

## Statement on Political Contributions and Lobbying

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At BMO, we believe engaging responsibly in public policy discussions benefits our customers, shareholders, stakeholders and communities. We maintain the highest ethical standards when participating in these activities—we follow BMO’s Code of Conduct, internal policies and procedures, and comply with applicable laws and regulations wherever we operate.

### Corporate Political Contributions

Effective November 1, 2018, BMO does not use corporate funds to make political contributions to political parties or candidates in Canada and the United States. Prior to November 1, 2018, all political contributions made in Canada on BMO’s behalf complied with applicable laws, and were reported as required (see “Reporting” section below).

In the U.S., BMO does not use corporate funds or resources to contribute to federal, state, or local candidates or party committees. U.S. law prohibits BMO Harris Bank N.A. from contributing to federal, state, and local elections. Effective May 1, 2018, BMO’s U.S. affiliates cannot make political contributions, even if permitted by law. Contributions prior to May 1, 2018 were made in accordance with applicable laws.

### Governance and Management Oversight

BMO’s [Code of Conduct](#) governs our political participation and requires us to comply with legal, regulatory, and internal guidelines for political participation, including guidelines about using corporate funds to support political candidates, campaigns, committees, or other political groups. The code makes clear that certain employees may be subject to additional limitations on personal political contributions. Specifically, in the United States, using company resources (e.g. email, letterhead, phones, facilities) for a political purpose is prohibited and may violate campaign finance laws.

BMO’s policies and procedures govern our interactions with public officials, including those relating to gifts and entertainment, political contributions, bribery, and required public disclosures. Our Statement on Anti-Corruption and Anti-Bribery is available [on our website](#).

BMO’s Government Relations team manages BMO’s lobbyist registrations and tracks lobbying communications between BMO employees and government officials for reporting purposes.

Each year, all employees complete mandatory Code of Conduct training which covers Anti-Bribery and Corruption principles, including managing conflicts of interest. The training reviews the importance of identifying potential conflicts of interest, including outside activities that involve political participation.

### Political Action Committees (PACs) in the United States

BMO Financial Corp. (BFC, our U.S. bank holding company) sponsors two PACs—these are registered with the U.S. Federal Election Commission: (1) BMO Financial Corp. Good Governance Fund: Federal; and (2) BMO Financial Corp. Good Governance Fund: General. These PACs are funded by voluntary contributions from eligible employees; both PAC activities are overseen by a board of directors. BFC PACs are bipartisan—their contributions support candidates or political committees that align to BFC priorities not the political preferences or priorities of senior management. BFC is not affiliated with and does not operate or contribute to any “Super PACs.”

As required by law, PAC contributions are reported to the Federal Election Commission and applicable state or local election commissions—these are publicly available at <https://www.fec.gov>. Contributions are also disclosed in our Environmental, Social & Governance (ESG) Report.

## **Lobbying**

BMO participates in public policy discussions on issues that affect our business and are important to our shareholders, customers, and employees. Our Government Relations team manages lobbying activity and tracks our engagement with public officials relating to public policy.

We communicate with public officials openly and transparently. We follow the letter and spirit of the law, consistent with our Code of Conduct and Anti-Corruption policy and procedures.

BMO is registered for its lobbying activities in Canadian jurisdictions where we are required by law – currently, the Federal and City of Toronto governments. Reporting on our lobbying activities is governed by our internal policies and procedures, as well as federal, state and local laws.

In Canada, monthly federal lobbying reports are filed with the Office of the Commissioner of Lobbying of Canada (OCL). A list of our reportable communications can be found on the [OCL website](#). In the U.S., we file federal lobbying disclosure reports as required by law. These reports include quarterly expenditures on lobbying activities, the issues we lobby about and the names of individuals registered to lobby on BMO’s behalf. These disclosures can be found at <https://soprweb.senate.gov/index.cfm?event=selectfields>.

## **Trade Associations and Sponsorships**

BMO is a member of industry trade associations that represent financial services and the broader business community. These associations may interact with government officials on public policy matters. Membership in or financial support of these associations does not necessarily mean that BMO supports their positions on certain issues. Where we differ, we voice our concerns as appropriate through our representatives participating in these groups or publicly as necessary.

Examples of key organizations and trade associations to which BMO belongs (and pays membership fees to) or is affiliated with that may engage in government lobbying are listed in [our ESG Report](#).

## **Reporting**

### **a) Annual Reporting**

Transparency is critical to maintaining our stakeholders’ trust. For political contributions before November 1, 2018, and lobbying activity BMO and our affiliates have reported and complied with applicable law and Global Reporting Initiative requirements (outlined in our annual ESG Report). We also produce a Public Accountability Statement (PAS) that includes our contributions to the Canadian

economy and society. The PAS and ESG Report summarize our sustainability performance and commitments to our stakeholders.

To enhance disclosures and respond to shareholder feedback, BMO disclosed the total value of financial and in-kind contributions to political parties, politicians and related institutions, by country, in our 2017 ESG Report and Public Accountability Statement — we will continue to disclose this going forward.

We continually review our practices and engage with stakeholders to better understand and respond to their requests. We also publicly report in accordance with regulatory requirements in Canada and the U.S. as noted below.

#### **b) Reporting on Canadian Political Contributions (prior to November 1, 2018)**

Historical political contributions (provincial) are available at:

- *British Columbia*: <http://contributions.electionsbc.gov.bc.ca/>
- *Alberta*: Corporate donations not permitted as of June 15, 2015 (contributions from prior years can be found at <http://efpublic.elections.ab.ca/efContributorSearch.cfm?MID=CT>)
- *Saskatchewan*: <http://www.elections.sk.ca/candidates-political-parties/electoral-finance/>
- *Manitoba*: Corporate donations are not permitted
- *Ontario*: Corporate donations not permitted as of January 1, 2017 (contributions from prior years can be found at <https://www.elections.on.ca/en.html>)
- *Quebec*: Corporate donations are not permitted
- *New Brunswick*: <http://www.electionsnb.ca/content/enb/en/political-financing/status-report-on-financial-returns.html>
- *Prince Edward Island*: <http://www.electionspei.ca/index.php?number=1046908&lang=E>
- *Nova Scotia*: Corporate donations are not permitted
- *Newfoundland & Labrador*:  
<http://www.elections.gov.nl.ca/elections/PoliticalFinanceReports/index.asp>

#### **c) Reporting on Canadian Lobbying Activities**

- *Federal*: <https://lobbycanada.gc.ca/app/secure/ocl/lrs/do/advSrch?lang=eng>
- *Ontario*: <http://lobbyist.oico.on.ca/Pages/Public/PublicSearch/Default.aspx>
- *Toronto*: <http://app.toronto.ca/lobbyistsearch/disclaimer.do>

#### **d) Reporting on U.S. Political Contributions**

Information on political contributions is available at:

- *U.S. political donations website*: [www.fec.gov](http://www.fec.gov)
- *The Illinois State Board of Elections website*: [www.elections.il.gov](http://www.elections.il.gov)

#### **e) Reporting on U.S. Lobbying Activities**

- <https://soprweb.senate.gov/index.cfm?event=selectfields>

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