

BMO Financial Corp.

Liquidity Coverage Ratio Disclosure

For the quarter ended September 30, 2026

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1. Introduction

The following disclosure is specific to BMO Financial Corp. (BFC), a U.S. Intermediate Holding Company (IHC). BFC is a wholly owned subsidiary of Bank of Montreal (together with its subsidiaries, BMO or "the Parent") and is regulated by the Board of Governors of the Federal Reserve System (FRB). BFC's wholly owned principal banking subsidiary, BMO Bank N.A. (BBNA), which consolidates into BFC, is regulated by the Office of the Comptroller of the Currency and the Federal Deposit Insurance Corporation. BMO is a highly diversified financial services provider based in North America.

BFC offers personal, investment, financing, internet, mobile, personal, commercial, and private banking, as well as credit and debit card, trade finance, money transfer, and cash management services.

The Liquidity Coverage Ratio Rule (the "LCR Rule") was designed to be a short-term measure to ensure banks have sufficient eligible High Quality Liquid Assets (HQLA), cash and high-quality securities which satisfy operational considerations as defined in the LCR Rule, to cover Net Cash Outflows (NCOs) over a 30-day significant stress. The LCR Rule requires covered companies, which includes both BFC and BBNA, to maintain an amount of HQLA to support NCOs arising from items such as deposit outflows, commitment draws, and maturing funding. The LCR Rule requires a covered company to maintain an amount of eligible unencumbered HQLA that is no less than 100% of its total NCOs over a prospective 30 calendar day period. The LCR Rule requires that eligible HQLA held at BBNA in excess of its stand-alone 100% minimum LCR requirement, and that is not transferrable to non-bank affiliates, to be excluded from the BFCs eligible HQLA.

This disclosure is based on the BFC's interpretation of the LCR Rule, and the disclosure requirements as defined by Regulation WW ("LCR Disclosure Requirements") which may be subject to change as BFC receives additional clarification and interpretive guidance from the FRB and as the LCR Rule evolves over time.

2. Liquidity Risk Management

BFC manages liquidity risk to meet both internal and regulatory expectations through an established liquidity risk framework. The framework ensures that BFC maintains adequate levels of liquidity to meet financial commitments in a timely manner at reasonable prices as they fall due, even in times of stress. The framework requires BFC to consider and prudently manage liquidity risk exposures and funding needs within and across legal entities, business lines and currencies, considering legal, regulatory, and operational limitations to the transferability of liquidity. The liquidity position is optimized for both current liquidity needs as well as those that may arise in the future.

BFC employs a "three lines of defense" framework for managing liquidity risk. Corporate Treasury, as the first line of defense, manages the Liquidity and Funding risk for BMO U.S. Operations. Corporate Treasury manages, monitors, and reports Liquidity and Funding positions against limits and can direct the lines of business to take actions as necessary, including in times of stress, to

prudently manage BMO U.S. Operations Liquidity and Funding requirements. Corporate Treasury raises funding as required for BMO U.S. Operations and manages supplemental liquidity pools for contingent liquidity risk purposes.

Market Risk, as the second line of defense, provides independent oversight, risk assessment, and effective challenge of Liquidity and Funding management across BMO U.S. Operations. Market Risk can also direct Corporate Treasury and Operating Groups to take actions to ensure Liquidity and Funding Risk is prudently managed and BMO US Operations' Liquidity and Funding objectives are achieved, including in times of stress.

Corporate Audit Division is the third line of defense. In conducting the internal audit process, the Corporate Audit Division provides independent assessments as to the effectiveness of the internal controls for BMO U.S. Operations, including control, risk management and governance processes that support BMO U.S. Operations, its objectives, and the BFC Board of Directors' discharge of its responsibilities.

3. Liquidity Coverage Ratio

The following table summarizes the BFC average LCR for the three months ended September 30, 2026, based on the BFC's interpretation of the LCR Rule. BFC is subject to the 85% tailored LCR and the table below reflects the 85% factor. The LCR calculation is a regulatory prescribed methodology reflecting formulaic hypothetical changes in assets and liabilities that would impact a company's liquidity if they were to occur. The calculation is not necessarily a projection of BFC's liquidity in any stress environment.

Average weighted amount (in millions)	Three months ended September 30, 2026
BMO Financial Corp-Consolidated IHC:	
Eligible HQLA	63,600
Net Cash Outflows	58,146
LCR	109%

The BFC LCR is comprised of:

- Eligible HQLA consists of cash held at the Federal Reserve Bank of Chicago and U.S. Treasury and agency securities.
- Net Cash Outflows which primarily consists of requirements related to commercial deposits and committed off balance sheet exposures.

4. LCR Quantitative Disclosure

The following table presents detail of BFC's quarterly average of daily LCR for the three months ended September 30, 2026. Within this disclosure, the unweighted amounts of eligible HQLA, cash inflows and cash outflows represent the quarterly average balances prior to the application of the prescribed regulatory haircuts and caps. The weighted amount of cash outflows and cash inflows represent the unweighted amount multiplied by the respective LCR rates.

Quarter ended millions 01/07/2026 to 30/09/2026		Average Unweighted Amount [a]	Average Weighted Amount [b]
HIGH-QUALITY LIQUID ASSETS			
1	Total eligible high-quality liquid assets (HQLA), of which: [c]	63,612	63,600
2	Eligible level 1 liquid assets	63,532	63,532
3	Eligible level 2A liquid assets	81	69
4	Eligible level 2B liquid assets	0	0
CASH OUTFLOW AMOUNTS			
5	Deposit outflow from retail customers and counterparties, of which:	92,729	8,430
6	Stable retail deposit outflow	37,300	1,119
7	Other retail funding	48,798	6,354
8	Brokered deposit outflow	6,631	957
9	Unsecured wholesale funding outflow, of which:	91,550	44,587
10	Operational deposit outflow	35,338	8,789
11	Non-operational funding outflow	56,005	35,590
12	Unsecured debt outflow	207	207
13	Secured wholesale funding and asset exchange outflow	25,742	11,719
14	Additional outflow requirements, of which:	101,583	19,963
15	Outflow related to derivative exposures and other collateral requirements	1,010	983
16	Outflow related to credit and liquidity facilities including unconsolidated structured transactions and mortgage commitments	100,573	18,980
17	Other contractual funding obligation outflow	323	323
18	Other contingent funding obligations outflow	0	0
19	**TOTAL CASH OUTFLOW**	311,927	85,022
CASH INFLOW AMOUNTS			
20	Secured lending and asset exchange cash inflow	25,319	10,213
21	Retail cash inflow	438	219
22	Unsecured wholesale cash inflow	7,291	6,396
23	Other cash inflows, of which:	356	356
24	Net derivative cash inflow	146	146
25	Securities cash inflow	82	82
26	Broker-dealer segregated account inflow	128	128
27	Other cash inflow	0	0
28	**TOTAL CASH INFLOW**	33,404	17,184
			Average Amount [b][d]
29	**HQLA AMOUNT [c]**		63,600
30	**TOTAL NET CASH OUTFLOW AMOUNT EXCLUDING THE MATURITY MISMATCH ADD-ON**		67,838
31	**MATURITY MISMATCH ADD-ON**		568
32	**TOTAL UNADJUSTED NET CASH OUTFLOW AMOUNT**		68,407
33	**OUTFLOW ADJUSTMENT PERCENTAGE**		0.85
34	**TOTAL ADJUSTED NET CASH OUTFLOW AMOUNT**		58,146
35	**LIQUIDITY COVERAGE RATIO (%)**		109%

1 The amounts reported in this column may not equal the calculation of those amounts using component amounts reported in rows 1-28 due to technical factors such as the application of the level 2 liquid asset caps and the total inflow cap.

(a) Represents the average notional amount of (1) eligible HQLA before applying regulatory-prescribed haircuts; and (2) balances subject to outflows and inflows over a prospective 30-day period before applying regulatory-prescribed outflow and inflow rates.
(b) Represents the average weighted amount after applying regulatory prescribed (1) HQLA haircuts; and (2) cash outflow and inflow rates, respectively
(c) Excludes eligible HQLA held by BBNA in excess of standalone minimum LCR requirement.
(d) The amounts reported in this column may not equal the calculation of those amounts using component amounts reported in rows 1-28 due to technical factors such as the application of the level 2 liquid asset caps and the total inflow cap

5. BFC LCR Qualitative Disclosures

a. The Main Drivers of the LCR

BFC maintains a stable average LCR above the regulatory minimum of 100%. For Q3 2026, the average LCR was approximately 109%. 109% represents no change from prior quarter.

b. Composition of Eligible HQLA

HQLA is categorized into Level 1, Level 2A and Level 2B assets. Under the LCR Rule, Level 1 assets are considered the most liquid with a haircut of 0% applied to the asset's fair value. Level 2A and Level 2B assets are less liquid and have prescribed 15% and 50% haircuts, respectfully. Level 2 assets can account for no more than 40% of the total eligible HQLA, post-haircut. Level 2B assets, post-haircut, are limited to 15% of the total eligible HQLA.

During the quarter, the average weighted eligible HQLA for BFC was $64 billion. This includes cash held at the Federal Reserve Bank of Chicago and U.S. Treasury and agency securities. BFC currently does not have any Level 2A or Level 2B assets included as HQLA.

c. Concentration of Funding Sources

BFC maintains a large and stable base of customer deposits that, in combination with the organization's strong capital base, is a source of strength. It supports the maintenance of a sound liquidity position and reduces reliance on wholesale funding within the insured depository institution.

Deposits

BFC has a diversified deposit base comprised largely of retail and commercial clients. BFC's deposits are the primary source of funding and limit the amount of wholesale funding required to be held.

For the three months ended September 30, 2026, BFC had total average unweighted retail deposits of $93 billion, unsecured wholesale operational deposits of $35 billion, and non-operational deposits of $56 billion.

Wholesale Funding

Wholesale funding is primarily used to support asset growth in excess of what can be funded by deposits. Wholesale funding consists primarily of long-term debt from the Parent, Federal Home Loan Bank advances, and Institutional Certificates of Deposit. Wholesale funding is managed within liquidity policy tolerances, balance-sheet objectives, and BMO's risk appetite framework.

d. Derivative Exposures and Potential Collateral Calls

BFC uses derivative instruments primarily to manage exposures, mainly interest rate fluctuations, as part of our asset/liability management program.

e. Currency Mismatches

BFC's HQLA and net cash outflows are based in U.S. dollars. Non-U.S. dollar exposures in BFC are not material.

6. Forward Looking Information

The LCR Rule sets forth minimum liquidity standards designed to ensure that banking organizations maintain adequate liquidity under a 30-calendar day period of stress. Accordingly, the LCR Rule prescribes assumptions with respect to the liquidity of certain asset classes and cash flows associated with contractual and contingent obligations. This document may contain forward-looking information based on these assumptions. These assumptions are not intended to be a forecast by BFC of expected future liquidity or cash flows, but rather reflect possible outcomes based on the requirements of the LCR Rule. Any forward-looking information contained in this document represents the views of management only as of the date hereof and is presented only for the purpose of complying with the LCR Disclosure Requirements.

All such statements are made pursuant to the "safe harbor" provisions of, and are intended to be forward-looking statements under, the United States Private Securities Litigation Reform Act of 1995 and any applicable Canadian securities legislation. Forward-looking statements in this document may include, but are not limited to, statements related to BFC's HQLA and net stressed cash outflows. Forward-looking statements are typically identified by words such as "will", "would", "should", "believe", "expect", "anticipate", "project", "intend", "estimate", "plan", "commit", "target", "may", "might", "schedule", "forecast", "outlook", "timeline", "suggest", "seek" and "could" or negative or grammatical variations thereof.

By their nature, forward-looking statements require BFC to make assumptions and are subject to inherent risks and uncertainties, both general and specific in nature. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that such assumptions may not be correct, and that actual results may differ materially from such predictions, forecasts, conclusions or projections. BFC cautions readers of this document not to place undue reliance on our forward-looking statements, as a number of factors – many of which are beyond BFC's control and the effects of which can be difficult to predict – could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including, but not limited to: general economic and market conditions in the countries in which BMO operates, including labour challenges and changes in foreign exchange and interest rates; political conditions, including changes relating to, or affecting, economic or trade matters, including tariffs, countermeasures and tariff mitigation policies; changes to BMO's credit ratings; cyber and information security, including the threat of data breaches, hacking, identity theft and corporate espionage, as well as the possibility of denial of service resulting from efforts targeted at causing system failure and service disruption; technology resilience, innovation and competition; technological change, including the use of data and artificial intelligence (AI) in our business, including generative AI; failure of third parties to comply with their obligations to BMO;

disruption of global supply chains; environmental and social risk, including climate change; the Canadian housing market and consumer leverage; inflationary pressures; changes in laws, including tax legislation and interpretation, or in supervisory expectations or requirements, including capital, interest rate and liquidity requirements and guidance, including if BMO were designated a global systemically important bank, and the effect of such changes on funding costs, liquidity and capital requirements; changes in monetary, fiscal or economic policy; weak, volatile or illiquid capital or credit markets; the level of competition in the geographic and business areas in which BMO operates; exposure to, and the resolution of, significant litigation or regulatory matters, BMO's ability to successfully appeal adverse outcomes of such matters and the timing, determination and recovery of amounts related to such matters; the accuracy and completeness of the information BMO obtains with respect to its customers and counterparties; BMO's ability to successfully execute its strategic plans, complete acquisitions or dispositions and integrate acquisitions, including obtaining regulatory approvals, and realize any anticipated benefits from such plans and transactions; critical accounting estimates and judgments, and the effects of changes in accounting standards, rules and interpretations on these estimates; operational and infrastructure risks, including with respect to reliance on third parties; global capital markets activities; the emergence or continuation of widespread health emergencies or pandemics, and their impact on local, national or international economies, as well as their heightening of certain risks that may affect our future results; the possible effects on our business of war or terrorist activities; natural disasters, such as earthquakes or flooding, and disruptions to public infrastructure, such as transportation, communications, power or water supply; and our ability to anticipate and effectively manage risks arising from all of the foregoing factors.

BMO cautions that the foregoing list is not exhaustive of all possible factors. Other factors and risks could adversely affect BMO's results. For further information, please refer to the discussion in the Risks That May Affect Future Results section, and the sections related to credit and counterparty, market, liquidity and funding, operational non-financial, legal and regulatory compliance, strategic, environmental and social, and reputation risk in the Enterprise-Wide Risk Management section of BMO's 2025 Annual Report, as updated by quarterly reports, all of which outline certain key factors and risks that may affect BMO's future results. Investors and others should carefully consider these factors and risks, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. BMO does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by the organization or on its behalf, except as required by law. The forward-looking information contained in this document is presented for the purpose of complying with applicable regulatory requirements and may not be appropriate for other purposes. This document includes disclosures regarding BFC that may not be, and are not required to be, incorporated into BMO's mandatory disclosures, where BMO uses a definition of materiality established under applicable securities laws for the purpose of complying with the disclosure rules and regulations promulgated by applicable securities regulators and applicable stock exchange listing standards.

Material economic assumptions underlying the forward-looking statements contained in this document include those prescribed by the LCR Rule and those set out in the Economic Developments and Outlook section, Risks That May Affect Future Results section and the Allowance for Credit Losses section of BMO's 2025 Annual Report, as updated by quarterly

reports. Assumptions about the performance of the Canadian and U.S. economies, as well as overall market conditions and their combined effect on BMO's business, are material factors BMO consider when determining its strategic priorities, objectives and expectations for its business. In determining BMO's expectations for economic growth, it primarily consider historical economic data, past relationships between economic and financial variables, changes in government policies, and the risks to the domestic and global economy.