Director Compensation

We pay director compensation to our non-employee directors. Darryl White is compensated in his role as BMO's chief executive officer (see page 64).

The Governance and Nominating Committee benchmarks director compensation against a peer group of companies to make sure the program is competitive and consistent with the responsibilities of directors, and reviews director compensation annually.

Directors receive an annual retainer that includes equity in the form of DSUs and cash. They can choose to take all or some of the cash portion of their retainer, plus their chair retainers, committee membership fees, special meeting fees and the travel allowance, as additional DSUs or shares if they have met the minimum share ownership requirements described below.

Fee structure

We pay directors a flat fee, and expect them to be available to represent the bank 365 days a year. While meetings are important, the role of a director includes being attentive to the bank's interests at all times, providing advice outside of meetings and identifying opportunities for BMO as appropriate.

We reimburse directors for any expenses they incur while carrying out their duties. From time to time, our non-employee directors also serve as directors of our subsidiaries and affiliates. They are paid for this service, and reimbursed for travel and other expenses they incur for these board and committee meetings.

2024 director fee table

| Type of fee | Fiscal 2024 |
|--|---|
| Board retainer Chair of the Board (includes attendance at meetings of all four committees) | \$485,000 per year: • \$ 210,000 in DSUs • \$ 275,000 in cash |
| Directors (includes one committee membership) | \$250,000 per year: • \$ 162,500 in DSUs • \$ 87,500 in cash |
| Committee chair retainers Audit and Conduct Review Human Resources Governance and Nominating Risk Review | \$55,000 per year |
| Committee and meeting fees Committee memberships (in excess of one) | \$15,000 per committee |
| Special board meetings (in excess of five) | \$2,000 per meeting |
| Special committee meetings (in excess of five) | \$1,500 per meeting |
| Travel allowance If the director's principal residence is two or more time zones away from Toronto or outside Canada | \$20,000 per year |

The following fees increased as of November 1, 2024:

- annual director retainer increased by \$15,000 to \$265,000 (\$175,000 paid in DSUs and \$90,000 paid in cash)
- Chair of the Board retainer increased by \$15,000 to \$500,000 (\$250,000 paid in DSUs and \$250,000 paid in cash).

Share ownership

To make sure they have a vested interest in our success, every non-employee director is required to hold, within 5 years of their appointment or election to the board, at least 11 times the cash retainer portion of their annual retainer in BMO shares or DSUs. Mr. White is required to meet executive share ownership requirements (see page 66).

Under our quideline for share ownership in our board policies, we calculate share ownership using the closing price of BMO shares at the end of the fiscal year, or, if higher, the share acquisition cost or value of DSUs at the time they were credited.

About DSUs

Deferred share units (or DSUs) are ownership interests that have the same economic value as shares. DSUs vest immediately and accrue dividend equivalents when dividends are paid on BMO shares.

Newly appointed directors can build up their share ownership over time but must receive all of their compensation in DSUs until they meet their minimum ownership requirement.

All but one non-employee director (appointed to the board in August 2023) seeking re-election met the minimum share ownership requirements. Mr. White met his executive share ownership requirements (see pages 16 and 66).

All non-employee directors in calendar 2024 received all of their Bank of Montreal director compensation in DSUs.

The table below shows the total share ownership of our non-employee directors who are standing for re-election. Value is based on \$142.17, the closing price of BMO shares on the TSX on February 10, 2025.

| | Total shares | Total DSUs | Total equity |
|--------|--------------|--------------|--------------|
| Number | 148,545 | 289,353 | 437,898 |
| Value | \$21,118,643 | \$41,137,316 | \$62,255,959 |

Anti-hedging

The board's Anti-Hedging Policy prohibits directors, senior executive officers and employees from hedging their economic interest in bank shares, securities or related financial instruments (see page 57).

2024 Director compensation table

The table below breaks out the compensation paid to non-employee directors in fiscal 2024. Directors who served in any capacity for a portion of the fiscal year were compensated on a pro-rated basis.

| | Board retainer | | Committee chair | Committee and meeting | Travel | Other | | Portion of cash fees | Total DSUs – Value vested |
|-----------------------------------|----------------|--------------|--------------------|-----------------------|-------------------|------------------------|--------------------|-------------------------|------------------------------|
| | Cash (\$) | DSUs (\$) | retainer (\$) | fees (\$) | Allowance (\$) | fees (\$) | Total fees (\$) | taken in DSUs (%) | or earned (\$) (1) |
| Janice M. Babiak ⁽²⁾ | 87,500 | 162,500 | 55,000 | 15,000 | 20,000 | - | 340,000 | 100 | 340,000 |
| Sophie Brochu (3) | 40,347 | 74,931 | - | 6,917 | - | - | 122,194 | 100 | 122,194 |
| Craig W. Broderick ⁽²⁾ | 87,500 | 162,500 | 55,000 | 30,000 | 20,000 | - | 355,000 | 100 | 355,000 |
| Hazel Claxton | 87,500 | 162,500 | - | - | - | - | 250,000 | 100 | 250,000 |
| Diane L. Cooper ⁽⁴⁾ | 952 | 1,765 | | | 217 | 326,323 ⁽⁵⁾ | 329,258 | 52.8 ⁽⁵ | 173,841 |
| George A. Cope (2) | 275,000 | 210,000 | - | - | - | 224,174 (5) | 709,174 | 82.8 (5 | 587,544 |
| Stephen Dent | 87,500 | 162,500 | - | 8,125 | - | - | 258,125 | 100 | 258,125 |
| Christine A. Edwards (2)(6) | 87,500 | 162,500 | 55,000 | 15,000 | 20,000 | 259,777 ⁽⁵⁾ | 599,777 | 100 (5 | 599,777 |
| Martin S. Eichenbaum | 87,500 | 162,500 | - | 15,000 | 20,000 | - | 285,000 | 100 | 285,000 |
| David Harquail | 87,500 | 162,500 | - | 15,000 | - | - | 265,000 | 100 | 265,000 |
| Linda S. Huber ⁽⁷⁾ | 71,094 | 132,031 | - | 12,554 | 16,739 | - | 232,418 | 100 | 232,418 |
| Eric R. La Flèche | 87,500 | 162,500 | - | - | - | - | 250,000 | 100 | 250,000 |
| Brian McManus ⁽⁴⁾ | 952 | 1,765 | - | - | - | - | 2,717 | 100 | 2,717 |
| Lorraine Mitchelmore (2) | 87,500 | 162,500 | 55,000 | 30,000 | 20,000 | - | 355,000 | 100 | 355,000 |
| Madhu Ranganathan | 87,500 | 162,500 | - | - | 20,000 | - | 270,000 | 100 | 270,000 |

Total in DSUs: \$4,340,965 Total in shares: \$0 Total in cash: \$277,047

- (1) Includes the grant value of DSUs paid in fiscal 2024 but does not include dividend equivalents on these or any other DSUs earned during their service as a director.
- (2) Mr. Cope is Chair of the Board. Ms. Babiak, Ms. Edwards, Ms. Mitchelmore and Mr. Broderick serve as committee chairs (see
- (3) Ms. Brochu did not stand for for re-election at the 2024 annual meeting of shareholders and ceased to be a member of the Board of Directors, the Governance and Nominating Committee, and the Human Resources Committee effective April 16, 2024.
- (4) Ms. Cooper became a member of the Board of Directors effective October 28, 2024 and became a member of the Audit and Conduct Review Committee and the Risk Review Committee effective December 6, 2024. Mr. McManus became a member of the Board of Directors and the Risk Review Committee effective October 28, 2024.
- Mr. Cope earned US\$165,000 for serving as a director of BMO Financial Corp. (our U.S. bank holding company). Ms. Edwards earned US\$190,000 for serving as a director of BMO Financial Corp. and BMO Bank National Association, a wholly-owned subsidiary that provides banking, trust and other services in the United States and

internationally (either directly or indirectly through its subsidiaries). Ms. Cooper earned US\$240,000 for serving as a director of BMO Financial Corp and BMO Bank National Association. These amounts were paid in US dollars and converted to Canadian dollars for purposes of this disclosure in the case of (i): DSUs using the grant date rates of exchange: US\$1.00 = Cdn\$1.34355 at January 15, 2024, US\$1.00 = Cdn\$1.37915 at April 15, 2024, US\$1.00 = Cdn\$1.36705 at July 15, 2024, and US\$1.00 = Cdn\$1.37925 at October 15, 2024; and (ii) cash using a two week average exchange rate proceeding the end of the applicable quarter end: US\$1.00 = Cdn\$1.327 ended December 31, 2023, US\$1.00 = Cdn\$1.3566 ended March 31, 2024, US\$1.00 = Cdn\$1.3697 ended June 30, 2024, and US\$1.00 = Cdn\$1.3525 ended September 30, 2024. Mr. Cope took \$102,543.74 in DSUs and \$121,630.50 in cash. Ms. Cooper took \$170,906 in DSUs and \$155,417 in cash. Ms. Edwards took \$259,777 in DSUs.

- (6) Ms. Edwards will not stand for re-election at the 2025 annual meeting of shareholders.
- Ms. Huber ceased to be a member of the Board of Directors and a member of the Audit and Conduct Review Committee effective August 23, 2024.