



BMO Statement Against Modern Slavery and Human Trafficking

BMO Financial Group (BMO) (we, us, our) is committed to respecting human rights and stands against all forms of modern slavery (a term that includes forced labour, child labour and human trafficking). This Statement is issued pursuant to section 54 of the *United Kingdom Modern Slavery Act 2015* (the UK Act¹) and Part 2 of the *Australian Modern Slavery Act 2018* (the Australian Act²) and with regard to Section 11 of *Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act* for the financial year ending 31st October 2024. This is a joint Statement of BMO and BMO Capital Markets Limited (ARBN 110 552 513), which is subject to the reporting requirements under the (a) the UK Act and (b) the Australian Act by virtue of its consolidated revenue, that meets the statutory threshold and its operations in Australia via its representative office in Melbourne.

This Statement describes elements of our human rights program for our 2024 fiscal year, which continues to evolve and incorporate global best practices like those embodied by the United Nations Guiding Principles on Business and Human Rights (UNGPs). More information about our approach to human rights and sustainability is found in our [Statement on Human Rights](#) and our 2024 Sustainability and Climate Reporting and Public Accountability Statement available at <https://our-impact.bmo.com/reports/>.

Our structure, business, and supply chains

BMO is a highly diversified financial services provider headquartered in North America with approximately 54,000 employees. BMO is anchored by our Purpose, to Boldly Grow the Good in business and life, we are driven by our strategic priorities for growth and guided by our values as we build a foundation of trust with our colleagues, customers and communities. BMO provides a broad range of personal and commercial banking, wealth management, global markets and investment banking products and services to 13 million customers. We operate primarily in Canada and the United States and also have operations in the United Kingdom (UK), Europe, the Caribbean, Asia and Australia.

BMO Capital Markets offers a complete range of financial products and services to corporate, institutional and government clients. BMO Capital Markets has approximately 2,700 professionals in 30 locations around the world. Its lines of business include Investment and Corporate Banking and Global Markets. BMO Capital Markets operates in continental Europe through Bank of Montreal Europe PLC; in the UK through the London branch of BMO and BMO Capital Markets Limited (our UK broker-dealer and direct subsidiary of BMO). BMO Capital Markets Limited also carries out business in Australia through a representative office located in Melbourne, providing both investment banking and securities lending services to wholesale clients.

UK Operations

The BMO Capital Markets London Office provides both Investment & Corporate Banking and Global Markets services. It employs or contracts approximately 376 full time, contingent and part time staff covering both client-facing banking roles and corporate support roles (including finance, operations, HR, legal, risk management and compliance). The UK offices are located at: *6th Floor, 100 Liverpool Street, London, EC2M 2AT.*

Australian Operations

The Australian Office consists of 8 full time banking staff split between Investment Banking and Securities Lending services, as well as one full time IT support staff. All staff earn above the statutory minimum wage. We conduct an annual benchmarking exercise to help ensure employee pay remains competitive to the market. The Australian Offices are located at: *140 William Street, Level 33, Melbourne, VIC, 3000, Australia.*

"Third-Parties" or "Suppliers" are defined as any entity with whom BMO enters, or has entered, into a business or strategic relationships, by contract or otherwise, to provide products and/or services to BMO and/or its customers. This includes all relationships with an

¹ For the purposes of the UK Act, the term BMO includes the following subsidiaries required to report under the UK Act: BMO Capital Markets (Nominees) Limited, BMO Capital Markets Limited, and BMO UK Pension Plan Trustee Company Limited.

² For the purposes of the Australian Act, the term BMO includes the following subsidiary required to report under the Australian Act: BMO Capital Markets Limited.



individual or entity who is not a customer or employee of the enterprise. BMO and its subsidiaries engage with a diverse range of Third-Parties (and the use of subcontractors through Third-Parties) who provide products and/or services, including those relating to business activities that BMO outsources / offshores as part of its own service delivery and offerings to its customers. Products and/or services include but are not limited to: human resources, advertising and marketing, information technology, business operations, and real estate.

In 2024, we purchased goods and services in North America with a total cost of approximately CAD\$8 billion from approximately 7,889 Third-Parties. Through our operations in the UK, we purchased goods and services with a total cost of approximately £46,186,555. Our Melbourne office relies on the provision of goods and services from a number of internal and external Third-Parties, including, but not limited to cleaning, telecommunications, payroll and financial and regulatory reporting. External Third-Parties are predominately engaged by BMO at a global level, but our Melbourne office also has a number of its own Third-Parties which do not contract with any of our other global entities. These include administrative services such as courier, catering, telecommunications, maintenance, newspaper subscriptions, document destruction, office supplies and electricity providers.

1. Modern slavery risks in our operations and supply chains

The following includes steps taken during our 2024 financial year to prevent and reduce the risk of forced labour and child labour in our business and supply chains.

The nature of our business means that the majority of our workforce consists of skilled and experienced individuals. There are modern slavery risks associated with having operations in countries ranked by the Global Slavery Index as having an increased prevalence of modern slavery. However, we consider the overall risk that our business and supply chains have utilized, caused or contributed to modern slavery to be low, having regard to our skilled workforce and our robust global codes, policies, directives, programs and procedures, many of which are described in this statement.

However, there remains a risk that our operations may be indirectly linked to modern slavery as a result of our business activities. Other risks of modern slavery may exist in the outer tiers of the supply chain supporting the provision of certain product categories, such as the conflict minerals used in technology hardware and electronics; timber and steel used in the production of office furniture; and textiles used in uniforms. In addition, there are potential risks of modern slavery such as debt bondage and deceptive recruiting for sub-contracted labour which supports services provided by Third-Party providers such as cleaning, property maintenance, security, food services, transport, courier services and accommodation. The risk of modern slavery may be intensified in these industries and may be further intensified in countries with a higher prevalence of modern slavery.

2. Actions taken to assess and address modern slavery risks

BMO and its subsidiaries adopt and implement the same codes, policies, directives, programs, standards and procedures in all jurisdictions in which they operate, and therefore we have provided a single, consolidated description of actions taken to globally assess and address modern slavery risks in this Part 2.

a) Our standards, policies, and codes of conduct relating to modern slavery and human trafficking

Our Corporate Policies and Standards apply globally (and BMO subsidiaries are required to comply with them to the extent they are applicable to their business operations) and outline frameworks and objectives to appropriately identify, assess, manage, monitor and report significant risks. Our Corporate Policy and Standard development process is initiated with an assessment that identifies the principles with which the Board and/or senior management provide oversight over material risks and risk management frameworks. BMO requires Policies and Standards to be assessed at least every two years and updated as necessary. Internal stakeholders provide input during the policy development and update process, as well as when developing supporting documents such as guidelines and directives. BMO's Human Resources Management Corporate Policy and our recruitment and diversity, equity and inclusion guidelines, reflect our commitment to ensure that all policies, procedures, programs and practices comply with regulatory and legal requirements in the jurisdictions that we operate in, and formalize our commitment to non-discrimination and equality of opportunity.

BMO's Environmental and Social (E&S) Risk Corporate Policy came into effect in May 2022. The E&S Risk Corporate Policy serves as the foundation for BMO's integration of E&S Risk considerations into its existing Enterprise Risk Management Framework (ERMF). The E&S Risk Corporate Policy defines E&S Risk with reference to multiple factors that may give rise to E&S Risk, including, for instance: Human Rights; Diversity, Equity, and Inclusion; Labour Standards; and Indigenous Peoples Rights. In F24, a new second-line E&S Risk Management Framework Directive was approved to provide a roadmap for implementing certain aspects of the policy. The E&S Risk Policy applies to all employees of BMO and its subsidiaries globally. All employees, through their individual roles and responsibilities,

contribute to effective management of E&S Risk.

BMO's [Code of Conduct](#) (Code) is our guide for ethical conduct and responsible decision making. It applies to everyone that works at BMO as well as members of the boards of directors of BMO and its direct and indirect subsidiaries across the globe. Based on our values of integrity, empathy, diversity, and responsibility, the Code requires us to consider the impact of our business decisions on our stakeholders and the communities where we do business. It encourages us to speak up and do what's right, even when we face difficult choices.

Our [Supplier Code of Conduct](#) (Supplier Code) outlines the principles our suppliers are required to follow and support – our standards for integrity, fair dealing and sustainability. Suppliers must comply with the applicable laws and regulations in the jurisdictions in which they operate, including those pertaining to employment standards, labour (for example, those pertaining to wages and hours of work, or the right to join a union), human rights and non-discrimination, workplace health and safety, human trafficking, and child labour. In jurisdictions where employment standards and laws do not address discrimination or human rights, suppliers must adopt policies and/or codes of conduct that consider the United Nations Guiding Principles on Business and Human Rights as endorsed by the UN Human Rights Council and convey these expectations to their own suppliers and subcontractors. Suppliers must not tolerate slavery, servitude, forced or compulsory labour, human trafficking or child labour in their business or supply chain. To support transparency, monitoring and regulations regarding child and forced labour on a global scale, suppliers must report to BMO (through their BMO Supplier Manager) if requested, in respect of all locations in which they or their subcontractors operate (including locations outside of North America). Suppliers must not tolerate any form of harassment in their workplaces. BMO's procurement agreement templates at all risk levels include a model clause that states that the Supplier is aware, understands, and will comply with the principles of BMO's Supplier Code of Conduct which includes our Modern Slavery Statement. At higher levels of risk, more bespoke contractual provisions may be used, depending on the context.

BMO has an established Anti-Money Laundering (AML) Program comprised of policies, procedures, and risk assessments on AML, anti-terrorist financing, and sanctions measures. The AML Program is designed to prevent the use of BMO's financial products and services for the purpose of money laundering, terrorist financing or sanctioned activity. Among other risks, the AML Program seeks to identify the risks associated with human trafficking and modern slavery.

Our Third-Party Risk Management (TPRM) Directive and corresponding TPRM Program outline our framework of structures, systems, processes and controls, and technology which we use to engage and manage risks associated with Third Parties throughout the Third-Party Lifecycle. This is the overarching program BMO uses for TPRM which relies on our line of business supplier managers to reasonably ensure our Third-Parties are adhering to the Supplier Code of Conduct. The TPRM Operating Handbook serves as a manual to understanding BMO's TPRM Program to ensure all activities are consistently executed upon the requirements of the TPRM Directive and are further supported by a TPRM training program.

Our Procurement Directive sets out requirements that protect BMO's interests in the acquisition of products and/or services. Its objective is to drive a sustainable competitive advantage in adherence with Procurement Ethics Guidelines which includes ethical sourcing. The Directive also sets out Supplier guidance on Sustainable Procurement expectations aligned with the Supplier Code of Conduct.

b) Risk Assessment and Management

Employees

We comply with employment standards and human rights legislation in the jurisdictions in which BMO operates. Our hiring and recruitment procedures comply with applicable legislation to ensure a fair and equitable approach to hiring.

We respect and promote diversity, equality and human rights in our workforce. In particular:

- we recognize gender equality as a fundamental human right;
- support the right to freedom of association and collective bargaining (see [BMO Statement on Freedom of Association and Collective Bargaining](#));
- stand against modern slavery; and
- stand against discrimination in all parts of the employment life cycle, including discrimination on the grounds of ethnicity, race, disability, gender, identity or sexual orientation.

Moreover, we are committed to providing equitable access to opportunities and enabling growth for groups who have historically encountered systemic social and economic barriers to inclusion.

We are committed to workplace diversity and inclusion, which is one of our core corporate values. We strive to create an environment

where all our people can succeed, supporting individual needs by:

- providing employees with disabilities with workplace accommodations, technical devices or additional support to succeed at work; and
- making available the tools and resources to assist every employee to contribute to their full potential.

To support our commitment to diversity, equity and inclusion, BMO has operating procedures that aim to create a safe and inclusive workplace for all. These include, but are not limited to, programs regarding health and safety, anti-harassment, bullying and victimization at work, resolution programs and grievance procedures, workplace violence, employee protection plans, drug-free workplace programs, drug and alcohol guidelines, and flexible work arrangements. We also have a [Speak Up! whistleblower reporting service](#) (see further details in part c below) for anyone inside or outside of BMO to report suspected misconduct about BMO or one of our Third-Parties. BMO does not tolerate retaliation against anyone who speaks up to report suspected misconduct.

Third-Parties

The TPRM framework defines how the enterprise governs, identifies, measures, mitigates, monitors, and reports Third-Party risks. As required by the TPRM framework, we conduct due diligence before entering into an arrangement with a new Third-Party provider, as well as ongoing due diligence with existing Third Parties to ensure they remain in compliance with BMO's policies.

If we or one of our Third Parties recognizes a potential gap or weakness in their control environment, or if they identify a risk that they are unable to mitigate or manage, we will work with them to assess the impact and determine a solution.

Our Supplier Diversity and inclusion is integrated into BMO's procurement practices allowing for more opportunities for diverse Third-Parties.

We are continuously working to address the risk of modern slavery/or child labour and human trafficking in our supply chain, and address broader supply chain diversification, including due diligence on human rights matters. We are leveraging tools and have developed processes to integrate identification, management and mitigation of supply chain-related environmental, social and governance risks in conjunction with our TPRM Program

Customers

As a financial services provider with customers in multiple jurisdictions, we recognize the risks associated with transactions that may be related to modern slavery and human trafficking. To address these risks, we have incorporated specific processes into our AML Program to identify risks of human trafficking and modern slavery.

Risks are evaluated on various factors, including customer type, geography, industries and product. High-risk customers are subject to enhanced due diligence as per our AML Program.

Our AML Program seeks to identify and verify customer information, monitor customer transactions for unusual activity, and report suspicious activity to the relevant authorities in an effort to identify criminal activities, including threats associated with human trafficking, that may be linked to money laundering, terrorist financing, or financial or trade sanctions.

BMO also participates in Project Protect, the first ever public-private partnership led by the Financial Transactions and Report Analysis Centre of Canada (FINTRAC), which is focused on the money laundering aspect of human trafficking by identifying trends related to transactional activity consistent with human trafficking to help Banks report suspicious activity to FINTRAC. In 2019, BMO joined a coalition of banks and survivor organizations to participate in Finance Against Slavery and Trafficking (FAST) a United Nations initiative. FAST aims to provide financial institutions, service providers, regulators, government agencies and other stakeholders around the world with a framework to match identified survivors to basic financial services. As part of BMO's commitments with these efforts, BMO maintains formal partnerships with several agencies and organizations across North America to help survivors of human trafficking open bank accounts and access essential financial services. BMO has continued to expand its collaboration with foundations supporting survivors of human trafficking by establishing new partnerships with organizations in California as part of BMO's acquisition of Bank of the West in 2023.

As a signatory to the Equator Principles, BMO Capital Markets has committed to assessing and managing the environmental and social risks associated with all lending transactions that are within the scope of those principles. Meeting this commitment involves considering human rights matters related to any such transactions, including the health and safety of communities, Indigenous rights, workers' rights and community relations. The number of reviewed Equator Principles transactions for 2024 is reported in [BMO's Sustainability and Climate Reporting](#).

c) Mechanisms to Report Concerns and Complaints

We provide multiple channels to report any Code, policy, legal or regulatory violations, including our [Speak Up! Service](#) – an anonymous whistleblower reporting service that is available to anyone inside or outside BMO in multiple languages, 24 hours per day, every day of the year. For employees, there are also internal tools (e.g., procedural documents, job aids) that set out the process, accountabilities and contact details for the various reporting channels, as well as BMO’s commitment to protecting employees and others against retaliation.

Stakeholders can also contact BMO to discuss their concerns through a variety of channels: the CEO’s office, Investor Relations (IR), Sustainability, Ethics, Corporate Secretary, and BMO’s Client Contact Centre. In the U.S., BMO Harris also has an online support tool and “Contact us” form.

d) Measures Taken to Remediate any Forced Labour or Child Labour

In our 2024 fiscal year, BMO did not surface any occurrences of forced labour or child labour in BMO’s business or BMO’s supply chains. Consequently, BMO did not take any measures to remediate any adverse impacts of forced labour or child labour nor did it take any measures to remediate the loss of income to families that potentially could have resulted from any measure taken to eliminate the use of forced labour or child labour in BMO’s business and BMO’s supply chains.

e) Training and Awareness

Every year, all BMO employees must complete our Ethics, Legal and Compliance Training (ELCT), which covers a range of topics including ethical conduct, speaking up, information security and anti-corruption. We reinforce that training with ongoing communication to help ensure there is a shared understanding of our collective responsibility to do what’s right, and to speak up candidly when we have questions or concerns. The rate of completion of such training and completed hours of training are tracked and reported in BMO’s Sustainability Report. BMO also makes available a stand-alone e-learning course on human trafficking and the associated red flags. BMO has also established ongoing staff training on human trafficking patterns.

Additional and specialized training is provided to employees who manage and oversee Third-Parties within BMO.

3. Assessing the effectiveness of our actions

As noted in our Statement on Human Rights, we commit to tracking progress and performance, and providing best-in-class transparency and disclosure. Responsibility for human rights is shared across BMO. We will seek to assess the effectiveness of our actions over the course of the next reporting period by tracking the progress of the following goals:

- Continued Third-Party screening and an enhanced due diligence process for major and high-risk Third-Parties on environmental and social risk, including on the topic of human rights, forced and/or child labour and modern slavery;
- Ongoing monitoring of reports received relating to modern slavery claims made via our reporting channels, including our continued leadership of Project Protect (see further details in part b above); and
- Collaborating with industry peers and external stakeholders to develop best practice mechanisms to identify and remedy adverse human rights impacts, including through procurement focused working groups and industry associations like the Equator Principles and a Financial Services Industry Sustainable Procurement roundtable.

4. Other information

BMO regularly engages with non-governmental organizations and community groups on various sustainability topics, including potential human rights matters. External stakeholders may also engage with BMO through feedback channels including at sustainability@bmo.com.

5. Process of consultation and approval

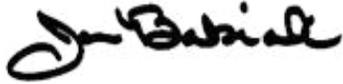
Various business lines and functions within BMO were consulted to update this joint Statement on an annual basis, including Legal & Regulatory Compliance, Procurement, Sustainability, Human Resources, Financial Crimes Risk Management, Enterprise Third-Party Risk Management, AML and E&S Risk Management. These groups have global mandates, which includes the subsidiaries to which this Statement applies. Accordingly,

This Statement was approved on behalf of the Board of Directors of Bank of Montreal (the "Board") by the duly authorized Audit and Conduct Committee of the Board, on Dec 4th, 2024 pursuant to paragraph 54(6)(a) of the UK Act. In accordance with the requirements of the UK Act, and in particular section 54 thereof, I, in the capacity of [title], attest that I have reviewed the information contained in this report on behalf of the governing body of Bank of Montreal and its subsidiaries with reporting obligations listed as follows: BMO Capital Markets (Nominees) Limited, BMO Capital Markets Limited and BMO UK Pension Plan Trustee Company Limited. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in this Statement is true, accurate and complete in all material respects for the purposes of the UK Act, for the financial year listed within this report.

NAME: Jan Babiak

TITLE: Chair, Audit and Conduct Review Committee

Dated: March 27, 2025

A handwritten signature in black ink, appearing to read "Jan Babiak". The signature is written in a cursive, flowing style.

I have the authority to bind the Bank of Montreal