose of increasing operational life span while maintaining or improving the level of operational safety.</p>
<p>Energy Efficiency</p>  	<p>Construction, retrofitting, manufacturing of technologies, or equipment that increase energy efficiency and/or reduce energy consumption or mitigate greenhouse gas (“GHG”) emissions by 30% or more over the baseline, including:</p> <ul style="list-style-type: none"> • Energy efficient lighting, heating, and cooling, ventilation, performance monitoring and demand management systems (e.g., smart meters) • Energy management and storage facilities or infrastructure (e.g., equipment and systems including batteries, and green hydrogen fuel cells) • Smart grid technology for energy generation, storage, transmission, and distribution.
<p>Green Buildings and Infrastructure</p>   	<p>Construction, acquisition, operation, maintenance or refurbishment of public, commercial, residential, buildings that have received, or expect to receive based on their design, construction, and operation plans, certification according to third-party verified buildings standards including: LEED (Gold or Platinum), BOMA Best (Gold or better), BREEM (Excellent or better), ENERGY STAR (score of 85 or higher), or the relevant municipal green building standards (beyond mandatory levels).</p>
<p>Clean Transportation</p>   	<p>Research and development, manufacturing, procurement, operations, maintenance and leasing of low-carbon transport assets and related infrastructure, such as:</p> <p>Passenger Transportation</p> <ul style="list-style-type: none"> • Electric, hydrogen, or other zero-direct emissions transport (including private vehicles, public transport vehicles, passenger trains) • Private hybrid vehicles with emissions <50 grams CO₂/passenger km • Public hybrid buses with emission of <50gCO₂/p-km). <p>Freight Transportation</p> <ul style="list-style-type: none"> • Road freight vehicles with direct emissions less than 25gCO₂e/km • Electric or hydrogen freight rail, for which <25% of its freight is fossil fuels. <p>Infrastructure</p> <ul style="list-style-type: none"> • Electric charging and hydrogen fuel infrastructure • Public walking and bicycle infrastructure • Transportation infrastructure, including expansions and capacity improvements of metro/train networks and station upgrades. <p>Shipping</p> <ul style="list-style-type: none"> • Zero emission vessels that do not transport fossil fuels or vessels with emissions intensity thresholds below those outlined in the Climate Bonds Initiative’s shipping criteria.

⁸ For projects operational prior to January 1, 2020, lifecycle greenhouse gas emission intensity and power density to not exceed 100gCO₂e/kWh and 5W/m² respectively. For projects operational post January 1, 2020, lifecycle greenhouse gas emission intensity and power density to not exceed 50gCO₂e/kWh and 5W/m² respectively.

⁹ Financed nuclear projects must fully meet the regulatory requirements of the jurisdiction. The life-cycle greenhouse gas emissions from the electricity generation shall not exceed 100g CO₂e/kWh.

Category	Eligible Activities & Outcomes
ENVIRONMENTAL	
<p>Sustainable Food and Agriculture</p> 	<p>Food production, including:</p> <ul style="list-style-type: none"> • Fishery and aquaculture, certified with: Marine Stewardship Council, Aquaculture Stewardship Council, Global G.A.P for Aquaculture, or Best Aquaculture Practices (2 stars or more). • Agriculture certified with: Canada Organic, USDA Organic, Round Table on Responsible Soy Association Standard. <p>Agriculture activities, facilities, and technologies that improve resource use efficiency including energy and water, and/or reduce GHG emissions, or improve climate resilience, such as: advanced irrigation technologies, precision farming, smart seeds, natural pesticides, and herbicides (including Rainforest Alliance certified biological crop protection), as well as regenerative agriculture activities including no-till farming and cover cropping.</p> <p>Activities that advance sustainable production and consumption of alternative proteins.</p>
<p>Climate Change Adaptation</p> 	<p>Investments that improve the climate resilience of assets, systems, value chain, and communities:</p> <ul style="list-style-type: none"> • Upgrading of infrastructure to be climate resilient (examples below) • Infrastructure projects for flood prevention and/or flood defense Information and communications technology that improves climate monitoring and data collection, such as early warning systems • Non-fossil fuel back up power generation and storage • Wildfire mitigation and management activities.
<p>Pollution Prevention and Waste Management</p> 	<p>Activities, equipment, services, and infrastructure that support:</p> <ul style="list-style-type: none"> • Collection, sorting, treatment, and transportation of contaminated solid waste and waste materials • Recycling processes and facilities • Composting and anaerobic digestion • Thermal treatment with energy recovery of residual waste¹⁰
<p>Sustainable Water and Wastewater Management</p> 	<p>Activities, technologies, and projects that improve quality, efficiency, reliability, and conservation of water such as:</p> <ul style="list-style-type: none"> • Collection, treatment, recycling, or reuse of water • Storm water management • Water metering activities • Water capture and storage infrastructure, including storm water management systems, water distribution systems, aquifer storage and sewer systems.
<p>Circular Economy Adapted Products, Production Technologies and Processes</p> 	<p>Businesses and projects that promote circular economy activities, including:</p> <ul style="list-style-type: none"> • Substitution of virgin raw materials with 100% secondary (recycled or reused waste) materials (e.g., fabrics, metals, fibres, wood, and mechanically recycled plastics) in manufacturing and industrial processes • Production of products that can be recycled or composted where the input feedstock is from recycled/reused waste • Development, manufacturing, and distribution of sustainable packaging certified by a recognized third-party certification such as the Forest Stewardship Council (“FSC”), Programme for the Endorsement of Forest Certification (“PEFC”), Sustainable Forest Initiative (“SFI”), and Recycled Paperboard Alliance (“RPA 100”) • Minerals-based materials recovery or recycling in mining and industrial materials processes post-production • Initiatives in product lifecycle processes (including design and materials) that improve their usable life or reparability.
<p>Sustainable Management of Natural Resources</p> 	<p>Conservation, afforestation, reforestation and/or sustainable management of forest holdings or other nature-based assets such as: forests certified under the FSC, the PEFC, the SFI, or afforestation or reforestation of native forests.</p>

















¹⁰ Outside of the EU only.

Category	Eligible Activities & Outcomes
TRANSITION¹¹	
<p>Carbon Capture, Utilization and Storage¹²</p>   	<p>Acquisition, research, development, construction, installation, operation and maintenance of qualifying Carbon Capture, Utilization and Storage (“CCUS”) technologies.</p>
<p>Low-Carbon Intensity Fuels</p>  	<p>Development, manufacture, equipment and distribution of low carbon fuels and waste-to-energy pathways that enable a reduction of the carbon intensity of fuels, including, but not limited to:</p> <ul style="list-style-type: none"> Hydrogen, ethanol, renewable diesel, co-processing of biocrude, sustainable aviation fuel, synthetic fuel, and renewable natural gas compliant with the appropriate carbon intensity thresholds set by national jurisdictions or a sectoral decarbonization pathway, such as: <ul style="list-style-type: none"> Natural Resources Canada’s (“NRCan”) Clean Fuels Program carbon intensity thresholds defined as follows: <ul style="list-style-type: none"> Carbon intensity of eligible liquid clean fuels equal to or below 50 gCO₂ e/MJ; and Carbon intensity of eligible gaseous clean fuels equal to or below 36gCO₂e/MJ. Lifecycle emissions reduction threshold of 65% for Sustainable Aviation Fuels produced in Europe per the EU Taxonomy. Low carbon marine fuels such as renewable electricity based marine fuels in the form of hydrogen or ammonia with no direct emissions, e-methanol, e-gas oil, and electricity for use in batteries, bio-diesel and bio-methane, Liquefied Natural Gas in alignment with the International Marine Organization’s goal and Poseidon Principles trajectory. Blue hydrogen that aligns with the CertifHy’s recommended threshold for Carbon Intensity for green and low carbon hydrogen, which is set at a 60% below the intensity of hydrogen produced from natural gas (currently set at 36.4 gCO₂ e/MJ).
<p>Production Efficiency</p>  	<p>Electrification of an existing steel production facility with an intensity of 1.8 tCO₂e/t steel until 2030. Methane capture retrofit of an existing natural gas production facility with an intensity of 270gCO₂e/MJ with a plan to transition to renewable or low-carbon fuel by 2036. Construction, retrofit, operation and maintenance of cement manufacturing facilities that use alternative fuels, integrate waste-derived additions, improve heat consumption of kilns and waste diversion.</p>
SOCIAL	
<p>Socioeconomic advancement and empowerment: Women-Owned Businesses</p>  	<p>Lending, financing, or business grants related to:</p> <ul style="list-style-type: none"> Micro-, small- and medium-sized enterprises¹³ (“MSME”) where at least 51% of the owners identify as women, or Non-MSME where at least 51% of the owners identify as women.
<p>Socioeconomic advancement and empowerment: Indigenous Peoples</p>  	<p>Activities that support First Nations, Inuit or Métis (“Indigenous”) and Native American individuals, governments, organizations and/or business entities where:</p> <ul style="list-style-type: none"> The individual identifies as Indigenous or Native American The business is owned by an Indigenous or Native American government The organization is funded by the Government of Canada The organization is a Not-for-Profit Organisation, or The business is a micro-, small- and medium-sized enterprises (“MSME”) where 51 % of the owners identify as Indigenous or Native American.

¹¹ Companies financed under Transition must be transparent with regards to their: (a) Transition strategy and governance, disclosures of which to be aligned with recognized reporting frameworks; (b) The business model environmental materiality of climate change (i.e., the transition strategy addresses the most material or “core” areas of the entity’s activities from an environmental perspective); (c) A science-based, net zero and transition plan, including interim targets and pathways in line with a net zero by 2050 ambition; and (d) Implementation transparency, such as annual reporting on progress and updates to plans every five years. (e) The economic activity (i) enables the wider application or integration of low- or zero-emissions solutions that significantly reduce GHG emissions relative to industry norms in the short to medium term and (ii) does not lead to a lock-in of carbon-intensive assets when considering the economic lifetime of those assets; and (f) If BMO has an emissions reduction target that is applicable to the financing recipient’s sector or activity, then the financing recipient must be aligned with BMO’s emissions reduction target in order to qualify as Transition Finance.

¹² CCUS for the purpose of upstream Enhanced Oil Recovery (“EOR”) activities are excluded. Additionally, only projects with a capture efficiency of >90% are eligible.

¹³ Meets BMO’s internal definitions for micro-, small- and medium-sized enterprises.

Category	Eligible Activities & Outcomes
SOCIAL	
<p>Socioeconomic advancement and empowerment: Diverse Businesses</p>  	<p>Lending and financing related to:</p> <ul style="list-style-type: none"> MSME¹⁴ where at least 51% of the owners identify as a member of historically underrepresented population groups¹⁵ Non-MSME where at least 51% of the owners identify as a member of these population groups.
<p>Affordable Housing</p>   	<p>Construction, development, operation, or refurbishment of housing that meets accredited or registered affordable housing definitions¹⁶ or contributes to access for low- to moderate-income individuals, Indigenous Peoples and/or Native American communities.</p>
<p>Access to Essential Services: Healthcare</p>   	<p>Activities enabling or facilitating the provision of health services for the socioeconomically vulnerable populations, such as seniors, people with disabilities, homeless, survivors of domestic violence and refugees, such as:</p> <ul style="list-style-type: none"> Public hospitals or public health centers Medical equipment Homes or care facilities for vulnerable populations.
<p>Access to Essential Services: Education & Vocational Training</p>  	<p>Activities enabling or facilitating the provision of educational and vocational services, such as:</p> <ul style="list-style-type: none"> Public universities, schools, and training centres Activities that expand youth and adult access to education and/or target inclusion of women and minorities such as technical, apprenticeships, vocational and tertiary educational schemes) <p>Construction of educational facilities or training infrastructure.</p>
<p>Access to Essential Services: Infrastructure & Services</p>    	<p>Development, construction, revitalization, stabilization, or improvement of basic infrastructures for low- to moderate-income, or distressed or underserved rural communities¹⁷ (e.g., clean drinking water, sanitation and clean energy, public spaces such as public libraries and parks).¹⁸</p> <p>Provision of other essential community services (e.g., temporary shelters/housing, food services) for low-to moderate-income or other underserved populations.</p>
<p>Access to Essential Services: Economic Development / Employment</p>  	<p>Activities enabling or facilitating economic development such as:</p> <ul style="list-style-type: none"> Financing of businesses or farms that meet the U.S. Community Reinvestment Act definition¹⁹ Activities that support employment agencies and professional employer organizations for underserved or unemployed populations.

¹⁴ Meets BMO’s internal definitions for micro-, small- and medium-sized enterprises.

¹⁵ Including but not limited to Asian, Black, South Asian/East Indian, Southeast Asian, Non-White North African or Arab and Non-White West Asian, Non-White Latin-American, and Persons of Mixed Origin.

¹⁶ Meets applicable definitions within the jurisdiction in which it is built, including through programs such as the Investment in Affordable Housing initiative of the Canadian Mortgage and Housing Corporation, provincial equivalents and the U.S. Community Reinvestment Act.

¹⁷ Rural communities to be defined by relevant jurisdictions; examples include low- or moderate-income census tracts or Statistics Canada’s definition of rural communities as all areas outside of Population Centres.

¹⁸ Some basic infrastructure activities may be captured in other categories depending on the specifics of the transaction.

¹⁹ Activities that promote economic development by financing businesses or farms that meet the size eligibility standards of the Small Business Administration’s Development Company or Small Business Investment Company programs or have gross annual revenues of USD \$1 million or less.

Exclusions

BMO will not knowingly label or consider as eligible for sustainable or climate finance under this Framework, transactions with proceeds allocated to businesses primarily involved in the following activities:²⁰

- Weapons
- Tobacco
- Gambling
- Adult entertainment
- Predatory lending

5. Reporting & Framework Updates

The Sustainability Office reports on BMO's sustainable and/or climate finance activity internally to BMO's Environmental, Social and Governance (ESG) Executive Committee on a regular basis, and publicly reports sustainable and/or climate finance activity annually in our annual Sustainability Report, Climate Report, and/or through other communication channels. The Sustainability Office also works with an independent assurance provider to perform limited assurance on key metrics.

This Framework will be reviewed and updated, when necessary, as business practices mature, regulations develop, and the field evolves. Updates will be effective from the date of Framework publication and will not be applied retrospectively to prior years' sustainable finance reporting.

²⁰ This is not a restriction on what BMO finances but is set out to indicate what may be labelled as Sustainable or Climate Finance for internal and external reporting purposes. BMO's Environmental and Social Risk General Financing Guideline provides bank guidance on financing policies.

BMO



This Sustainable & Climate Finance Framework (the “Framework”) is provided for informational purposes only and is subject to change without notice. The Bank of Montreal (the “Bank”) does not assume any responsibility or obligation to revise any statements in this document, regardless of whether those statements are affected by the results of new information, future events or otherwise. No representation or warranty, express or implied, is or will be made in relation to the accuracy, reliability or completeness of the information contained herein. No liability whatsoever is or will be accepted by the Bank for any loss or damage howsoever arising out of or in connection with the use of, or reliance upon, the information contained in this document.

Nothing in this document shall constitute, or form part of, an offer to sell or solicitation of an offer to buy or subscribe for any security or other instrument of the Bank or any of its affiliates, or as an invitation, recommendation or inducement to enter into any investment activity, and no part of this document shall form the basis of or be relied upon in connection with any contract, commitment, or investment decision whatsoever. Offers to sell, sales, solicitation of offers to buy or purchases of securities issued by the Bank or any affiliate thereof may only be made or entered into pursuant to appropriate offering materials prepared and distributed in accordance with the laws, regulations, rules and market practices of the jurisdictions in which such offers, solicitations or sales may be made. Professional advice should be sought prior to any decision to invest in securities.

This document is not intended for distribution to, or use by, any person or entity in any jurisdiction where such distribution or use would be contrary to law or regulation. This document may contain forward-looking statements within the meaning of certain securities laws, including the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements contained in this document may include, but are not limited to, statements with respect to the Bank’s objectives, priorities, vision, ambitions, strategies, future actions, commitments, goals, metrics and targets, as well as statements relating to the Bank’s investments in sustainable and climate finance, what the Bank considers as sustainable and climate finance under this Framework, sustainable and climate finance industry standards, the objectives and implementation of this Framework, the sustainable and climate finance market, the risks and estimated impacts associated with sustainable climate and finance transactions, products and services, and the Bank’s approach to reporting of progress against its sustainable and climate finance commitments. Forward-looking statements are typically identified by words such as “will”, “would”, “should”, “believe”, “expect”, “anticipate”, “project”, “intend”, “estimate”, “plan”, “goal”, “commit”, “target”, “may” and “could” or negative or grammatical variations thereof.

By their nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature. Certain statements made in this Framework use a greater number and level of assumptions and estimates and are over longer time frames than many of our required disclosures. These assumptions and estimates are highly likely to change over time. There is significant risk that the Bank’s predictions, forecasts, conclusions or projections will not prove to be accurate, that the Bank’s assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, conclusions or projections. In addition, the Bank’s net-zero strategy remain under development, and the data underlying such strategy remain subject to evolution over time. The Bank cautions the readers of this document, not to place undue reliance on these forward-looking statements as a number of risk factors, many of which are beyond the Bank’s control and effects of which can be difficult to predict, could cause actual future results, conditions, actions or events to differ materially from the commitments, targets, expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors including but not limited to: challenges in identifying transactions, products and services that meet the eligibility criteria in this Framework, the risk that eligible transactions or related initiatives will not be completed within any specified period or at all or with the results or outcome as originally expected or anticipated by the Bank, the evolution of our lending portfolios over time, the need for active and continued participation of stakeholders (including enterprises, financial institutions and governmental and non-governmental organizations), the Bank’s ability to gather, analyze and verify data regarding social, climate and environmental impacts, the Bank’s ability to track transactions and report on performance against its commitments, our ability to successfully implement various initiatives under expected time frames, general economic and market conditions in the countries in which we operate, global capital markets activities, credit and counterparty, market, insurance, liquidity and funding, operational non-financial, legal and regulatory, strategic, environmental and social, reputation risk and our ability to anticipate and effectively manage risks arising from all of the foregoing factors. These and other factors and risks may cause the Bank’s actual performance to differ materially from that contemplated by forward looking statements and could adversely affect the Bank’s results. For more information, please see the Enterprise-Wide Risk Management section of Bank’s most recent Annual Report, as updated by quarterly reports, all of which outline certain key factors and risks that may affect our future results. Investors and others should carefully consider these factors and risks, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. The Bank does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the organization or on its behalf, except as required by law.