

BMO Financial Group
2025 Sustainable Bonds
Impact Report



About the BMO Sustainable Bond Program

This report provides an overview of the BMO sustainable bond program. It describes the types of businesses that receive financial support through the program and, where publicly available, the positive impacts associated with these issuances, for the year ended July 31, 2025.

In April 2024, we published an updated [BMO Sustainable Bond Framework](#), which will apply to all sustainability bonds, green bonds, transition bonds, and social bonds issued by BMO on or after April 2024. Previous issuances, including the BMO Women in Business Bond and Structured Green Note bonds discussed in this report, were completed in accordance with the [BMO Sustainable Financing Framework \(2019\)](#), and we are continuing to manage the proceeds from those issuances in alignment with that framework.

In this report

We, us, our, bank and *BMO* refer to Bank of Montreal and its subsidiaries.

Reporting period

Covers the year ended July 31, 2025. The previous report covering the year ended July 31, 2024 was published in December 2024.

Data

Unless otherwise noted:

- as at July 31, 2025
- may be rounded
- dollar amounts are in Canadian dollars

◆ KPMG provided limited assurance of these figures in 2025. KPMG's Independent Limited Assurance Report can be found on our [website](#).

Learn more here

- Sustainability and Climate Reporting
- Annual Report to Shareholders
- Management Proxy Circular

Bonds in the program

We have two outstanding issuances under our Sustainable Bond Program as at July 31, 2025:

Issuance	Issue date	Maturity date	Issued amount	Use of proceeds	ISIN
BMO Women in Business Bond	March 10, 2021	March 10, 2026	C\$750 million	Women-owned businesses, including microenterprises and small and medium-sized businesses	CA06368DPC25
Structured Green Note	March 19, 2024	March 19, 2034	U\$50 million	Eligible green assets	XS2782779685

BMO Indigenous Bond issuance

On October 27, 2025, BMO issued a C\$200 million 4-year callable (4NC3) Fixed-to-Floating Rate Indigenous Bond, making BMO the first North American bank to issue a labelled Indigenous Bond in support of Indigenous-owned businesses and Indigenous communities in accordance with the BMO Sustainable Bond Framework. The Framework is aligned with the current International Capital Markets Association's (ICMA) Social Bond Principles and received a "Very Good" rating from Moody's in its Second Party Opinion.

At issuance and as at October 31, 2025, all proceeds have been fully allocated to eligible Indigenous-owned enterprises and/or Indigenous Peoples' bands, councils and/or governments. BMO loans underlying the bond support a range of financing needs including community infrastructure development (e.g. community halls, mixed-used development, housing, schools), and general capital expenditure support. Indigenous communities being supported by the bond are concentrated in Western Canada (Alberta, Manitoba, Saskatchewan, and British Columbia) and include communities nation-wide.

BMO's Sustainability Office, Sustainable Finance and Corporate Funding teams, and the Indigenous Banking Unit reviewed and vetted all the loans to which proceeds have been allocated. BMO Capital Markets acted as lead agent, with Cedar Leaf Capital Inc. - Canada's first majority Indigenous-owned investment dealer - serving as co-manager.

While the issuance occurred subsequent to the reporting period covered by this report (July 31, 2025), details of this issuance are being included for information purposes. Expanded reporting on the use of proceeds and impacts will be provided in BMO's 2026 Sustainable Bonds Impact Report, with annual updates thereafter until maturity.

How we use bond proceeds

Amounts equivalent to the net proceeds from the BMO Women in Business Bond and the Structured Green Note are currently funding, or are otherwise supporting, project finance loans, general corporate finance loans and/or equity investments that align with our [BMO Sustainable Financing Framework \(2019\)](#).

As at July 31, 2025, 100% ♦ of each of the bonds' proceeds had been allocated to eligible asset categories. Please refer to the [BMO Sustainable Financing Framework \(2019\)](#) for more information on eligibility criteria for the outstanding bonds.

Asset category	Criteria per BMO Sustainable Financing Framework (2019)	BMO Women in Business Bond	Structured Green Note
Women-owned business lending	Lending/financing to a micro-, small- and medium-sized enterprise (SME) (annual turnover of less than €50 million) where at least one of the owners of the enterprise is a woman, or lending/financing to a non-SME where at least one third of the owners are women.	♦ 100% allocated	
Renewable energy	Lending in facilities, infrastructure and equipment dedicated to the generation, transmission and distribution of energy from renewable sources, including: solar, wind, waste biomass, tidal, geothermal with direct emissions <100gCO ₂ /kWh and hydroelectric energy <25MW.		♦ 100% allocated

♦ KPMG has provided limited assurance of this figure.

2025 funding summary

BMO Women in Business Bond

In 2025, proceeds from the BMO Women in Business Bond supported women-owned businesses across Canada, reaching enterprises in 9 provinces. These businesses span a diverse range of over 11 sectors, including real estate, agriculture, hospitality, health care, manufacturing, finance, and more.

BMO Structured Green Note

The structured green note finances a diverse portfolio of 13 utility-scale renewable energy projects across the United States, including solar, solar-plus-storage, and wind assets.

Positive Impacts

2025 impact metrics

Impacts of the BMO Women in Business Bond and Structured Green Note, based on the allocation of its proceeds, are as follows.

Asset category	Impact indicator	Impact measurement
Women-owned business lending	Number of women-owned businesses financed	◆ 279
	Number of women business owners supported	◆ 299
Renewable energy	Renewable electricity generation capacity financed (MW) ¹	◆ 191

◆ KPMG has provided limited assurance of this figure.

¹ Reflects BMO's proportional share of the project's expected impact, calculated based on amount of Green Note funding allocated as a percentage of the project's total financing needs at the time of debt issuance

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This Sustainable Bonds Impact Report is provided for informational purposes only and is subject to change without notice.

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By their nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature. Certain statements made in this document use a greater number and level of assumptions and estimates and are over longer time frames than many of our required disclosures. These assumptions and estimates are highly likely to change over time. In addition, the Bank’s net-zero strategy remains under development, and the data underlying the Bank’s strategy remains subject to evolution over time. There is significant risk that the Bank’s predictions, forecasts, conclusions or projections may not prove to be accurate, that the Bank’s assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, conclusions or projections.

The Bank cautions the readers of this document not to place undue reliance on these forward-looking statements, as there is significant risk that the assumptions underlying such statements may not turn out to be correct and a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, commitments, ambitions, plans or goals expressed in the forward-looking statements. Such factors include, but are not limited to: the evolution of our lending portfolios over time; the difficulty identifying assets that meet the eligibility criteria under the applicable sustainable bond framework, and the risk that eligible projects may not be completed within any specified period, or at all, or with the results or outcome originally anticipated by the Bank, and those other factors set out in the Bank’s most recent Annual Report and quarterly reports that may affect its future results and its ability to anticipate and effectively manage risks arising from all of the foregoing factors. We caution that the foregoing list is not exhaustive of all possible factors. These factors should be considered in addition to other uncertainties and potential events, and the inherent uncertainty of forward-looking statements.

The Bank does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by the organization or on its behalf, except as required by law.

Other Disclaimer

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