

BMO ETFs – Beyond the Index with Belski ETFs.

Five new ETFs leveraging insights of Brian Belski

With 35 years of experience investing on both Bay Street and Wall Street, Brian Belski, Chief Investment Strategist at BMO Capital Markets, is a well known and regular contributor to some of the largest financial news networks in North America (CNBC, Fox Business, Bloomberg, BNN, etc.).

What isn't as well known is that since 2012 Brian has also been a sub-advisor for some of the fastest growing Managed Account offerings at BMO where he manages over \$10 billion in AUM*.

We are proud to announce that we are launching five new ETFs based off of his most successful Managed Accounts, and giving more Canadians the ability to access Brian's unique insights and expertise†.

BMO Canadian Core Plus US Balanced ETF

[ZBCB](#)

BMO Canadian Equity Plus ETF

[ZBEC](#)

BMO US Dividend Growth ETF

[ZBDU](#) [ZBDU.F](#)

BMO US Large Cap Disciplined Value ETF

[ZBVU](#)

BMO US Equity Focused ETF

[ZBEU](#) [ZBEU.F](#)

Sub-Advisor – Brian Belski of BMO Capital Markets



Brian Belski – Chief Investment Strategist and leader of the Investment Strategy Group, BMO Capital Markets. Brian has a strong track record of forecasting equity markets and is a regular resource in the business media.

Reliable: Brian's views are regularly sought by CNBC, Fox Business News, Bloomberg and BNN.

Experience: 35 years of experience investing on both Bay Street and Wall Street.

Bench Strength: Leverages the research of BMO Capital Markets.

Highlights:

- ▶ 2012: US market forecast within 1 basis point‡
- ▶ 2014: US market forecast within 9 basis points‡
- ▶ 2016: Canadian market forecast within 13 basis points‡
- ▶ 2019: Canadian market forecast within 63 basis points‡



* Source: BMOGAM as of April 2025.

† The Belski ETFs may not follow the SMA strategies in their entirety and may materially deviate from the strategy. Please review the ETF prospectus for more information.

‡ Source: BMO Capital Markets & BMOGAM as of each respective calendar year. Past performance is not indicative of future results.

Leveraging the Strength and Insights of BMO Capital Markets' equity and economic research and corporate debt strategy.

- **Canadian Chartbook:** Monthly Reports [§]
- **U.S. Chartbook:** Monthly Reports[§]
- **US Strategy Comments:** Weekly/Bi-weekly Reports[§]
- **Canadian Strategy:** Weekly/Bi-weekly Reports[§]

[§] Registration Required

Investment Process starts with Research

Broad Investment Strategy Research and Process Encompassing: Sectors, Industries, Styles, Size and Fundamental Factors Across North American Equity Markets.



Three Models = 3 Styles and Methodologies¹

| Model | Dividend Growth Model | Disciplined Value Model | Consistent Growth Model |
|-------------------------------------|--|--|---|
| Process | Beyond Dividend Yield to Include Three Tactical Styles. | Value is more than below average multiples, it's company fundamentals, absolute earnings, earnings growth, historically low debt to equity, book value, and decent yield. | Growth, but not at any cost – Focus on companies with stable and consistent earnings growth, trading at reasonable valuations, for investors looking for long term growth. |
| Canadian – S&P/TSX | Core Dividend Names (min 60%)² <ul style="list-style-type: none"> Dividend yield above market No dividend cuts in last 10 years (Within Canada this parameter is relaxed) Free cash flow yield above the dividend yield (within Canada this parameter is relaxed) Positive dividend growth in past year High Dividend Yield Names (0-40%)¹ <ul style="list-style-type: none"> Dividend yield greater than 3.5% No dividend cuts in last five years | | <ul style="list-style-type: none"> Five-year earnings growth volatility lower than the S&P/TSX Composite; Positive one-year change in return on common equity; and FY1 EPS³ growth higher than the S&P/TSX Composite |
| US – S&P 500¹ | Dividend Growth Names (0:40%)¹ <ul style="list-style-type: none"> Dividend yield above 1% No dividend cuts in last five years Free cash flow yield above the dividend yield Dividend payout ratio less than the country benchmark | <ul style="list-style-type: none"> No EPS⁴ losses in the past five years; Debt to common equity⁵ less than 1x; Positive expected EPS growth for the next two years; P/B⁶ and forward P/E^{7,8} values less than that of the S&P 500 | <ul style="list-style-type: none"> Five-year return on common equity greater than that of the S&P 500; FY2 PEG ratio⁹ less than that of the S&P 500; Five-year EPS¹⁰ stability greater than that of the S&P 500; and Five-year net margin¹¹ greater than that of the S&P 500 |
| Tickers | ZBDU, ZBDU.F | ZBVU | ZBCB, ZBEC, ZBEU, ZBEU.F |

More Ways to Ride the Bull with Belski

Each of the following products are designed to capture Brian Belski's current views on fundamental themes, sectors, and/or industries within each model's investment universe. These are actively traded products incorporating BMO Capital Markets Research.

| | BMO Canadian Core Plus US Balanced ETF | BMO Canadian Equity Plus ETF | BMO US Dividend Growth ETF | BMO US Large Cap Disciplined Value ETF | BMO US Equity Focused ETF |
|---------------------------------|--|------------------------------|------------------------------|--|------------------------------|
| ETF Ticker | ZBCB | ZBEC | ZBDU, ZBDU.F | ZBVU | ZBEU, ZBEU.F |
| Style/Cap | Large-cap core | Large-cap core | Large-cap value | Large-cap value | Large-cap core |
| Country | Canada/U.S. | Canada/U.S. | U.S. | U.S. | U.S. |
| Sector Constraints | Minimum 6 of 11 GICS sectors | Minimum 6 of 11 GICS sectors | Minimum 6 of 11 GICS sectors | Minimum 6 of 11 GICS sectors | Minimum 6 of 11 GICS sectors |
| Model | Consistent Growth | Consistent Growth | Dividend Growth | Disciplined Value | Consistent Growth |
| Target Holdings | 30 – 60 (equity) ¹² | 30 – 60 | 40 - 55 | 30 – 60 | 40 - 55 |
| Risk Rating¹³ | Low to Medium | Medium | Medium | Medium | Medium |
| Mgmt. Fee | 0.40% | 0.45% | 0.45% | 0.45% | 0.45% |

BMO  | Exchange Traded Funds
by BMO Global Asset Management

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¹ The ETFs may deviate from their respective models.

² ZBDU and ZBDU.F primarily invest, directly or indirectly, in dividend-paying equity securities of issuers in the U.S with a focus on consistent dividends, yield and growth. The methodology describes a general process used to analyze a prospective security, before it is added to the ETF. Canadian securities are presently not a core part of the ETF portfolio.

³ FY1 EPS: Current Fiscal year end EPS.

⁴ EPS: Earnings per share (EPS) is a measure of a company's profitability that indicates how much profit each outstanding share of common stock has earned. It's calculated by dividing the company's net income by the total number of outstanding shares.

⁵ Debt to Common equity: The debt to common equity ratio, or D/E ratio, is a financial metric used to assess a company's financial leverage by comparing its total debt to its shareholder equity.

⁶ P/B: The P/B ratio (Price-to-Book ratio) is a financial metric that compares a company's market value to its book value.

⁷ P/E: The price-to-earnings (P/E) ratio measures a company's share price relative to its earnings per share (EPS).

⁸ Forward P/E: The forward P/E ratio (or forward price-to-earnings ratio) divides the current share price of a company by the estimated future ("forward") earnings per share (EPS) of that company.

⁹ FY2 PEG ratio: Price/Earnings-to-Growth (PEG) Ratio is a stock's price-to-earnings (P/E) ratio divided by the growth rate of its earnings for a specified time period. FY2 signifies the 2nd fiscal year after the current year (FY1).

¹⁰ 5-year EPS: A 5-year EPS (Earnings Per Share) growth rate refers to the average annual growth of a company's earnings per share over the past five years.

¹¹ 5-year net margin: A 5-year net profit margin refers to the average net profit margin of a company over the past five years.

¹² This BMO ETF seeks to provide a balance of income and long-term capital appreciation by investing, directly or indirectly, in Canadian and U.S. equity securities and debt instruments. BMO Capital Markets Corp. (Brian Belski) is the sub-advisor for the equity portion, while the portfolio adviser for debt instruments is BMO Asset Management Inc.

¹³ All investments involve risk. The value of an ETF can go down as well as up and you could lose money. The risk of an ETF is rated based on the volatility of the ETF's returns using the standardized risk classification methodology mandated by the Canadian Securities Administrators. Historical volatility doesn't tell you how volatile an ETF will be in the future. An ETF with a risk rating of "low" can still lose money. For more information about the risk rating and specific risks that can affect an ETF's returns, see the BMO ETFs' simplified prospectus.

Disclaimers

This material is for information purposes. The information contained herein is not, and should not be construed as, investment, tax, or legal advice to any party. Particular investments and/or trading strategies should be evaluated relative to the individual's investment objectives and professional advice should be obtained with respect to any circumstance.

The viewpoints expressed by the Portfolio Manager represents their assessment of the markets at the time of publication. Those views are subject to change at any time without any kind of notice. The information provided herein does not constitute a solicitation of an offer to buy, or an offer to sell securities nor should the information be relied upon as investment advice. Past performance is no guarantee of future results. This communication is intended for informational purposes only.

Any statement that necessarily depends on future events may be a forward-looking statement. Forward-looking statements are not guarantees of performance. They involve risks, uncertainties, and assumptions. Although such statements are based on assumptions that are believed to be reasonable, there can be no assurance that actual results will not differ materially from expectations. Investors are cautioned not to rely unduly on any forward-looking statements. In connection with any forward-looking statements, investors should carefully consider the areas of risk described in the most recent simplified prospectus.

The portfolio holdings are subject to change without notice and only represent a small percentage of portfolio holdings. They are not recommendations to buy or sell any particular security.

Commissions, management fees and expenses all may be associated with investments in exchange traded funds. Please read the ETF Facts or simplified prospectus of the BMO ETFs before investing. Exchange traded funds are not guaranteed, their values change frequently and past performance may not be repeated.

For a summary of the risks of an investment in the BMO ETFs, please see the specific risks set out in the BMO ETF's simplified prospectus. BMO ETFs trade like stocks, fluctuate in market value and may trade at a discount to their net asset value, which may increase the risk of loss. Distributions are not guaranteed and are subject to change and/or elimination.

BMO ETFs are managed by BMO Asset Management Inc., which is an investment fund manager and a portfolio manager, and a separate legal entity from Bank of Montreal.

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