

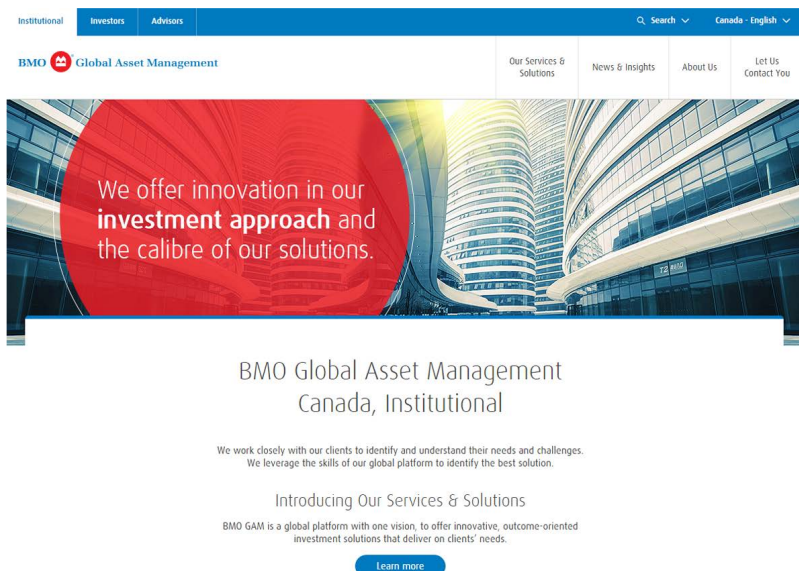
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New Canadian Website...

We are delighted to share with you our new Canadian website for institutional investors. The new site represents a centralized, informational resource to better communicate our global capabilities and improve the ease of access to the total roster of investment solutions and services relevant to Canadian institutional investors. All material is available in both English and French.



Bookmark the site now

Please bookmark the following link as a web favourite for direct access to the Canadian site: www.bmo.com/gam/ca/institutional

Features

Through top right navigation, the site has been organized into four key sections:

1. Our Services & Solutions
2. News & Insights
3. About Us
4. Contact Us

Find Fund Profiles for our strategies quickly and easily.

[Our Services & Solutions](#) are organized under six asset class categories, and Fund Profiles will be updated and made available on the quarter.

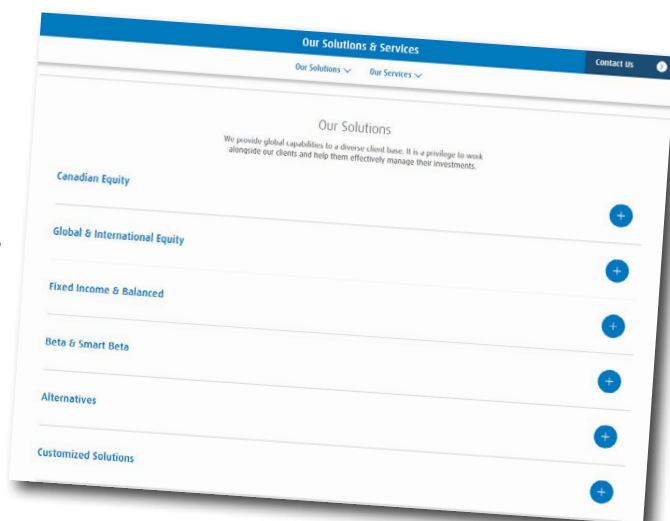
Get the latest news and insights. Find news, market outlooks and commentaries in the [News & Insights](#) section.

Access team info, our company history, as well as review our global presence in the [About Us](#) section.

Hopefully you find the site efficient, clean and easy to use.

If you have any questions, please contact us at

BMOAM.Institutional@bmo.com. ●



ESG and the Principles of Responsible Investing



On October 5th 2015, BMO GAM hosted the Canadian launch of the PRI Institute's research paper on Fiduciary Duty in the 21st Century. We know that the topic of Environmental, Social and Governance (ESG) considerations is a topic of both keen interest and continued debate.

The purpose of this report is to end the debate about whether fiduciary duty is a legitimate barrier to investors integrating ESG issues into their investment processes. The research is based on structured interviews with senior investment professionals, lawyers and policy makers. The report finds that failing to consider long-term investment value drivers, which include ESG issues, in investment practice is a failure in fiduciary duty.

The main themes that emerged from the discussion included:

- Fiduciary duty is not a barrier to ESG integration; integrating ESG issues into investment decision-making is increasingly regarded as a requirement of an investor's ability to realise long-term value.
- While an increasing number of asset owners have made commitments to responsible long-term investment, there is room for progress on the implementation side.
- Many trustees are reluctant to consider ESG factors, understanding responsible investment to be negative screening.
- Trustee training is needed to ensure asset owners have the knowledge to hold investment managers accountable for ESG integration.
- The Ontario pension standards legislation (PBA909) has helped trustees discuss ESG issues and to clarify that responsible investment is consistent with fiduciary duty. However, investor community would like to see more legal interpretation around the legislation and more guidance for pension plans on its implementation. In particular, guidance should expand the language around ESG, in order to move away from the notion of screening, as engaged ownership is important for effective long-term investing.
- Policy work is key and public pension plans want to see more clarification on what is 'engagement' and what is 'lobbying'.
- More sell-side research is needed on ESG and investment performance specific to the Canadian market.

A soft copy of the report is [available here](#), and the slides from the event can be [downloaded here](#).

At BMO Financial Group, ESG issues align well with our strategy where one of our stated strategic priorities is to ensure that strength in risk management underpins everything we do for our customers. Managing environmental, social and governance risks are all part of our risk management framework.

At BMO GAM, we are committed to incorporating ESG criteria in our investment processes. Our initiatives in the ESG area are broad and deep. F&C (now part of BMO GAM) was a founder signatory to the United Nations Principles for Responsible Investing and BMO GAM as a whole, became a signatory in 2014. Our commitment globally is backed up by a specialist resource—a 14 member Governance and Sustainable Investment team in London, a dedicated Responsible Investment Director in the US and a 6 member independent Responsible Investment Advisory Council.

We would be delighted to engage more on this subject and welcome any comments you might have. To quote Lesley Marks, Chief Investment Officer, Fundamental Canadian Equities, "It is clear to us that for our company and our client assets, ESG integration plays an important part of what we do for our clients." ●



Covering Canada – Introducing the BMO GAM Institutional Sales Team

Global Reach; Regional Expertise; Local Access

Over the last five years, BMO Global Asset Management has experienced significant organic growth in Canada. We are proud of our people, our achievements and, most importantly, of the relationships we've built across the country and around the world.

With this growth came the recent expansion of our Institutional Sales and Service team to now comprise of twelve sales and service professionals in three offices across the country. As a worldwide investment manager with extensive expertise across a wide range of asset classes and investment styles, our mission is to offer you more solutions—more service—and ultimately, more routes to investment success.

We're very pleased to (re)introduce you to our Canadian team.

*Global Reach;
Regional Expertise;
Local Access*

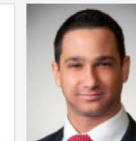


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In addition to our Sales and Service team, the Strategic Solutions Team, headed by Terrie Miller, SVP, Head of Strategic Solutions, represents another two professionals focused on creating multi-asset solutions, investigating strategic asset allocation questions for clients, and offering insights on issues of broad interest to institutional investors. Terrie is supported by Howard Lee, Senior Solutions Analyst. ●

In the Market

Beta is in the eye of the Beholder

How do you more precisely and efficiently align your investment objectives with your portfolio structure?

Join us in a discussion where we move beyond the typical factor-based use of alternative beta to explore the myriad of additional ways to expand and broaden the implementation of alternative beta. Together we will explore both implementation and implications for investment outcomes.

- What are your investment objectives?
- What specific considerations, beyond factors, should be targeted for that desired outcome?
- What is the full range of portfolio construction tools available?

Featuring **Rajiv Silgardo**, Co-CEO, BMO Global Asset Management. Rajiv is a frequent speaker at industry and media events and is recognized as a thought leader in the investment industry. In 2008, he was recognized as one of the ten most powerful and influential people in the Canadian investment industry. He is bringing his perspective and over 30 years of experience on alternative beta solutions, considerations and practical examples on implementation to share with you.

EDMONTON	VANCOUVER	TORONTO	OTTAWA	MONTREAL
DEC. 7, 2015	DEC. 8, 2015	DEC. 9, 2015	DEC. 11, 2015	TBD

Please watch your inbox as we get set to bring our perspectives and over 30 years of experience on alternative beta solutions, considerations and practical examples on implementation, to the marketplace.

Who Leads in the Technology Transformation of the Asset Management Industry?

Subhas Sen, Chief Operating Officer of BMO Asset Management Inc., co-authored a white paper with Amin Rajan, CEO of CREATE-Research, UK titled “Why the internet titans will not conquer asset management.” The paper argues that transformation in the asset management industry will be led from within the industry, and not by Google and Apple, as many have implied lately.

The paper discusses why asset managers will remain in the driving seat; debunks the myths around Yu’e Bao’s on-line success in China; and touches upon technology and the personalization of asset management. The paper states that technology and ETFs may well be the proverbial match made in heaven. Together, they could reshape asset management as this decade progresses.

Check out the full copy of the white paper [here](#). The paper was a front cover feature in The Financial Times earlier this year.

The European Hub of BMO Global Asset Management

Effective July 2015 F&C Asset management formally becomes the European centre of BMO Global Asset Management. Rebranding is confined to the sales and distribution businesses and the funds will keep the F&C naming convention, first used in 1972, when F&C Asset Management was created to run the Foreign & Colonial investment trust. The firm’s property division F&C REIT will be re-branded as BMO Real Estate Partners.

Barry McInerney, co-CEO, BMO Global Asset Management, said: “F&C Investments has become renowned for the strong performance of its products, innovative solutions and client dedication. We look forward to building on this success under the BMO Global Asset Management brand.”

BMO Financial Group’s existing asset management business in Europe, Middle East and Africa (EMEA) will also carry the BMO Global Asset Management name and F&C is to sit as the centrepiece of the operation.

Richard Wilson, the CEO of F&C Investments and BMO Global Asset Management (EMEA), says: “Under BMO Global Asset Management we will continue to invest in our business, building on our ambitious plans to expand our distribution team and investing in our talent. We will strengthen our teams and aim to build on our market share substantially in existing markets - such as the UK and Germany - as well as add coverage to additional countries.”

Fixed Income-What Now? What Next?

In view of the low return challenges that bond markets have been presenting to institutional investors trying to hedge liabilities, the BMO GAM Strategic Solutions group recently made it a priority to review fixed income investment alternatives.

Our objective was to profile specific strategies that would address key investment needs and explore the trade-offs between enhanced returns and liability hedging with non-Canadian bonds that focus on protecting capital in rising rate environments. This work showcases a variety of different approaches to the problem which has been summarized in a series of three short articles publishing this fall.

Please watch your inbox.

For more information about our line-up of Equity, Fixed Income, Currency and Smart Beta solutions, please contact:
Marija Finney, Senior Vice President, Head of Institutional Sales & Service
Tel: (416) 359-5003 Email: marija.finney@bmo.com

F&C Investments is the European hub of BMO Global Asset Management, which is part of the Bank of Montreal.

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