

BMO Sustainable Portfolios

*Align your investments
with your values*

Holding investing to a higher standard

Your values define who you are. **BMO Sustainable Portfolios** are a suite of portfolios that invest in companies committed to positive environmental, social and governance (ESG) outcomes. They are constructed from both ESG ETFs and ESG mutual funds:

ESG ETFs:
Equity and Fixed Income ETFs that are designed to represent the performance of companies that have high ESG ratings relative to their peers.



ESG Mutual Funds:
The opportunity to benefit from active management – providing downside protection, risk control, flexible mandates and the potential to outperform the market.

Purpose-built for investors who want to drive outcome, while contributing to a better world.

ESG + BMO GAM's investment process

Responsible Investing is an approach to investing that aims to incorporate **Environmental, Social and Governance (ESG) factors** into investment decisions, to better manage risk and generate sustainable, long-term results.¹

Examples of Environmental, Social and Governance factors

Environment

Climate Change
Water Management
Pollution

Social

Labour Standards
Human Rights
Health and Safety

Governance

Executive Pay
Business Ethics
Corporate Governance



- Integration of ESG factors in the investment process enables a deeper understanding of a company's return and risk profile.
- A good ESG score implies that management is exerting positive influence, guiding its capital in a responsible manner to meet shareholder and stakeholder interests.

¹UN Principles for Responsible Investing

Responsible Investing: ESG Catalysts

Responsible investing is increasingly shaping investors' perspectives and informing their decisions. It factors ESG issues into the traditional investment process, linking values with portfolios.



Why ESG now?

Curbing carbon emissions, standing up for gender equality, or supporting companies who demonstrate strong business ethics: **Your values no longer need to be mutually exclusive from value-add in your portfolio.**



How ESG benefits investors:

- ✔ Aligns client sustainability preferences with investments
- ✔ Builds a higher-quality portfolio with the potential to improve risk-adjusted returns
- ✔ Invests in companies that are well positioned to thrive based on future regulation changes
- ✔ Meets the needs of all investors who want to be active participants in making the world a better place

Overview – BMO Multi-Asset Solutions Team (MAST)

\$59B

Assets Under Management
as of March 31, 2023

- Strong team of 14 investment professionals, located across Canada.
- The Team is lead by Sadiq S. Adatia and oversees over \$59 billion in AUM.
- The Team uses a consistent investment philosophy and follows a fundamental and quantitative process which is reflected in the **5 lenses strategy**.

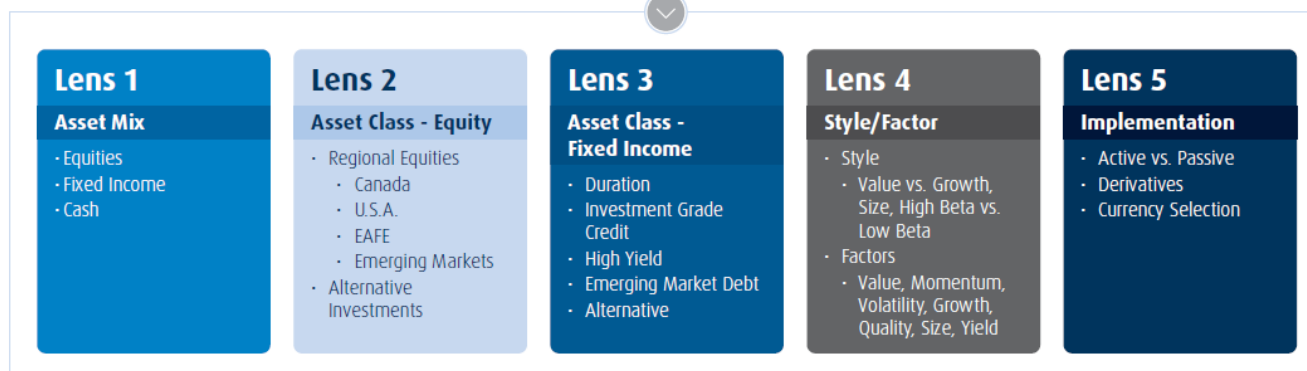
1994

Providing
Solutions Since

Solutions

Absolute Return
Balanced
Growth
Income Solutions
Lifecycle
Retirement Solutions
Total Return
Sustainable Solutions

BMO's 5 Lenses Strategy



BMO Sustainable Portfolios: Key Benefits



The ability to invest in companies that follow ESG principles, and avoid those that don't, allowing you to align your investments with your values.



Actively managed portfolios designed to achieve your investment goals.



Access to an all-in-one solution engineered for diversified global asset class exposure.

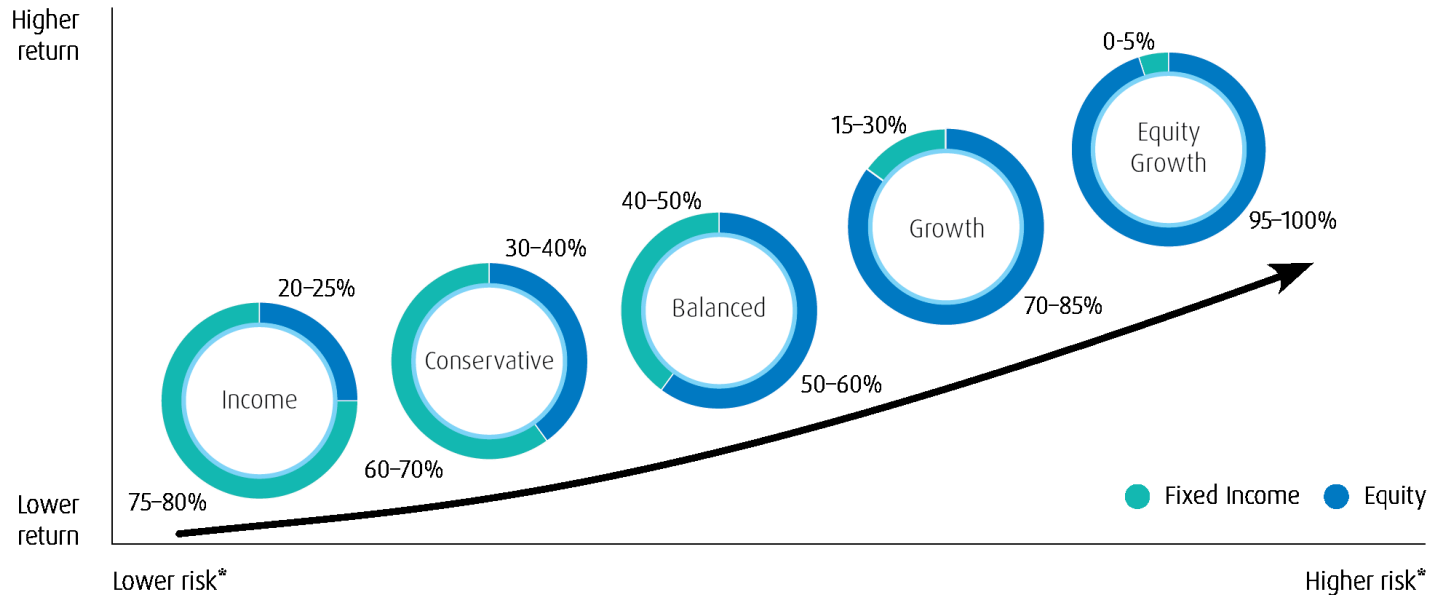


An innovative structure allowing financial planning tools like regular contributions and withdrawals (PACs, AWDs).

BMO Sustainable Portfolios are purpose-built to help you hold your investments to a higher standard. **Investing with your values has never been easier.**

BMO Sustainable Portfolios: Target Asset Mix

All portfolios are designed to be well-diversified, key investments that deliver the highest potential returns based on your risk profile.



*Risk is defined as the uncertainty of return and the potential for capital loss in your investments.

BMO Sustainable Portfolios: ESG Holdings

- **BMO MSCI ESG Leaders ETFs**
 - Sustainable strategies that invest in the top 50% of companies by ESG rating and match market sector weights
- **BMO Sustainable Opportunities Funds**
 - Active sustainable strategies that invest with conviction and high ESG standards
- **BMO Thematic ESG Funds**
 - Active strategies that address themes such as gender inequality
- **BMO Government Bond ETFs**
 - Strategies from Canadian government issuers based on strong governance ESG ratings
- **BMO ESG Corporate Bond ETFs**
 - Sustainable strategies that select bond issues from companies with higher ESG ratings



ESG analysis is part of our active investment process from both a top-down and bottom-up perspective to enable us to evaluate investment opportunities at all levels

Product Specs



Overview

- 5 Risk Profiles:
 - BMO Sustainable Income Portfolio
 - BMO Sustainable Conservative Portfolio
 - BMO Sustainable Balanced Portfolio
 - BMO Sustainable Growth Portfolio
 - BMO Sustainable Equity Growth Portfolio
- Series availability: Advisor Series; Series T6; Series F; Series F6
- Minimum investment: (Advisor Series/T6) \$500 (\$50 PAC)
- Distributions: Annual (Advisor Series/F); Monthly (Series T6/F6)
- Portfolio Managers: BMO Global Asset Management, Multi-Asset Solutions Team

Product Specs

Fund Codes

| Series | Income | Conservative | Balanced | Growth | Equity Growth |
|--------------|----------|--------------|---------------|---------------|---------------|
| Advisor | BM099101 | BM099103 | BM099105 | BM099107 | BM099337 |
| T6 | BM099102 | BM099104 | BM099106 | BM099108 | BM034337 |
| F | BM095101 | BM095103 | BM095105 | BM095107 | BM095337 |
| F6 | BM036102 | BM036104 | BM036106 | BM036108 | BM036337 |
| Risk Rating* | Low | Low | Low to Medium | Low to Medium | Medium |

Management Expense Ratios (MERs)

| Series | Income (%) | Conservative (%) | Balanced (%) | Growth (%) | Equity Growth (%) |
|---------|------------|------------------|--------------|------------|-------------------|
| Advisor | 1.98 | 1.98 | 1.90 | 1.89 | 1.90 |
| T6 | 1.98 | 1.96 | 1.87 | 1.90 | 2.03 |
| F | 0.85 | 0.85 | 0.74 | 0.78 | 0.90 |
| F6 | 0.85 | 0.85 | 0.77 | 0.75 | 0.90 |

*Risk is defined as the uncertainty of return and the potential for capital loss in your investments.

‡Annual Management Expense Ratios (MERs) are as of September 30, 2023.

Disclosure/Disclaimer

The information contained herein is not, and should not be construed as, investment, tax or legal advice to any party. Investments should be evaluated relative to the individual's investment objectives and professional advice should be obtained with respect to any circumstance.

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.

Commissions, trailing commissions (if applicable), management fees and expenses all may be associated with mutual fund investments. Please read the fund facts or prospectus of the relevant mutual fund before investing. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated. Distributions are not guaranteed and are subject to change and/or elimination.

For a summary of the risks of an investment in BMO Mutual Funds, please see the specific risks set out in the prospectus.

BMO Mutual Funds are managed by BMO Investments Inc., which is an investment fund manager and a separate legal entity from Bank of Montreal.

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