

ESG Scorecard

See pages 2–3 for Glossary definitions.

For further information, see our 2017 Environmental, Social and Governance Report and Public Accountability Statement

Legend

1. Fiscal year (November 1 to October 31)
 2. Versus baseline year 2016
 3. Available online in June 2018 at: [Environmental Performance](#)
 4. Data for 2015 and 2016 has been restated to include all BMO groups, including BMO Capital Markets.
 5. See pages 40–41 in the 2017 ESG Report for further details on the new gender equity goals.
 6. Data for 2015 and 2016 has been restated to include United States as only Canada data was reported in previous years.
 7. Based on normal employee turnover, a completion rate of 97% or above is considered to include 100% of the employee population (see definition of Ethics Training in the Glossary of Terms).
 8. Data for 2015 and 2016 includes Canada and United States only.
- ▲ 2017 data externally assured (see KPMG's Assurance Statement in the 2017 ESG Report)

	Target	2017 ¹	2016 ¹	2015 ¹
Environmental				
Renewable Energy				
Equity and debt financing (participated in) (\$ billions)		6.4	2.4	2.9
Loan commitments (\$ billions)		4.2	3.6	2.5
Operational Footprint				
Scope 1 emissions (tCO ₂ e)	15% reduction by 2021 ²	TBD ³	19,311	22,734
Scope 2 emissions (tCO ₂ e)		TBD ³	63,057	69,948
Scope 3 emissions (tCO ₂ e)		TBD ³	92,900	99,199
Social				
Employees				
Diversity and inclusion				
Women in senior leader roles ⁴ – Canada and United States (%)▲	40% by 2020 ⁵	40	39	37
Minorities in senior roles – Canada (%)▲	30% by 2020	29.2	26.9	25.5
People of colour in senior roles – United States (%)▲	20% by 2020	16	14	12
Persons with disabilities ⁶ – Canada and United States (% of total workforce)▲	4.5% by 2020	3.6	3.0	3.0
Indigenous Peoples – Canada (% of total workforce)▲	2.0% by 2020	1.2	1.3	1.3
Employee Engagement Index (%)▲	86% by 2020	83	80	81
Voluntary Turnover rate – Canada and United States (%)▲		11.6	11.7	11.4
Community Investment				
Donations – Canada and United States (\$ millions)▲		62.3	57.3	56.9
Community Development Loans – United States (US\$ millions)		552.0	652.9	947.3
Community Development Investments – United States (US\$ millions)		190.3	182.3	222.6
Governance				
Board Diversity				
Women on Board of Directors (% of independent directors)	No less than 1/3	42	36.4	36.4
Business Conduct				
Ethics training (% completion)▲	97% ⁷	99.7	99.6	99.3
Significant fines or monetary sanctions (#)▲	None	0	0 ⁸	0 ⁸
Customer Feedback				
Banking Reviews completed by BMO's Office of the Ombudsman (#)▲		247	215	181
Wealth Management Reviews completed by BMO's Office of the Ombudsman (#)▲		56	50	51

Glossary of Terms

ACTIVE EMPLOYEES

Includes full-time or part-time permanent BMO employees with an “active” payroll status, but excludes temporary/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 Office of the Ombudsman. Banking reviews include limited review cases (refer to definition).

COMMUNITY DEVELOPMENT INVESTMENTS

Refers to investments that promote economic development, affordable housing, revitalization/stabilization and community service activities within BMO Financial Group’s U.S. footprint to meet the needs of individuals or communities with low to moderate incomes. 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.

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 BMO Financial Group’s U.S. footprint to meet the needs of individuals or communities with low to moderate incomes. 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.

DIVERSITY

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

- Women in senior leader roles – Canada and United States
- Minorities in senior roles – Canada
- People of colour in senior roles – United States
- Indigenous Peoples – Canada (total workforce)
- Persons with disabilities – Canada and United States (total workforce)

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

DONATIONS

Includes cash-based donations to registered charities and not-for-profit organizations in Canada and the United States. Excludes in-kind donations, commercial sponsorships and BMO Employee Giving amounts.

EMPLOYEE ENGAGEMENT INDEX (EEI)

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

ETHICS TRAINING (% COMPLETION)

Calculated by dividing the number of employees who completed the mandatory BMO Code of Conduct training course during the period from its April launch day to June 30 by the total number of employees as at June 30. Ethics training is reported for all BMO employees (permanent and casual) with an “active” payroll status, as well as covered contingent talent.

INDIGENOUS PEOPLES

Refers to the total number of BMO employees who identify themselves as First Nations, Inuit or Métis. Employees who are Indigenous 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.

LIMITED REVIEW CASES

Banking and Wealth Management reviews to determine whether proper process was followed on matters that generally fall outside of the mandate of BMO’s Office of the Ombudsman (e.g., account closures, credit granting and risk management decisions). For further information on BMO’s Office of the Ombudsman mandate, please refer to: <https://www.bmo.com/home/popups/global/ombudsman/ombudsman-details> and <https://www.bmo.com/pdf/resolving-complaint-en.pdf>.

MINORITIES IN SENIOR ROLES

Refers to the total number of BMO employees in senior roles (see definition) who are racially non-white or ethnically non-Caucasian, other than Indigenous Peoples of Canada. Being a member of a minority is unrelated to citizenship, place of birth or religion. This number is reported for Canada only.

PEOPLE OF COLOUR IN SENIOR ROLES

Refers to the total number of BMO employees in senior roles (see definition) who are racially non-white and ethnically non-Hispanic/Latino. This number is reported for the United States only.

PERSONS WITH DISABILITIES

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

- due to their disability have been accommodated in their current job or workplace; or
- consider themselves to be disadvantaged in employment due to workplace barriers by reason of their disability; or
- 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 and the United States.

RENEWABLE ENERGY EQUITY AND DEBT FINANCING

The total amount of financing BMO has participated in and raised for renewable entities and renewable projects (refer to definitions) through public or private issuance of equity, equity-linked or debt securities.

RENEWABLE ENTITY

A company in the utilities, power generation and/or pipeline sectors that is engaged in power generation where renewable projects account for more than 50% of its power generation capacity, or that otherwise has a strategic focus on investing in renewable energy.

RENEWABLE PROJECT

A power generation facility that produces electricity using one or a combination of the following technologies: hydroelectric; on-shore wind; off-shore wind; solar; or biomass and other biofuels.

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 for the period November 1 to October 31.

SCOPE 2 EMISSIONS

Refers to indirect GHG emissions associated with the generation of electricity, heating and cooling, or steam, purchased for BMO's direct consumption. BMO's total Scope 2 emissions include those related to the purchase of electricity and steam from non-renewable sources 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 GHG emissions resulting from combustion of fuels at our leased facilities (e.g., natural gas, heating oil, other fuels), or associated with electricity and steam from non-renewable sources 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 BMO employees in senior roles (i.e., 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. 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 a 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.

It excludes fines/monetary sanctions for non-compliance with environmental laws and regulations.

VOLUNTARY TURNOVER RATE

Refers to the number of permanent BMO employees who have voluntarily resigned during the reporting period as a proportion of the number of permanent BMO employees that were active or on paid leave at the end of the reporting period. The rate excludes executives.

WEALTH MANAGEMENT REVIEWS

Investigations of investment-related complaints completed by BMO's Office of the Ombudsman for customers of Canadian operating subsidiaries: BMO InvestorLine, BMO Investments Inc., BMO Nesbitt Burns, BMO Private Banking, BMO Investment Counsel Inc., and/or BMO Life Insurance. Wealth Management Reviews include limited review cases (refer to definition).

WOMEN IN SENIOR LEADER ROLES

Refers to the total number of female BMO leaders (e.g., Managing Director, Vice-President). This number is reported for Canada and the United States.

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.