

# 2012 Employment Equity Narrative Report

# 2012 Employment Equity Narrative Report BMO Financial Group (BMO)

## General Overview

Having a talented, engaged and diverse workforce is a priority for BMO Financial Group is integral to our vision of being the bank that defines great customer experience. We pursue that vision by consistently embedding our corporate values into our actions every day. Those values are:

- Take Pride
- Keep Your Word
- Embrace Diversity
- Do the Right Thing
- Have the Courage to Win

Established in 1817 as Bank of Montreal, BMO Financial Group (TSX, NYSE: BMO) is a highly-diversified financial services provider. With total assets of \$525 billion at October 31, 2012, and 46,000 employees including 27,889 federally regulated permanent employees, BMO provides a broad range of retail banking, wealth management and investment banking products and services to more than 12 million customers across North America and internationally.

In 2012, BMO undertook an initiative to streamline our job grade structure in order to create consistency across the enterprise and align closely to the marketplace. This opportunity resulted in a review of job coding and the re-classification of many roles into the Middle and Other Manager category.

## Quantitative Review

The following comment is offered to assist with interpretation of this report:

### Application of National Occupation Classification (NOC) System

The data reported must be analyzed in the context of the NOC system prescribed by the Employment Equity Act. The NOC system historically has not included “sales” or “service” job descriptions that accurately capture the skills, expertise and responsibilities required for the positions occupied by the majority of BMO’s front-line employees. In the absence of an appropriate financial services sales or service NOC, these employees under the Employment Equity Occupational Group (EEOG) are listed under the “Clerical” and “Administrative and Senior Clerical,” codes.

We understand that revisions have now been made and look forward to implementation when the Employment Equity Data Report from the 2011 Census is available (2014).

## Statistical Progress

### Women: Representation remains strong overall

Representation remains strong at all senior levels. BMO remains well above external availability for women in all senior EEOGs for 2012. Although hiring was down in fiscal 2012, BMO continued to increase the hiring rate of women in several categories for 2012.

Overall representation within the Middle and other manager category saw an increase of 56.4%. However representation of women in the same category experienced a jump to 88.6% – 32.2% higher than all other groups combined for 2012. BMO continued to increase the hiring rate of women in several categories for 2012.

Additional data is reflected in Table 1 & 2:

**Table 1: Summary of representation for women**

EEOG	Overall representation in 2012	Representation of women in 2012
Middle and Other Managers	Up 56.4%	Up 88.6%
Admin Sr. Clerical	Down 24.8%	Up 23.5%

**Table 2: Comparison of the Hiring rate of Women in “Executive” and “Middle Management” roles to Overall Workforce**

EEOG	Overall representation in 2012	Representation of women in 2012
Senior Managers	Down 36.3%	Up 25%
Middle and Other Managers	Up 4.9%	Up 27.6%

\*The Senior Manger definition pertains to positions at a grade 60 level and above. HRSDC uses the term “Senior Manager” to define this category.

### Visible minorities: Representation in middle managers and professionals increases

Representation of visible minorities held firm at 34% from the year previous. BMO continues to be well above availability for visible minorities in all major EEOGs.

BMO continues to increase the representation rate of visible minorities in several categories for 2012. The focus on the advancement of visible minorities is further reflected in the data presented in Tables 3 & 4:

**Table 3: Summary of representation increases for visible minorities**

EEOG	Overall representation in 2012	Representation of women in 2012
Senior Managers	Up 1.5%	Up 4.3%
Middle and Other Managers	Up 56.4%	Up 77%
Professionals	Down 22.6%	Up 13.8%
Supervisor	Up 31.9%	Up 74.2%

**Table 4: Summary of promotion increases for visible minorities**

EEOG	Overall representation in 2012	Representation Visible Minorities in 2012
Middle and Other Managers	Up 40.7%	Up 72.4%
Supervisor	Up 37.6%	Up 16.1%

### Aboriginal people: Representation remains steady

Although overall representation of Aboriginal people fell slightly (.03% in 2012) to 1.4%, we continue to focus our efforts on representing, promoting and hiring to ensure that we increase the number of Aboriginal employees within several EEOG categories.

Additional data on Aboriginal advancements can be seen in tables: 5, 6 & 7:

**Table 5: Summary of Aboriginal Representation**

EEOG	Overall representation in 2012	Aboriginal Representation in 2012
Senior Managers	Up 1.5%	Up 100%
Middle and Other Managers	Up 56.4%	Up 116%
Admin Sr. Clerical	Down 24.8%	Up 23.3%

**Table 6: Comparison of the Promotion Level of Aboriginal People in “Middle and Other Managers” to Overall Workforce**

EEOG	Promotions Overall	Promotions of Aboriginal People
Middle and Other Managers	Up 40.7%	Up 53.5%

**Table 7: Comparison of the Hiring rate of Aboriginal People in “Middle and Other Managers” to Overall Workforce**

EEOG	Hiring Overall	Promotions of Aboriginal People
Middle and Other Managers	Up 4.9%	Up 450%

### Persons with disabilities: Representation rises significantly

In addition to working with our recruitment partners to focus our efforts on hiring persons with disabilities, BMO implemented the leader-led “Count me in!” initiative (described later in the report) that coincided with changes to our diversity workforce survey. This made it easier for employees to self-identify which lead to a positive increase in our persons with disabilities totals for the year.

The number of persons with disabilities increased by 21.5% in 2012 which pushed representation from 2.4% in 2011 to 3.1%, an increase of 0.7%, a significant increase over one year. BMO continues to focus its efforts on hiring within the various EEOG categories for persons with disabilities.

**Table 8: Comparison of the Hiring Levels of Persons with Disabilities in “Middle Management” and “Supervisor” to Overall Workforce**

EEOG	Hiring Overall	Hiring of Persons with Disabilities
Middle management hires	Up 4.9%	Up 366%

Overall, bank promotions were down 32.7% in 2012. In contrast, promotions for persons with disabilities were down only 14.1%. As such, there was headway made in the Middle Management category.

**Table 9: Comparison of Promotions of Persons with Disabilities in “Middle Management” to Overall Workforce**

EEOG	Promotions Overall	Promotion of People with Disabilities
Middle management hires	Up 40.7%	Up 75%

## Planning and Accountability

All leaders are accountable for ensuring that employment decisions support a more diverse workforce and for developing an inclusive and supportive workplace. BMO’s Chief Talent Officer is responsible for overseeing diversity at an enterprise-wide level, allowing BMO to ensure diversity is considered in every process that supports employment decisions.

The leadership provided from the executive team is supported by a comprehensive infrastructure that includes goal-setting, monitoring and evaluation. The CEO and BMO executives – including those managing provincially regulated lines of business – monitor the progress toward our goals on a quarterly basis through online management information reports.

The quarterly Diversity Performance Tracker assesses and scores executive performance in terms of hiring, promotions, separations and overall representation of the four designated groups. The enterprise-level diversity results are included in the CEO’s performance tracker, which is submitted to BMO’s Board of Directors.

## Qualitative Review

### Strengthening the infrastructure for recruitment

#### Diversity Recruitment Team

In 2012, BMO established a Specialized Programs team for direct sourcing and hiring of people from Canada's diverse communities. The team is integrated into the Talent Acquisition department of BMO's Human Resources Division. It includes a senior diversity recruitment manager, one Campus and three diversity recruiters, one specializing in sourcing Aboriginal talent and the other two specializing in sourcing talent from the community of people with disabilities. A dedicated diversity program advisor manages BMO's pre-employment training programs for persons with disabilities. BMO's recruitment partner also engages a diversity sourcing specialist accountable for sourcing strategies and supporting BMO at recruitment events and throughout the hiring process.

#### Reference checking

BMO's reference-checking policy provides alternatives to traditional employment references for persons with disabilities and newcomers. For example, when evaluating a potential employee for a role, we consider character and volunteer work references, which help demonstrate qualities and skills. – part of staffing policy, "For those new hires that do not have previous employment experience, personal and/or volunteer references must be completed."

#### BMO student internship program

BMO continued our award-winning internship program for students currently enrolled in Canadian colleges and universities. The goal of the program is to attract, develop and retain students early through summer internships, and ultimately offer them permanent positions upon graduation.

In 2012, BMO hired a total of 159 summer interns from various universities and colleges.

- 45.9% women
- 2.7% Aboriginal people
- 3.8% persons with disabilities
- 20.8% visible minorities

Of the graduates in 2012, 21 are now employees, 66.6% women, 42.8% visible minorities, 4.7% Aboriginal people and 4.7% persons with disabilities.

#### Essential training

BMO continued to offer training for hiring managers that focuses specifically on hiring and engaging a diverse workforce. This program, *Hiring Essentials*, provides both in-class and online training on the importance of having a diverse team. Modules include *Why Diversity Matters to BMO* and *Hiring to Create a Supportive and Inclusive Culture*. There is also specific guidance on interviewing candidates who are immigrants, candidates with disabilities and candidates with no work experience. Information on workplace accommodation is also included. Training materials are accessible using JAWS (a screen reader developed for users whose vision loss prevents them from seeing screen content) and video content is close-captioned.

The Talent Acquisition team led Diversity training sessions for internal hiring managers and BMO partners. This included diversity interview training for partners, and accommodation awareness training for managers.

#### Effective onboarding

All new hires are required to complete an online orientation program that highlights BMO's commitment to diversity and inclusion. The program incorporates diverse perspectives in a short, engaging and informative introduction to BMO. Multiple languages and closed captioning are incorporated into the accessible online modules.

A key focus of the orientation is individuals sharing their personal perspective on each of our values:

- **Take Pride** – in what we do and where we work
- **Keep Your Word** – never waver from our commitments to our customers and each other
- **Embrace Diversity** – gain strength through our people and our perspectives
- **Do the Right Thing** – demonstrate respect for all and earn trust through integrity of our actions
- **Have Courage to Win** – focus on what makes us successful

### Monitoring diversity in the recruitment process

Our employees reflect the communities in which we live and work, and we make sure we have the right people in the right roles to meet customer needs. Our jobs are posted inside the company and on our external site (bmo.com). We also use national and diversity job boards and local, in-branch marketing to highlight BMO employment opportunities. Tapping into the broadest possible talent pool is essential to recruiting a diverse workforce and BMO continues to monitor our success in attracting designated groups. We track the diversity of the candidate pool from the beginning of the recruitment process to the presentation of candidates to hiring managers.

In addition, hiring managers receive a detailed survey to assess their recruitment experience. They are asked to agree or disagree with this statement: “Please consider your experience with your recruiter during the intake session when completing the following question: The recruiter discussed options for increasing the diversity of candidates.” This ensures that we continue to focus on hiring from all groups and that the manager works in hand in hand to achieve this goal.

## Recruitment Strategies for Women

BMO is a Platinum Corporate Member of the Women’s Executive Network (WXN) – a leading Canadian organization dedicated to the advancement and recognition of women in management, executive, professional and board roles. Emerging leaders at BMO are invited to WXN networking and personal development events throughout the year and across the country.

One of BMO’s key enterprise goals is to have women represent 40% of all executives by 2016. To meet this goal, our external search firms must present a diverse slate of candidates for senior level role openings to hiring managers. These hiring practices contribute to a strong pipeline of diverse talent exists for all roles. Development plans for key diverse talent led to critical positions in senior ranks, including the addition of 4 women to BMO’s Management Committee, increasing the female representation to 25%.

## Recruitment Strategies for New Immigrants and Visible Minorities

In 2012, BMO continued to be the exclusive industry sponsor for ACCES Employment’s Speed Mentoring program, which helps new Canadian jobseekers develop networking skills and make connections through individual coaching sessions with senior leaders. In 2012, BMO hosted five speed-mentoring events in various lines of business. As a result of their participation as mentees in this year’s program, six individuals who are members of visible minority groups were hired by BMO.

To further assist new Canadians in their transition, BMO maintains a number of partnerships with key community agencies. BMO works with social agencies such as the Newcomer Centre of Peel, the Centre for Information and Community Services Link Up, Next Steps Employment Centres, and the Chinese Professional Association of Canada to conduct workshops for newcomers, helping them build important skills for seeking and acquiring employment. Our leaders, frontline managers and staff are very active in the community. They are mentors and ambassadors for many local community associations, offering their time to coach and build relationships with new Canadians.

# Recruitment strategies for Aboriginal people

## Scholarship and internship programs

Recognizing the relationship between education and employment/income levels, BMO takes a multifaceted approach to encouraging Aboriginal students to stay in school. This includes scholarship and internship opportunities, sponsorship of university and college initiatives and supporting innovative campus and industry recruitment approaches.

BMO's Aboriginal Recruitment Specialist has established relationships with a number of universities across Canada to attract and identify opportunities for Aboriginal talent to these programs.

In recognition of the contributions of BMO's former Head of Aboriginal Banking, BMO created the Ron Jamieson Scholarship and Internship Program. In 2012, 17 scholarships totaling \$42,500 were awarded through this program. The program provides talented Aboriginal youth with scholarships and an opportunity to compete for summer internships while in school, with a view to offering permanent placement as Financial Services Managers upon graduation. The internship allows students to gain front-line experience in structured training programs while benefiting from a supportive work environment, on-the-job coaching and mentoring from employees of Aboriginal descent. In 2012, three students participated in the program and one accepted placement as a Customer Service Representative while continuing her studies.

Recognizing the importance of stay-in-school initiatives, BMO continued to provide bursaries to Aboriginal high school students across Canada. In 2012, we provided \$17,250 for 23 bursaries through the Foundation for the Advancement of Aboriginal Youth (FAAY).

## BMO continues to support the following Aboriginal Scholarships:

- **Vancouver Island University (formerly Malaspina College):** Two \$1,000 annual awards
- **University of Northern British Columbia:** One \$1,500 annual award
- **Capilano University:** One \$1,000 annual award

BMO also works collaboratively to help individual Aboriginal communities fund education for local students. We work with various communities including the Akwesasne Mohawk Territory and the Nuu-chah-nulth Tribal Council.

## University and college initiatives

To support higher education, BMO has established strong relationships with several post-secondary institutions across Canada.

## Campus recruitment

To support awareness of our programs, BMO continued to advertise in national media (e.g., *Job Postings Magazine*) and national job boards (e.g., Aboriginal Human Resources Council job board) and leveraged sponsorships such as the Canadian Council for Aboriginal Business (CCAB) dinner series. The CCAB has recognized BMO with gold-level Progressive Aboriginal Relations (PAR) accreditation for our efforts to build a mutually beneficial, sustainable relationship from both a business and employment perspective. BMO has received gold-level accreditation for three consecutive times.

To promote employment with BMO to the Aboriginal Community, we participated in the 2012 Canadian Financial Officers Association. BMO's Aboriginal Recruitment Specialist was interviewed by the Niagara Region School Board to raise awareness of the FAAY scholarship program and employment opportunities at BMO. Relationships have been established with the following Aboriginal Recruitment or Service agencies:

- G.R.E.A.T. – Grand River Employment and Training (Ontario)
- Aboriginal Workforce Development Initiative (Fredericton, NB)
- Young Indigenous Professionals (YIPS)
- Peel Aboriginal Networking (Brampton, ON)
- Miziwe Biik Aboriginal Employment agency (Toronto ON)
- Workbay.com Employment Matching and Training web portal (Toronto ON)
- Aboriginal Linx Employment Agency (Prairies Canada) (Twitter Feeds and News Letter)
- Aboriginal Professionals Association of Canada (Linked in)

### **Presence in Aboriginal communities**

BMO operates 13 full-service branches, and one community banking outlet within Aboriginal communities. Eleven of these branches are located on First Nations territories and most are staffed by members of the communities. These facilities reflect a valued business relationship and also provide employment opportunities.

BMO continued its membership in the Canadian Aboriginal and Minority Supplier Council (CAMSC), which allows the bank to be responsive to this important market by providing both financial services and new business opportunities to help members grow their businesses.

## **Recruitment Strategies for Persons with Disabilities**

### **Pre-employment training (PET) programs**

In 2012, BMO continued our successful PET program for persons with disabilities in partnership with Jewish Vocational Services Toronto (JVS) and Job Opportunity Information Network (JOIN). JVS, JOIN and BMO's Human Resources team collaborated on sourcing candidates, customizing our curriculum and identifying BMO representatives to assist in delivering the intake program. The program provides coaching and training to close the gaps often experienced by candidates with little or no work experience. Since 2007 the program has been offered ten times, resulting in the permanent placement of 107 individuals in areas including the Call Centre in Direct Banking, MasterCard and the branch network.

This year we offered the PET program, for roles in the Customer Contact Centre of our Personal and Commercial Banking unit. On average, 150 resumes were reviewed for each program and over 100 people attended three open houses. These information sessions gave individuals an opportunity to better understand the work environment and job requirements, to meet and interact with hiring managers, and to get a preliminary appreciation of the resources and support available to help them succeed. Managers received extensive coaching on how to effectively recruit, onboard and support employees with disabilities.

Throughout training, on-boarding and placement, managers and candidates were supported by a dedicated coach who helped ensure that barriers were quickly identified and addressed. In addition, the Workplace Accommodation Advisor and the manager of the PET program provided training for managers. This support was instrumental in building confidence in a successful outcome (for both managers and employees), improving time to performance and understanding the link between accommodation and achieving performance standards. The support is ongoing for managers and their new employees, and we continue to monitor retention.



A new pilot initiative was created for sourcing and recruiting from a talent pool which has post-secondary education and prior work experience. A three-week **Intake Program pilot** was delivered in partnership with JVS Toronto from October 29 to November 16, 2012. This program allowed eight employees within the GTA to increase representation of persons with disabilities in T&O. These candidates after their six-month contract will be considered full-time, permanent opportunities in BMO's Technology & Operations group.

**There were several keys to success:**

1. Executive sponsorship and support
2. Coaching and mentoring
3. Developing Careers
4. High-touch communication on recruitment
5. Accommodation assessment and training
6. Relevant case studies for accommodation awareness training for managers.

At JVS, they stated that this program pilot was the strongest that they had seen with respect to the candidates skills, knowledge, engagement and drive across all of the financial institutions that had implemented an intake program. Collaboration was also instrumental with the external partnering of Lime Connect and JVS. In addition, our internal collaboration with the lines of businesses, HR Business Partners, and Corporate communication demonstrated BMO's commitment to Diversity and Inclusion. This model supported our retention strategy to reduce turnover rates.

### **Direct hire community outreach**

BMO diversity recruitment specialists work with many community agencies such as PATH, NEADS, JOIN and the Greater Vancouver Business Leadership Network to strengthen their ability to match job seekers to available roles. Activities include delivering behavioural focused interview workshops for both agency staff and jobseekers, which resulted in referral of candidates most suited to available roles and better prepared for a positive interview experience.

### **Scholarship and internship programs**

In 2012, BMO again offered the BMO/Lime scholarship and internship program in partnership with Lime Connect, a not-for-profit group that supports intake and career progression of persons with disabilities. The unique initiative allows talented post-secondary students with disabilities to apply for a scholarship and compete for a paid summer internship program that can lead to a permanent role with BMO as a financial services manager. Three students with disabilities participated in the 2012 internship program and one was hired on a part-time basis after the internship ended. All interns were matched with mentors, and managers were provided with training and accommodation support to ensure success.

### **Transitioning from campus to workplace**

In 2012, BMO also participated in four campus events organized by Lime Connect. These events hosted students from campuses across Southern Ontario and British Columbia. Line of business managers and human resources representatives attended these events to provide job seekers with information about employment opportunities at BMO. This participation resulted in BMO hiring fourteen individuals into roles.

## Outreach – Encouraging Education

BMO Financial Group invests substantially in scholarships and bursaries to support high-potential individuals who would not otherwise have access to further learning. Through education, we help build a qualified, diverse workforce for the future.

### Equity Through Education program

The BMO Capital Markets “*Equity Through Education*” program is a charitable initiative aimed at creating a more diverse workplace by helping students realize their educational ambitions. On one day each year, BMO Capital Markets donates its institutional equity trading commissions in North America to a series of charities that provide scholarships to deserving individuals representing four diversity groups: women, visible minorities, persons with disabilities and Aboriginal people.

Since the launch of the program in 2005, *Equity Through Education* has raised a total of \$12.3 million, assisting more than 2,500 students. In 2012, the proceeds were directed to the following eight North American charities:

- The Canadian Merit Scholarship Foundation (CMSF)
- The Financial Women’s Association (FWA)
- Foundation for the Advancement of Aboriginal Youth (FAAY)
- The Jackie Robinson Foundation (JRF)
- Lime Connect
- National Aboriginal Achievement Foundation
- Pathways to Education
- Women in Capital Markets Return to Bay Street program – BMO Capital Markets is the founding sponsor of this program

To date, BMO Capital Markets has hired five full-time employees through the *Equity Through Education* program and provided internship opportunities to eight students. Additionally, BMO Capital Markets has implemented a Mentorship Program that facilitates connections that might not naturally occur in the course of business. Within this program, our Leaders have an opportunity to witness and develop the strengths and potential of junior professionals outside of their usual circles. These new networks can foster diversity of thought, career development and a more inclusive work culture.

## Retention

### Creating a Supportive Work Environment

#### Workplace accommodation for persons with disabilities

An important element of BMO’s commitment to an inclusive, supportive and accessible workplace is accommodation for persons with disabilities. Our workplace accommodation expertise has been centralized in a team within HR that is accountable for the end-to-end process: assessment, coordination and fulfillment of accommodations. Our Workplace Accommodation Advisor, works with both employees and managers to ensure the successful implementation of workplace accommodation needs. This approach expedites the response time for accommodations and provides a single point of contact, resulting in better support for both managers and employees with disabilities.

#### The following are examples of accommodation support provided by BMO:

- To address visual, hearing, dexterity and learning disabilities:
  - large-screen monitors, JAWS, ZoomText, sound baffles, ASL interpreters, note takers, electronic organizers, Kurzweil, learning strategist and employment coaches
- To support employees with muscular skeletal and circulatory conditions:
  - ergonomic chairs, motorized sit/stand desks and workstation modifications
- To facilitate communication for employees who are deaf, deafened or hard of hearing:
  - Blackberries and a dedicated help desk email address for their exclusive use

BMO’s Technology Strategy and Architecture team continues to build a barrier-free environment by implementing systemic technological solutions.

## Building Awareness

“Embrace Diversity” is one of our core corporate values, and it’s important that our actions match this value. All employees have a role to play and we inspire employees by sharing success stories. We challenge employees get involved; to find something that is personally meaningful, and take action to improve it. Encouraging employees to embrace diversity is one way we continue to sustain a diverse and inclusive workforce. We fundamentally believe it is the diversity of our people and inclusiveness of our organization that help enable us to achieve our company’s vision: **to be the bank that defines great customer experience.**

For persons with disabilities, we implemented the leader-led “**Count me in!**” initiative across BMO to dispel myths and advocate for a culture of inclusion. This aligned with October’s National Disabilities Employment Awareness Month (NDEAM) and coincided with changes to our diversity workforce survey that make it easier for employees to self-identify. As a result, we saw a lift in our workforce population of persons with disabilities, moving us closer to our 2016 goal, and have implemented sustainment plans.

## Personal well-being

BMO has an accessible website designed to help employees make informed decisions about their personal well-being. Information on BMO’s principles, practices and supportive policies is provided on the site, which can be accessed from home to ensure privacy and convenience.

### Examples of supportive policies and practices include:

- **People Care Days:** Allows paid time off for personal matters that cannot be scheduled outside of work hours.
- **Flexible Work Arrangements:** Provides employees an opportunity to work offsite, work shortened weeks and/or share jobs.
- **Multi-purpose quiet rooms:** Accommodates employees’ needs for a private facility for nursing mothers and for activities such as multi-faith prayer, quiet meditation and spirituality. Provided in the Greater Toronto area, Barrie and Montreal.
- **LifeWorks:** An extensive set of resources to help employees be productive on the job and care for loved ones while meeting personal needs that includes:
  1. Employee Assistance Program (EAP) to provide confidential short-term, solution-focused counseling.

2. Back-up child care for up to 10 paid days of short-term emergency child care in the event regular child care arrangements break down.
3. Free, comprehensive, online resources with tools, audio tips and articles on hundreds of topics such as how to choose a lawyer, parenting, nutrition and fitness, developing an emergency plan for your family and many more. 64 Lunch and Learn sessions were facilitated in 2012 across BMO’s different business groups on a variety of topics, including:
  - Sandwich generation
  - Understanding stress, Increasing resiliency
  - The juggling act: Balancing work and family
  - Managing your work style to reduce stress

## Career Development and Training

One critical component of our Diversity and Inclusion strategy is to build employee and leader capability. 2012 saw the development of several learning programs and offerings to build the knowledge, skills and awareness of our workforce.

### Developing Employee Awareness & Skill

To further hone our culture of inclusion, it is necessary to ensure that all employees are equipped with knowledge of what Diversity and Inclusion are, and why they are so critical to BMO’s success. Accordingly, we have built Diversity and Inclusion material into our Orientation and Onboarding programs. New employees receive practical information about how they can get involved in BMO’s diversity and inclusion initiatives, and what they can do to foster a culture of inclusion at the bank.

Employees also have access to diversity and inclusion e-Learning programs. The “Diversity and Inclusion at BMO” program focuses on establishing the business case for diversity and inclusion, highlighting key initiatives underway at BMO, and practical activities that employees can do to develop knowledge and skill in this area.

The Diversity and Inclusion web site has also been revamped to provide additional information and resources to support employee learning. Defined “Learning” and “Resources” sections have been developed to provide just-in-time, multi-modal information on a variety of topics.

## Enhancing Leadership Effectiveness

BMO's 2012 leadership learning strategy focused on enhancing leadership effectiveness through the development of cultural intelligence. Cultural intelligence relates to leaders' ability to effectively interact with and engage diverse employees. By training leaders to elevate their CQ, we equip them with the knowledge, confidence, and skills to make the most of their diverse teams and meet the needs of their diverse client base.

Our Senior Leadership Development Program now includes a Cultural Intelligence workshop. Leaders from across the business are learning about the cultural lenses that they bring to the workplace, and how those lenses impact their leadership style and team interactions. Each leader is equipped with a number of developmental priorities to enhance inclusion within their team and to leverage differences to drive team performance. In addition, leaders experience an interactive case simulation that requires the application of cultural intelligence principles and tactics.

We have also refreshed our Leadership Development program to put Cultural Intelligence front and centre. Leaders learn practical strategies for hiring and leading diverse teams, and for creating a culture of inclusion. Case scenarios enable leaders to identify ways to enhance problem-solving, idea generation and employee engagement within a team setting, and methods for enhancing team alignment and trust among members. Since its launch in October 2012, this diversity program has touched hundreds of participants and over 90% of leaders indicate that they will apply what they've learned immediately.

BMO leaders are also equipped with an e-Learning program focused on diversity recruitment. The "How to Hire a Diverse Team" module features BMO hiring managers and experts conveying the simple steps that all hiring managers can take to effectively recruit diverse candidates, and interview without bias.

The Executive-led Diversity Renewal Council has also made developing Cultural Intelligence a central priority. In December 2012, the DRC underwent assessments and workshops to identify their own cultural intelligence, and ways in which they can influence heightened Cultural Intelligence at BMO. These assessments, workshops and coaching sessions are now being rolled out across BMO, with the goal of developing more awareness of where we are today on our Cultural Intelligence journey, and what we need to do to enhance this key component of inclusion going forward.

## Access to career opportunities

In 2012 BMO invested in our careers program. BMO introduced a new careers intranet site and set of career development tools to support employees and managers having meaningful career conversations and written development plans. All the tools are available in English, French and as text-only to ensure they are easily accessible.

To drive awareness and demonstrate BMO's commitment to career development of all employees we held an enterprise-wide webcast to share career strategies, stories and provide a forum for employees to ask career questions. This event had 1500 employees in attendance from across the enterprise. A video recording of the event is also available in English, French and text-only to ensure equal access for all employees.

BMO continues to offer our myCareer site where employees can create profiles that allow them to receive e-mail notifications of job vacancies that match their specified criteria, or they can directly search through the inventory of roles available. The myCareer site creates open access to job opportunities, and can be accessed by employees from work or home, allowing them to search items of interest at their own pace.

The BMO Career Centre, available to external candidates, articulates BMO's brand promise of "turning potential into performance" and BMO's commitment to building and sustaining an inclusive, supportive and accessible workplace. The Career Centre includes access to interview and resume tips, as well as information about the CEO's Council on the Equitable Workplace, diversity councils and affinity groups, and policies and practices such as flexible workplace arrangements, People Care Days and accessibility.

# Employee Engagement

## Employee Resource Groups

Employee Resource Groups (ERGs) are composed of passionate employees who volunteer their time on a diversity council or affinity group to advance the specific needs of unique employee segments. Across Canada and the US, they help make diversity and inclusion at BMO a day-to-day reality.

- **Diversity Councils**

Diversity Councils are groups of volunteer employees within the Lines of Business or functional areas, who lead, advocate for, coordinate and communicate BMO's diversity and inclusion goals. Each Council has a mandate related to their business group goals.

- **Affinity Groups**

Affinity Groups are formed by employees around a commonality, and any employee at BMO is welcome to join. Examples include: African American, Hispanic/Latino, Asian American, Persons with Disabilities, Lesbian, Gay, Bisexual or Transgender and Veterans, etc.

ERGs are partners in developing strategies and implementing plans, and are catalysts for transforming culture to a more inclusive and open environment.

In addition to Diversity and Affinity groups, in 2012, BMO participated in and sponsored a large number of external events celebrating/supporting diversity. Diversity council members and many other colleagues were active participants and volunteers at these events. A few examples are:

- **People in Motion** – Canada's premier annual event for persons with disabilities and professionals working in related areas
- **March of Dimes** "Ability & Beyond" – an annual fundraising event for programs and services to create an inclusive society for persons with physical disabilities.
- **Mayfest** – An annual celebration of Deaf culture
- **CHS Quest** – An "Amazing Race" fundraising event to raise funds for the Canadian Hearing Society
- **Pride and Remembrance Run/Walk** – Dedicated to supporting charities focused on issues in the gay and lesbian community

- **Cycle for Sight** – a 140-kilometre bike ride to raise money for the Foundation for Fighting Blindness. In 2012, the event set a new record with more than \$440,000 raised for the Foundation Fighting Blindness (FFB) and sight saving research – \$150,000 more than last year. This means that since our inaugural ride in 2009, more than \$1 Million has been raised for the cause.

## Diversity councils and affinity groups: Strategic renewal

In 2012, BMO continued to support an enterprise-wide Diversity and Inclusion strategy driving greater integration of diversity into talent management practices and emphasizing actions that build cultural competency, accountability and profile. As part of this strategy, we renewed the mandate for our Employee Resource Groups (ERGs) to focus on driving our customer and employee experience.

### The four key pillars of this renewal mandate are:

- Build Market Profile
- Develop Leaders
- Engage Employees
- Reach Communities

Our ability to reach and influence 46,000 employees is strengthened with the 30+ volunteer ERGs at BMO. They are dedicated to advancing BMO's diversity and inclusion agenda and represent their business group or key diversity segment (i.e. Persons with disabilities, Aboriginal persons, minorities and women).

# Employee Communication & Consultation

Our primary goal is to demonstrate and be recognized as the industry leader in diversity and inclusion.

## Communication priorities include:

- Communicating how a diverse and inclusive workplace reinforces our values, products, services, customers, reputation, and goals, and in a way fully accessible to all audiences.
- Showcasing diversity champions and success stories at BMO.
- Widely celebrating and acknowledging key “diversity days” (e.g. International Women’s Day, National Aboriginal Day, etc.).
- Cultivating our reputation as a diversity leader through a targeted sponsorship strategy.
- Earning external recognition via awards and media opportunities that profile BMO as a leader in diversity.

Internally, BMO’s corporate intranet site is the primary venue by which we communicate to employees in English and French. The site keeps employees informed about BMO’s strategic direction and business environment. It also encourages engagement and showcases stores and champions of our company vision, values and brand.

## Internal communications are also supported with additional channels:

- monthly print and/or online publications.
- quarterly Webcasts and Town Halls.
- annual Conferences.
- employee Resource Groups.

There is also a dedicated Diversity & Inclusion site for employees. It is maximized for accessibility, and contains explanations of legislation, policies and procedures, and contains tools for managers and employees.

Reinforcement via numerous and timely communication vehicles ensures we are keeping diversity top of mind. We are constantly educating and promoting ways to view talent activities through a diversity lens, and sharing new tools and ways to build cultural competency, accountability and profile. BMO’s diversity initiatives are also included in external publications like our website, annual report and public accountability statement.

## Consultation

Employee Resource Groups meet annually at the “ERG Think Tank”, jointly hosted by the Executive Diversity Champion and the Managing Director of Diversity & Inclusion to set strategic context, plan key events and prioritize key areas of focus for initiatives and ongoing activities for the ERGs. The roundtable meeting also provides a forum to consult on the Employment Equity Plan and identify opportunities for businesses and affinity groups to collaborate to further workforce representation and an inclusive workplace.

In 2012 BMO continued with quarterly diversity recognition events to provide the Executive Diversity Champion with an opportunity to engage in open dialogue with diversity leaders<sup>1</sup> from across the organization.

In addition, BMO uses surveys to gauge employee engagement and satisfaction. For example, to ensure that employees are satisfied with BMO’s accommodation policy and process, BMO annually surveys employees who have received accommodation support during the year. In 2012, the results indicated a satisfaction rate of 96% for accommodations and support received.

To understand our employee experience, BMO offers an Annual Employee Survey (AES). The survey is available online and is accessible using adaptive technologies such as JAWS and Zoomtext. In 2012, participation in the AES survey was at 83% – an excellent representation of our workforce.

Employee perceptions of diversity and inclusion (those of the entire population and specific designated groups) are important in assessing progress towards building an equitable and supportive workplace. BMO continues to monitor these perceptions through a Diversity Index (DI) comprised of key questions that are included in the AES. Our research shows that the DI is strongly related to the Employee Engagement Index (EEI) and that improvement in the DI will have a positive effect on the EEI and employee retention.

- at BMO Financial Group, I am treated with respect
- my manager supports me in meeting my work and life commitments
- I have opportunities to advance regardless of gender, sexual orientation, race, age or disability
- my manager is committed to creating a diverse, inclusive and barrier-free work environment so that all employees can contribute fully.

Our DI score was strong again in 2012 at 83%.

BMO also monitors diversity-related items to better understand employees' perceptions of how employment systems and management practices affect the experience and participation of employees at BMO. The DI and diversity-related results are provided to all managers to help increase their understanding of the issues and their role in creating a diverse workforce and supportive workplace. AES results are also analyzed by categories such as gender, age, and designated group membership, enabling executives to celebrate progress and develop strategies to address any identified barriers.

## Conclusion

At BMO, we understand that diversity of experiences and culture leads to better ideas, better debate, and better decisions – helping us to be the best at serving customers everywhere we do business. In acknowledgment of our commitment to diversity and inclusion, BMO earned recognition in 2012 on the following lists:

- Canada's Top 100 Employers - Mediacorp
- GTA Top Employer – Mediacorp
- Best Employers for New Canadians – Mediacorp
- Top Employer for Canadians Over 40
- Financial Post's Ten Best Companies to Work
- 2012 Women in Capital Markets Leadership Award (awarded to Lovisa McCallum, Managing Director, BMO Capital Markets)
- Women of Influence's 2012 Canadian Diversity Champions.

Building on our rich history, BMO will continue to drive forward our strategic agenda. Believing that a more diverse and inclusive workplace drives better performance and creates more successful and engaged employees, our goal is to foster a culture where all employees feel they have the opportunity to turn their potential into performance.

<sup>1</sup>Diversity leaders are defined as individuals who demonstrate our value of embracing diversity, are engaged in diversity-related initiatives (internal and external) and promote cultural awareness. They are nominated by their peers and receive a personal invitation from the Chair of the CEO's Council on the Equitable Workplace (as of January 1, 2012 the Chair of the CEO's Council on the Equitable Workplace will be referred to as the Executive Diversity Champion).

