

Statement on Anti-Money Laundering, Anti-Terrorist Financing and Sanctions Measures

Anti-Money Laundering, Anti-Terrorist Financing and Sanctions Measures (AML) compliance is an essential part of safeguarding BMO, our customers and society. BMO is committed to the highest standards of AML compliance because of the social harm Money-Laundering, Terrorist Financing and Sanctions Measures contravention creates and our belief that a strong AML program instills confidence while providing the basis for a meaningful customer experience.

BMO promotes effective AML governance through our AML Program (Program). The Program establishes the minimum standards and guidelines for each of BMO's businesses in all jurisdictions in which we operate, so that all reasonable measures are implemented to prevent the use of our financial products and services for the purpose of Money Laundering, Terrorist Financing or Sanctioned activity. It is designed to be dynamic and adaptable to the evolving nature of AML risks.

The Program is delivered by the employees in the AML group, an international group of specialists who use analytics, innovative technology and professional expertise to deter, detect and report suspicious activity. The AML group also support front line employees who are BMO's eyes and ears for detecting unusual activities. BMO's AML group is led by the Enterprise Chief Anti-Money Laundering Officer (CAMLO) who has overall accountability for the governance, oversight and assessment of the AML Program. The CAMLO reports to senior management and the Board.

Issued: October 2011

Updated: March 2016