

## **Proxy Voting Policies and Procedures**

BMO Investments Inc. (the “**Manager**”) has delegated the voting of proxies of each fund’s portfolio securities to that fund’s portfolio manager or sub-advisor, as applicable, as part of the management of the fund’s portfolio, subject to the Manager’s continuing oversight, as applicable. A portfolio manager or sub-advisor, as applicable, voting proxies on behalf of a fund must do so in the best interests of the fund and its securityholders.

The process for proxy voting differs among funds depending on whether the proxy voting responsibility lies with an affiliated or a third party portfolio manager or sub-advisor. Certain of our affiliated portfolio managers and sub-advisors have appointed our affiliate, BMO Asset Management Limited (formerly, F&C Management Limited), to provide proxy voting services using its Responsible Investment Governance Team (“**RI Team**”) (formerly called the Governance and Sustainable Investment Team or GSI Team), comprising environmental, social, and governance (“**ESG**”) experts, and any other existing or future resources appropriate for this purpose. The ESG experts work alongside, but independently from, the portfolio management teams. The RI Team undertakes proxy voting research and analysis and also supports the development of BMO Global Asset Management’s (“**BMO GAM**”) publicly available Corporate Governance Guidelines (“**CGG**”), which set out BMO GAM’s expectations of companies regarding good governance.

The Manager has established proxy voting policies and procedures for the funds, which includes adopting BMO GAM’s global proxy voting policies and procedures, including the CGG and standing voting instructions, and which includes generally following such CGG (collectively, the “**Proxy Voting Guidelines**”). The Proxy Voting Guidelines inform the voting on matters for which the funds receive proxy materials for an issuer, and if applicable, are used in conjunction with the respective portfolio manager or sub-advisor’s own proxy voting policies and procedures.

In providing proxy voting services to certain affiliated portfolio managers and sub-advisors that comprise BMO GAM, BMO Asset Management Limited employs International Shareholder Services (“**ISS**”), a third-party independent proxy voting administrator (the “**Proxy Agent**”) who auto-executes, without further guidance, the majority of votes in accordance with the Proxy Voting Guidelines. When the Proxy Agent needs guidance on the Proxy Voting Guidelines or when the RI Team wishes to further consider how to vote on certain matters, the Proxy Agent consults with the RI Team and obtains instructions on how to proceed.

Although the RI Team generally adheres to the CGG and relies on ISS to execute votes, any proxy issues that differ from the CGG are considered by taking into account the particular circumstances involved. This provides needed flexibility in making prudent judgments in the proxy voting process. Further, the Manager, portfolio manager or sub-advisor, as applicable, may depart from the Proxy Voting Guidelines or its own proxy voting policies and procedures, as applicable, in order to avoid voting decisions that may be contrary to the best interests of a fund and its securityholders.

Due to the variety of proxy voting issues that may arise, the following summary of the Proxy Voting Guidelines is not exhaustive and is intended to provide guidance but does not necessarily dictate how each issue must be voted in each instance.

The Proxy Voting Guidelines include:

- (a) a standing policy for dealing with routine matters on which a fund may vote, such as election of directors, appointment of auditors and an issuance of shares;
- (b) the circumstances under which a fund will deviate from the standing policy for routine matters. For example, the Proxy Voting Guidelines provide that funds will typically support management's recommendation regarding appointing auditors, but may vote against such recommendation where auditor independence is in question;
- (c) the policies under which, and the procedures by which, a fund will determine how to vote on non-routine matters such as mergers and acquisitions, spin-offs and other corporate restructurings, shareholder rights (other than the issuance of shares), corporate governance, compensation, and social and environmental responsibility. For example, with respect to mergers and acquisitions, spin-offs and other corporate restructurings, the Proxy Voting Guidelines provide that the funds will typically support incumbent management provided that the financial terms, synergistic benefits and management quality are sound; and
- (d) procedures to ensure that a fund's portfolio securities are voted in accordance with the fund's instructions. This includes the requirement of each portfolio manager or sub-advisor, as applicable, to certify to the Manager or portfolio manager, as applicable, that it has voted all securities held by the funds it manages in accordance with the Proxy Voting Guidelines and/or its own proxy voting policy, as applicable.

BMO GAM has a policy in place to identify and deal with potential conflicts of interest in proxy voting such as the following proxy voting situations:

- (a) voting proxies at a company meeting where the company is a client of, or has another type of business relationship with BMO Financial Group;
- (b) voting proxies at a Bank of Montreal shareholder meeting (including meetings of funds managed by the Manager or its affiliates) or a company meeting relating to a corporate action such as a merger or acquisition involving the company (or any of its affiliates) or a member of BMO Financial Group;
- (c) voting proxies at a meeting involving a BMO GAM officer, director or employee;
- (d) voting proxies on a matter with a potential voting outcome that favours one fund over another; and

- (e) voting proxies at a meeting where our affiliated portfolio managers prefer different outcomes.

For non-BMO GAM portfolio managers and sub-advisors, the voting responsibility has been outsourced to the applicable non-BMO GAM portfolio manager or sub-advisor, who has adopted similar proxy voting policies and procedures to the Proxy Voting Guidelines. These non-BMO GAM portfolio managers and sub-advisors will vote the proxies in the best interests of the fund without reference to, or influence from the Manager, unless such third party portfolio manager or sub-advisor has agreed to also consider the Proxy Voting Guidelines.

The Proxy Voting Guidelines and the proxy voting policies and procedures of non-BMO GAM portfolio managers and sub-advisors are available on request, at no cost, by calling 1-800-665-7700 if you purchased your securities in a BMO Bank of Montreal branch or through the BMO Investment Centre or by calling 1-800-668-7327 if you purchased your securities through a dealer or by writing to the Manager, 100 King Street West, 43rd Floor, Toronto, Ontario M5X 1A1.

Each fund's proxy voting record for the most recent period ended June 30 of each year is, or will be, available free of charge to any securityholder of the fund upon request at any time after August 31 of the relevant year by calling 1-800-665-7700 if you purchased your securities in a BMO Bank of Montreal branch or through the BMO Investment Centre, or by calling 1-800-668-7327 if you purchased your securities through a dealer. The proxy voting record is also available on the funds' websites at [www.bmo.com/mutualfunds](http://www.bmo.com/mutualfunds) or at [www.bmo.com/gam/ca](http://www.bmo.com/gam/ca).