

BMO's 2015 ESG Scorecard



See reverse for definitions.

Further information: See 2015 Environmental, Social and Governance Report and Public Accountability Statement

	Target	2015 ¹	2014 ¹	2013 ¹
Environmental				
Renewable Energy Financing				
Involvement in equity and debt financings (\$ billions)		2.9	2.8	1.8 ²
Lending commitments (\$ billions)		2.5	2.3	1.7 ²
Operational Footprint				
Renewable energy purchases (MWh)	5% increase by 2016	115,186 ³	115,186 ³	115,197 ³
Scope 1 emissions (tCO ₂ e)	10% reduction by 2017 ⁴	TBD ⁵	26,041	24,227
Scope 2 emissions (tCO ₂ e)	10% reduction by 2017 ⁴	TBD ⁵	83,907	86,321
Scope 3 emissions (tCO ₂ e)	10% reduction by 2017 ⁴	TBD ⁵	115,212	112,225
Social				
Employees				
Diversity and inclusion				
Women in senior leader roles-Canada and United States (%) [▲]	40% by 2016	37.5	36	35 ⁶
Visible minority employees-Canada (% in senior roles) [▲]	25% by 2016	25.5	23	22
People of colour-United States (% in senior roles) [▲]	15% by 2016 ⁷	12	9.8	7
Persons with disabilities-Canada (% of total workforce) [▲]	3.8% by 2016	3.6	3.4	2.8
Aboriginal employees-Canada (% of total workforce) [▲]	1.5% by 2016	1.3	1.3	1.3
Employee Engagement Index (EEI) (%) [▲]	86% by 2016	81	80	78
Turnover Rate Canada and U.S. (%) [▲]		11.4%	10.8%	11.3%
Community Investment				
Donations (\$ millions) [▲]		56.9	57.7	56.0
Community Development Loans-United States (US\$ millions)		947.3	701.6	536.7
Community Development Investments-United States (US\$ millions)		222.6	177.6	178.9
Governance				
Board Diversity				
Women on Board of Directors (%)	No less than 1/3 ⁸	36.4	33.3	33.3
Business Conduct				
Ethics training (% completion) [▲]	97% ⁹	99.3	99.2	98.9
Significant fines or monetary sanctions(#) [▲]	None	0	0	0
Customer Feedback				
Retail Banking Reviews completed by BMO's Ombudsman Office(#) [▲]		181	204	*
Wealth Management Reviews completed by BMO's Ombudsman Office(#) [▲]		51	*	*

Legend

1. Fiscal year (November 1 to October 31)
2. Calendar year (January 1 to December 31)
3. Part of a three - year contract beginning 2013
4. Baseline year 2012
5. Available online in June 2016 at: Environmental Performance
6. In FY 2015, this number has been restated to align the scope of this indicator with the FY 2014 and FY 2015 disclosure. Refer to the definition of Women in Senior Leader Roles in the Glossary of Terms. This number has not been assured by KPMG.

7. Separate goal for U.S. established in 2015
8. Of independent directors
9. Based on normal employee turnover, a completion rate of 97% or above is considered to include 100% of the employee population (see Ethics Training definition in Glossary of Terms)

[▲] 2015 data externally assured (Refer to KPMG's external assurance statement contained within the 2015 ESG report)

Aboriginal Employees

Refers to the total number of employees who identify themselves as First Nations, Inuit or Métis. Aboriginal employees may or may not live on a reserve, and may or may not have status under Canadian legislation. This number is reported for Canada only.

Active Employee

Includes full-time or part-time permanent employees with an “active” payroll status, but excludes term/contract employees.

Banking Reviews

Investigations of customer complaints related to Bank of Montreal’s Canadian retail banking products (e.g. accounts, loans, credit cards) completed by BMO’s Ombudsman Office. Banking Reviews include Early Resolution Cases (refer to definition).

Community Development Loans

Refers to commercial real estate loans or other commercial loans that promote economic development, affordable housing, revitalization/stabilization and community service activities within the organization’s U.S. footprint to meet the needs of low- to moderate-income individuals or communities. The total monetary value of loans qualified for recognition under the terms of the Community Reinvestment Act is as of October 31, is stated in U.S. dollars, and is reported for the United States only.

Community Development Investments

Refers to investments that promote economic development, affordable housing, revitalization/stabilization and community service activities within the organization’s U.S. footprint to meet the needs of low- to moderate-income individuals or communities. The total monetary value of investments qualified for recognition under the terms of the Community Reinvestment Act is as of October 31, is stated in U.S. dollars, and is reported for the United States only.

Diversity

Diversity refers to the mix of demographics, skills, experiences and styles of all BMO employees. Diversity categories include:

- Women in senior leader roles – Canada and the United States
- Visible minority employees – Canada (in senior roles)
- People of colour – United States (in senior roles)
- Aboriginal employees – Canada (total workforce)
- Persons with disabilities – Canada (total workforce)

All active employees and employees on paid leave are included in the metric. Data is reported as of October 31.

Donations

Includes cash-based donations and donations made as part of the Matching Gifts Program and Volunteer Grants Program. Excludes in-kind donations, sponsorships and fundraising dollars.

Employee Engagement Index (EEI)

Refers to the degree of employee engagement as indicated by the annual employee survey. EEI is the average of the agreement scores on five survey questions that measure how employees feel overall about BMO, and their level of commitment, satisfaction and advocacy for the organization. The EEI score is an aggregate of the survey results for all BMO employees worldwide.

Ethics Training (% completion)

The percentage coverage of mandatory ethics training is calculated by dividing the number of employees who completed BMO’s Code of Conduct training course during the period April 1 to June 30 by the total number of employees as at June 30. Ethics Training includes all BMO employees (permanent and casual) with an “active” payroll status, as well as contingent talent worldwide.

People of Colour (in senior roles)

Refers to the total number of employees in senior roles who are non-Hispanic/Latino in ethnicity and non-white in race. This number is reported for the United States only.

Persons with Disabilities

Refers to the total number of employees who have a long-term or recurring physical, mental, sensory, psychiatric or learning disability and who:

- a. due to their disability have been accommodated in their current job or workplace, or
- b. consider themselves to be disadvantaged in employment due to workplace barriers by reason of their disability, or
- c. believe that an employer or potential employer is likely to consider them to be disadvantaged in employment by reason of their disability.

Disabilities may be non-visible. This number is reported for Canada only.

Renewable Energy Purchases

Refers to total purchases in megawatt-hours (MWh) of renewable energy certificates (RECs) during the reporting period. In Canada, RECs represent power from certified wind and low-impact hydro generators and have been used in retail branches in the provinces of Ontario, British Columbia, Alberta, Nova Scotia, New Brunswick and Prince Edward Island. In the United States, RECs represent power generated from wind turbines. In both Canada and the United States, the RECs are retired after purchase through legal contract with the supplier.

Scope 1 Emissions

Refers to direct greenhouse gas (GHG) emissions from sources owned and/or controlled by BMO. Total Scope 1 emissions are calculated in accordance with the ISO 14064-1 standard and include those resulting from combustion of fuels at owned facilities (e.g., natural gas, heating oil, other fuels) and in owned transportation assets, as well as certain ozone-depleting substances. This definition of Scope 1 aligns with the GHG protocol and is reported at an enterprise-wide level for the period November 1 to October 31.

Scope 2 Emissions

Refers to indirect greenhouse gas (GHG) emissions associated with the generation of electricity, heating and cooling, or steam, purchased for an organization’s own consumption. BMO’s total Scope 2 emissions represent our worldwide operations and include those resulting from the purchase of non-renewable electricity and steam for use at our owned facilities. This definition of Scope 2 aligns with the GHG protocol and is reported for the period November 1 to October 31.

Scope 3 Emissions

Refers to indirect greenhouse gas (GHG) emissions resulting from combustion of fuels at our leased facilities (e.g., natural gas, heating oil, other fuels), or associated with non-renewable electricity and steam purchased for use at our leased facilities, employee business travel (air/auto/rail – North America only), and landfill waste (North America only). Total Scope 3 emissions are calculated in accordance with the ISO 14064-1 standard. This definition of Scope 3 aligns with the GHG protocol and is reported for the period November 1 to October 31.

Senior Roles

Refers to the total number of employees in senior roles (including senior manager and above).

Significant Fines/Monetary Sanctions

Refers to significant monetary fines that have been levied against BMO by a regulatory body during the reporting period. A fine is classified as “significant” if it has a monetary value greater than \$500,000 and is deemed by the regulatory body to relate to unethical business practices by BMO. Monetary sanctions refer to determinations that prohibit BMO from operating in certain jurisdictions or product lines.

Significant fines/monetary sanctions exclude fines or sanctions levied directly on employees by regulators for breach of trading rules, where it has been determined that BMO has adequate policies and procedures in place to prevent non-compliance. This is determined by the regulatory body, which performs an investigation of the individual and the organization in order to establish whether or not the organization was aware of and able to prevent the individual’s behaviour with better policies and procedures.

This metric is reported for BMO’s North American operations only. It excludes fines/monetary sanctions for non-compliance with environmental laws and regulations.

Turnover Rate

Refers to the number of active employees and those on paid leave who have voluntarily resigned during the reporting period as a proportion of the number of active employees and those on paid leave at the end of the reporting period. Turnover rate excludes executives.

Visible Minority Employees (in senior roles)

Refers to the total number of employees in senior roles who are non-white in colour or non-Caucasian in race, other than Aboriginal people of Canada. Being a member of a visible minority is unrelated to citizenship, place of birth or religion. This number is reported for Canada only.

Wealth Management Reviews

Investigations of investment-related complaints completed by BMO’s Ombudsman Office for customers of BMO InvestorLine, BMO Investments Inc., BMO Nesbitt Burns, and/or BMO Life Insurance. Wealth Management Reviews include Early Resolution Cases.

Women in Senior Leader Roles

Refers to the total number of female leaders (e.g., Managing Director, Vice-President). This metric does not include BMO Capital Markets employees.

Women on Board of Directors

The percentage of independent members of BMO’s Board of Directors as at the end of the reporting period who are women.