

BMO Responsible Global Equity Strategy

ESG Profile and
Impact Report 2019



Impact highlights



Positive alignment
71%
of strategy holdings align with the Sustainable Development Goals



Gender diversity
22.6%
Average representation of women on boards



Innovation
6.2%
Average R&D as a proportion of company turnover



Climate change
38%
Carbon intensity is 38% below the MSCI World benchmark



Active ownership
30
The total number of companies engaged in 2018



Water
60%
Average water use is 60% below the MSCI World benchmark



Access to finance
90 million
Customers in markets lacking access to financial services

Making a positive impact

With a track record spanning over two decades, our Responsible Global Equity Strategy seeks to invest in sustainable companies that are proactively managing their ESG opportunities and risks to make a positive impact on society and the environment.

We realise that it is no longer enough for investors to claim they are investing in a sustainable way – we need to do what we can to measure the impact we have, both positive and negative, through the companies we invest in and the way we act as investors.

This is our fourth impact report for this Strategy and we are still learning about what meaningful impact measurement means in listed equities. We have evolved our approach over time, building on our experience as well as on industry initiatives such as the Impact Management Project*.

The Sustainable Development Goals (SDGs) remain a key reference point for us. This year, for the first time, we map every one of our Strategy holdings against both the 17 SDGs and the underlying 169 detailed targets. We also focus more deeply on the topic of how financial companies in our portfolio can promote Access to finance, following our focus areas of Health and well-being and Technological innovation last year.

We plan to share this report with our investee companies, and look forward to working with them to build further improvements in the way both investors and companies report impact.



Jamie Jenkins
Managing Director,
Co-Head of Global
Equities



Nick Henderson
Director, Portfolio
Manager, Global
Equities

“Two decades of running this Strategy has left us in no doubt that global sustainability and financial performance go hand in hand.”

Jamie Jenkins, Managing Director, Co-Head of Global Equities

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The value of investments and any income derived from them can go down as well as up as a result of market or currency movements and investors may not get back the original amount invested.

* The Impact Management Project is a forum for building global consensus on how to measure, manage and report impact

Investing for a better future

Through the products and services they provide, the companies held in our Responsible Global Equity Strategy are tackling some of the most important issues of our time. We draw ideas from six global sustainability themes, and highlight below an example from each.

38% Technological innovation



Mastercard's technology is at the forefront of expanding connectivity, driving and supporting a well-functioning financial ecosystem that enables financial service providers to offer a full range of affordable and convenient services that meet the needs of a diverse set of consumers. Mastercard makes transactions faster, easier, more convenient and more secure.

21% Health and well-being



Global provider of high-quality life sciences equipment and services, serving pharmaceuticals and biotechnology companies, academic and government institutions, industrial applications and testing initiatives, and diagnostics and healthcare organisations. Its innovative products enhance the accuracy and safety of healthcare processes and research, ultimately enabling improved care and well-being for patients.

17% Access to finance



As the largest private bank by assets in India, HDFC Bank places a strong emphasis on the underbanked rural population, believing that financial awareness is the first step towards financial inclusion. Supplemented by education programmes, HDFC Bank is helping to empower communities and families across India who were previously denied access to finance.

12% Resource efficiency



Xylem's mission statement simply reads "to solve water", based on the inherent linkage between water, climate change and sustainability. With one in nine people across the globe lacking access to clean, safe water, Xylem is at the forefront of advancing intelligent, sustainable technologies in water infrastructure to improve both demand and supply challenges.

6% Sustainable mobility



As a multinational land transport provider, ComfortDelGro is instrumental in enabling more sustainable public transport solutions in certain geographies around the world. As well as already operating hybrid buses and taxis, it is working with manufacturers and regulators on electric vehicle trials in order to minimise impact on the environment.

4% Energy transition



As one of the world's leading industrial gas companies, at the heart of Linde's business model is the transformation of air and other process gases into products and applications that help customers become more energy and resource efficient. Its target is for end users to avoid more than twice the greenhouse gas emissions that Linde incurs in its processes.

Positive alignment with the Sustainable Development Goals

As in past reports, we have assessed the connection between our Strategy and the Sustainable Development Goals, based on an analysis of the main sources of revenue for each of our investee companies. Our previous approach was to map each company to one of the 17 SDGs, where relevant.

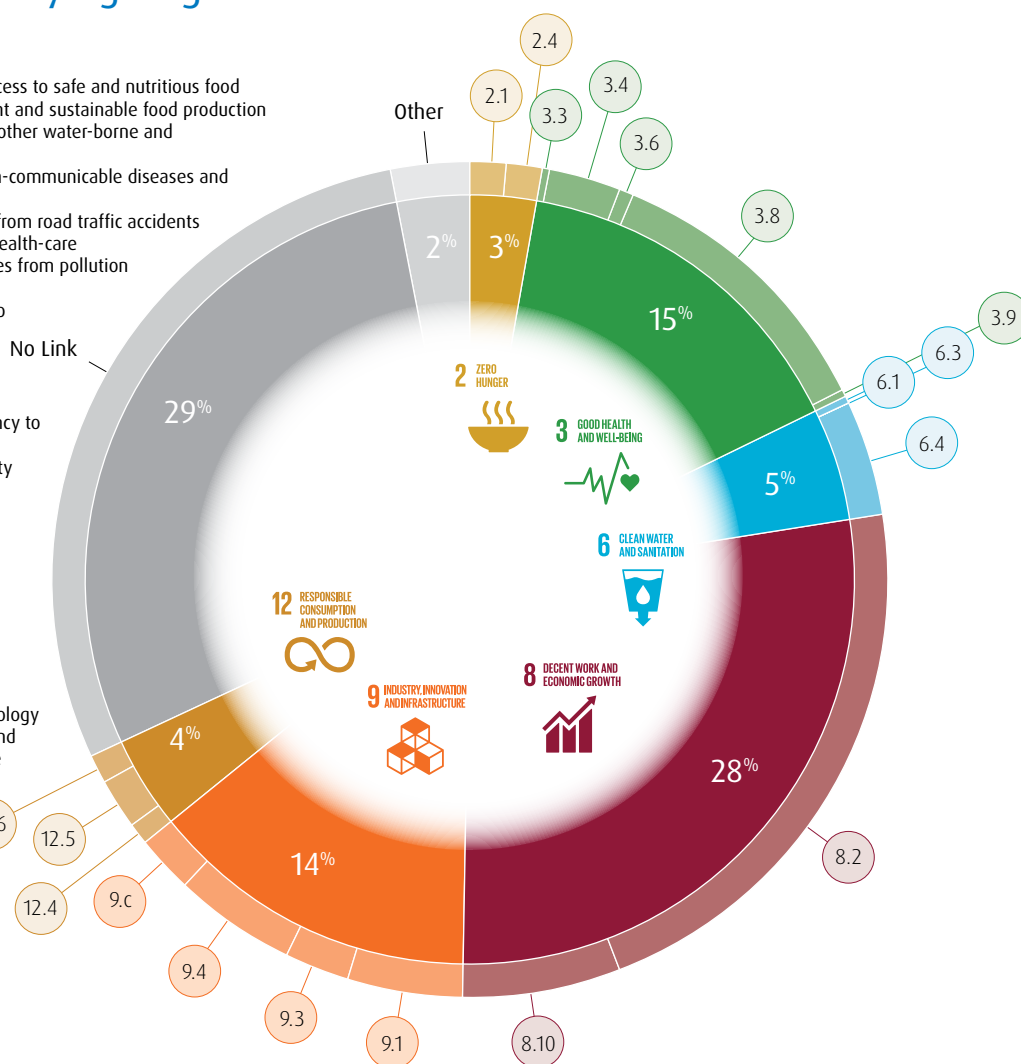
For this report we have further developed our methodology by measuring how the individual sources of revenue for each company correspond to the 169 targets that underlie the goals – so that one company, depending on its mix of goods and services, may have links to more than one goal. The result is summarised below, with a full breakdown of our Strategy's holdings given overleaf.

The strongest connections are with SDG8 – Decent Work and Economic Growth, which links to many of our finance, services and technology companies; SDG3 – Good Health and Well-Being, which includes our healthcare holdings; and SDG9 – Industry, Innovation and Infrastructure, which has links to firms such as Linde, which provides solutions to make industry more efficient.

Our new methodology has resulted in some shifts compared with the previous report. In particular we now have almost 30% of revenues without a direct SDG link, compared with 14% last year, as we have taken a more nuanced approach of only allocating the proportion of a company's revenues which contribute to the SDGs, rather than making the link at a company level.

BMO Responsible Global Equity Strategy alignment with the SDGs and underlying targets

- 2.1 End hunger and ensure access to safe and nutritious food
- 2.4 Implement climate-resilient and sustainable food production
- 3.3 End AIDS, TB, malaria and other water-borne and communicable diseases
- 3.4 Reduce mortality from non-communicable diseases and promote mental health
- 3.6 Halve deaths and injuries from road traffic accidents
- 3.8 Access to medicines and health-care
- 3.9 Reduce deaths and illnesses from pollution and contamination
- 6.1 Achieve universal access to safe & affordable drinking water
- 6.3 Improve water quality by reducing pollution
- 6.4 Increase water-use efficiency to address water scarcity
- 8.2 Achieve greater productivity through innovation
- 8.10 Increase access to finance
- 9.1 Develop resilient and sustainable infrastructure
- 9.3 Increase access to finance for SMEs
- 9.4 Upgrade and retrofit industries to increase sustainability
- 9.c Ensure universal and affordable access to technology
- 12.4 Manage chemical usage and waste throughout their life cycle
- 12.5 Reduce waste through prevention, reduction, recycling and reuse
- 12.6 Encourage companies to adopt sustainable practices and enhance ESG reporting



Other includes smaller-weighted SDGs.

A look into the heart of our Strategy

In an effort to continually improve our disclosure, this year we report on how all our Strategy holdings' revenues align with specific SDG targets, based on our own in-house methodology. Many negative impacts are avoided through the exclusions used by the Strategy. Nevertheless, we intend to report more specifically on this issue in future reports.

We estimate 71% positive SDG alignment and 29% without a direct SDG link.

Company name	Weight in Strategy	SDG	Target	Target summary	Share of company revenue
ACCENTURE PLC	2.6%	● SDG8	8.2	Achieve greater productivity through innovation	16%
				No link	84%
ACUIITY BRANDS INC	1.2%	● SDG7	7.3	Double the global rate of improvement in energy efficiency	100%
ALLIANZ SE	1.5%	● SDG3	3.8	Access to medicines and health-care	51%
		● SDG8	8.10	Increase access to finance	42%
		● SDG12	12.6	Encourage companies to adopt sustainable practices and enhance ESG reporting	7%
AMAZON.COM INC	2.9%	● SDG8	8.2	Achieve greater productivity through innovation	11%
				No link	89%
AMDOCS LTD	2.2%	● SDG8	8.2	Achieve greater productivity through innovation	100%
AMER SPORTS OYJ	1.4%			No link	100%
A.O. SMITH CORP	2.0%	● SDG6	6.4	Increase water-use efficiency to address water scarcity	100%
APPLE INC	3.5%	● SDG8	8.2	Achieve greater productivity through innovation	25%
		● SDG9	9.c	Ensure universal and affordable access to ICT	62%
				No link	13%
APTIV PLC	1.5%	● SDG3	3.6	Halve deaths and injuries from road traffic accidents	28%
		● SDG9	9.4	Upgrade and retrofit industries to increase sustainability	72%
				No link	24%
COMFORTDELGRO CORP LTD	0.7%	● SDG3	3.6	Halve deaths and injuries from road traffic accidents	4%
		● SDG11	11.2	Provide access to safe and affordable transport systems	72%
				No link	24%
CROWN CASTLE INTL CORP	2.2%	● SDG9	9.1	Develop resilient and sustainable infrastructure	100%
CSL LTD	1.2%	● SDG3	3.3	End AIDS, TB, malaria and other water-borne and communicable diseases	12%
		● SDG3	3.4	Reduce mortality from non-communicable diseases and promote mental health	84%
				No link	4%
CVS HEALTH CORP	2.1%	● SDG3	3.8	Access to medicines and health-care	97%
				No link	3%
DAISEKI CO LTD	0.8%	● SDG3	3.9	Reduce deaths and illnesses from pollution and contamination	28%
		● SDG12	12.4	Manage chemical usage and waste throughout their life cycle	62%
		● SDG12	12.5	Reduce waste through prevention, reduction, recycling and reuse	10%
DNB ASA	1.5%	● SDG8	8.10	Increase access to finance	37%
		● SDG9	9.3	Increase access to finance for SMEs	23%
				No link	40%
EBAY INC	1.4%			No link	100%
FRESENIUS SE & CO KGAA	1.7%	● SDG3	3.4	Reduce mortality from non-communicable diseases and promote mental health	49%
		● SDG3	3.8	Access to medicines and health-care	51%
HDFC BANK LTD-ADR	1.3%	● SDG8	8.10	Increase access to finance	40%
		● SDG9	9.3	Increase access to finance for SMEs	23%
				No link	37%
HENRY SCHEIN INC	2.1%	● SDG3	3.8	Access to medicines and health-care	68%
		● SDG8	8.2	Achieve greater productivity through innovation	4%
				No link	28%
HOYA CORP	1.7%	● SDG3	3.8	Access to medicines and health-care	66%
		● SDG8	8.2	Achieve greater productivity through innovation	33%
				No link	1%

ING GROEP NV	1.4%	● SDG8	8.10	Increase access to finance	67%
		● SDG9	9.3	Increase access to finance for SMEs	32%
				No link	1%
INTERCONTINENTAL EXCHANGE INC	2.4%			No link	100%
INTERTEK GROUP PLC	1.3%	● SDG12	12.6	Encourage companies to adopt sustainable practices and enhance ESG reporting	83%
				No link	17%
JAPAN EXCHANGE GROUP INC	1.2%			No link	100%
KERRY GROUP PLC	2.3%	● SDG2	2.1	End hunger and ensure access to safe and nutritious food	80%
				No link	20%
KEYENCE CORP	2.2%	● SDG8	8.2	Achieve greater productivity through innovation	100%
KUBOTA CORP	1.9%	● SDG2	2.4	Implement climate-resilient and sustainable food production	82%
		● SDG9	9.1	Develop resilient and sustainable infrastructure	16%
				No link	2%
LINDE PLC	2.7%	● SDG3	3.8	Access to medicines and health-care	7%
		● SDG9	9.4	Upgrade and retrofit industries to increase sustainability	79%
				No link	14%
MASTERCARD INC	3.6%	● SDG8	8.2	Achieve greater productivity through innovation	85%
				No link	15%
METTLER-TOLEDO INTERNATIONAL	2.4%	● SDG8	8.2	Achieve greater productivity through innovation	100%
PRINCIPAL FINANCIAL GROUP	1.6%	● SDG3	3.8	Access to medicines and health-care	16%
		● SDG8	8.10	Increase access to finance	12%
		● SDG17	17.5	Implement investment promotion regimes for developing countries	10%
				No link	62%
PRUDENTIAL PLC	2.9%	● SDG8	8.10	Increase access to finance	92%
				No link	8%
PAYPAL HOLDINGS INC	2.6%	● SDG8	8.2	Achieve greater productivity through innovation	100%
QIAGEN N.V.	2.3%	● SDG3	3.8	Access to medicines and health-care	100%
ROPER TECHNOLOGIES INC	2.6%	● SDG3	3.8	Access to medicines and health-care	29%
		● SDG8	8.2	Achieve greater productivity through innovation	42%
		● SDG9	9.1	Develop resilient and sustainable infrastructure	29%
ROTORK PLC	1.0%	● SDG9	9.1	Develop resilient and sustainable infrastructure	100%
SAP SE	2.0%	● SDG8	8.2	Achieve greater productivity through innovation	96%
				No link	4%
SCSK CORP	0.9%	● SDG8	8.2	Achieve greater productivity through innovation	100%
SHIMANO INC	1.7%			No link	100%
SMURFIT KAPPA GROUP PLC	1.6%	● SDG12	12.5	Reduce waste through prevention, reduction, recycling and reuse	100%
SUEZ	1.0%	● SDG6	6.1	Achieve universal access to safe & affordable drinking water	27%
		● SDG6	6.3	Improve water quality by reducing pollution	14%
		● SDG6	6.4	Increase water-use efficiency to address water scarcity	23%
		● SDG12	12.4	Manage chemical usage and waste throughout their life cycle	36%
SVB FINANCIAL GROUP	1.2%	● SDG9	9.3	Increase access to finance for SMEs	78%
				No link	22%
TAIWAN SEMICONDUCTOR MFG	2.4%	● SDG8	8.2	Achieve greater productivity through innovation	100%
THERMO FISHER SCIENTIFIC INC	2.7%	● SDG3	3.4	Reduce mortality from non-communicable diseases and promote mental health	39%
		● SDG3	3.8	Access to medicines and health-care	61%
TOYOTA MOTOR CORP	1.2%			No link	100%
TRACTOR SUPPLY COMPANY	2.2%			No link	100%
UMICORE	0.9%	● SDG9	9.4	Upgrade and retrofit industries to increase sustainability	79%
		● SDG12	12.5	Reduce waste through prevention, reduction, recycling and reuse	21%
UNION PACIFIC CORP	2.6%			No link	100%
US BANCORP	2.0%	● SDG8	8.10	Increase access to finance	27%
		● SDG9	9.3	Increase access to finance for SMEs	17%
				No link	56%
VF CORP	1.8%			No link	100%
WOLTERS KLUWER	1.9%	● SDG8	8.2	Achieve greater productivity through innovation	26%
				No link	74%
XYLEM INC	3.3%	● SDG6	6.4	Increase water-use efficiency to address water scarcity	71%
		● SDG9	9.4	Upgrade and retrofit industries to increase sustainability	29%
CASH	0.7%			No link	

Data as at 31 December 2018, and uses BMO's proprietary and developing methodology. For more information on this analysis please contact us.

If you can measure it, you can manage it

We also seek to measure how our Strategy performs on key ESG metrics so that we can address the risks, capitalise on opportunities, and promote change as an actively engaged investor. This year we have selected climate change, water, gender equality, and innovation as topics of relevance to many of the companies in our Strategy.

Goal



Climate change

Our approach

We have a comprehensive climate change policy for the Responsible Global Equity Strategy, which includes full divestment from companies with fossil fuel reserves, investment in solutions and engagement*. We are also committed to disclosure, and again this year publish our carbon footprint, in line with the recommendations of the Task Force on Climate-related Financial Disclosures.

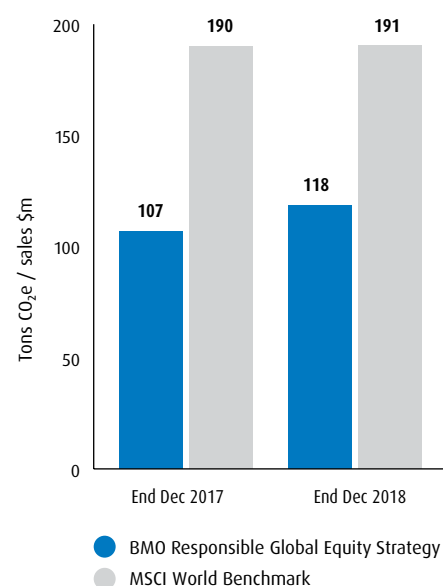
2018 performance

The Strategy's portfolio-weighted carbon intensity (Scope 1 and 2 emissions) rose slightly over the previous year, but remains well below the MSCI World benchmark, at 118 tons CO₂e per \$m revenues. This metric does not capture all aspects of climate risk, but does provide an indication of the sensitivity of our investee companies to changes in emissions regulation, as well as a way to identify potential outliers.

The prime reason for the year-on-year rise was our initiation of a position in **Smurfit Kappa**. This European packaging company is in the energy-intensive business of paper production, and has total emissions of over 3 million metric tons of CO₂. It set itself a target to reduce its CO₂ emissions per ton of paper by 25%, which it met three years early. At a more strategic level it has clearly set out its focus to design its operations around a closed-loop, circular economy model, and is producing a range of paper packaging which is recyclable and biodegradable. The company should be well-positioned to take advantage of society's shift away from plastic packaging.

*BMO Responsible Funds and the transition to a low-carbon economy (2017)

Portfolio-weighted carbon intensity



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“Investors cannot be passive bystanders in the battle against climate change – we need to act now to direct capital towards solutions.”

Vicki Bakhshi, Director, Responsible Investment team

Goal



Water

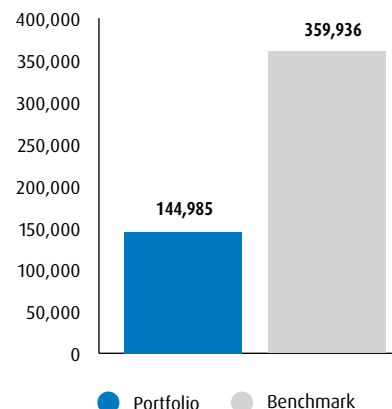
Year-on-year we have improved disclosure around water intensity, using the Strategy's weighted average total water use as the most widely-available metric to express the risk exposure to water. We welcome the Strategy's underexposure to risks around this critical resource, but note stock-specific examples where aggregate water consumption is high.

One example is **Suez**, whose water processing activities mean a high water input, but whose aim is to enable its customers to use natural resources efficiently. Another is **TSMC***, a significant contributor due to the water-intensity of its manufacturing process. However, it has taken extensive steps to implement water conservation strategies, and has the highest water recycling rate in its industry at 87%.

*Taiwan Semiconductor Manufacturing Company Ltd

Total water use

(weighted average, '000 cubic metres)



Goal

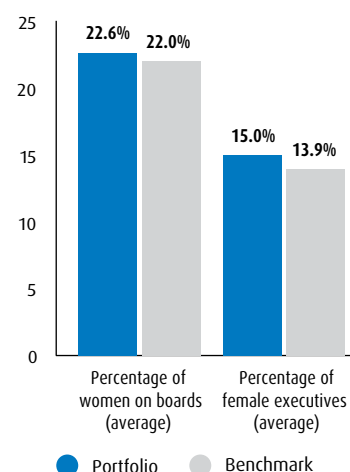


Gender equality

Many markets are seeing progress on gender equality in boards due to regulatory measures and investor pressure, but change is much slower at the senior executive level. Here we give metrics at both levels.

The two leading companies with the greatest proportion of women on the board, at over 40%, are Norwegian bank **DNB ASA**, and Dutch publisher **Wolters Kluwer**. Wolters Kluwer is also unusual in having women in over half of its senior executive posts. Four companies, all Japanese, still have no women on their boards at all. We engaged with two of these, **Keyence** and **Shimano**, on a recent trip to Japan and urged them to take steps to improve board balance and diversity.

Gender representation



Goal

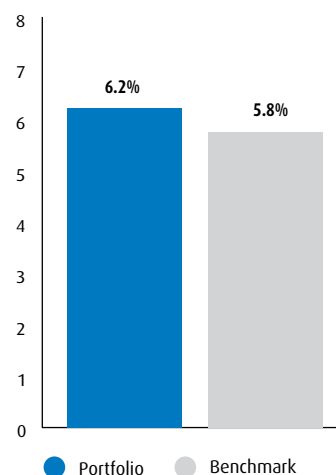


Innovation

Finding solutions to sustainability challenges requires innovation to develop new approaches. To assess how the companies in our Strategy are investing in these, we have looked at research & development (R&D) expenditure as a ratio to total company turnover.

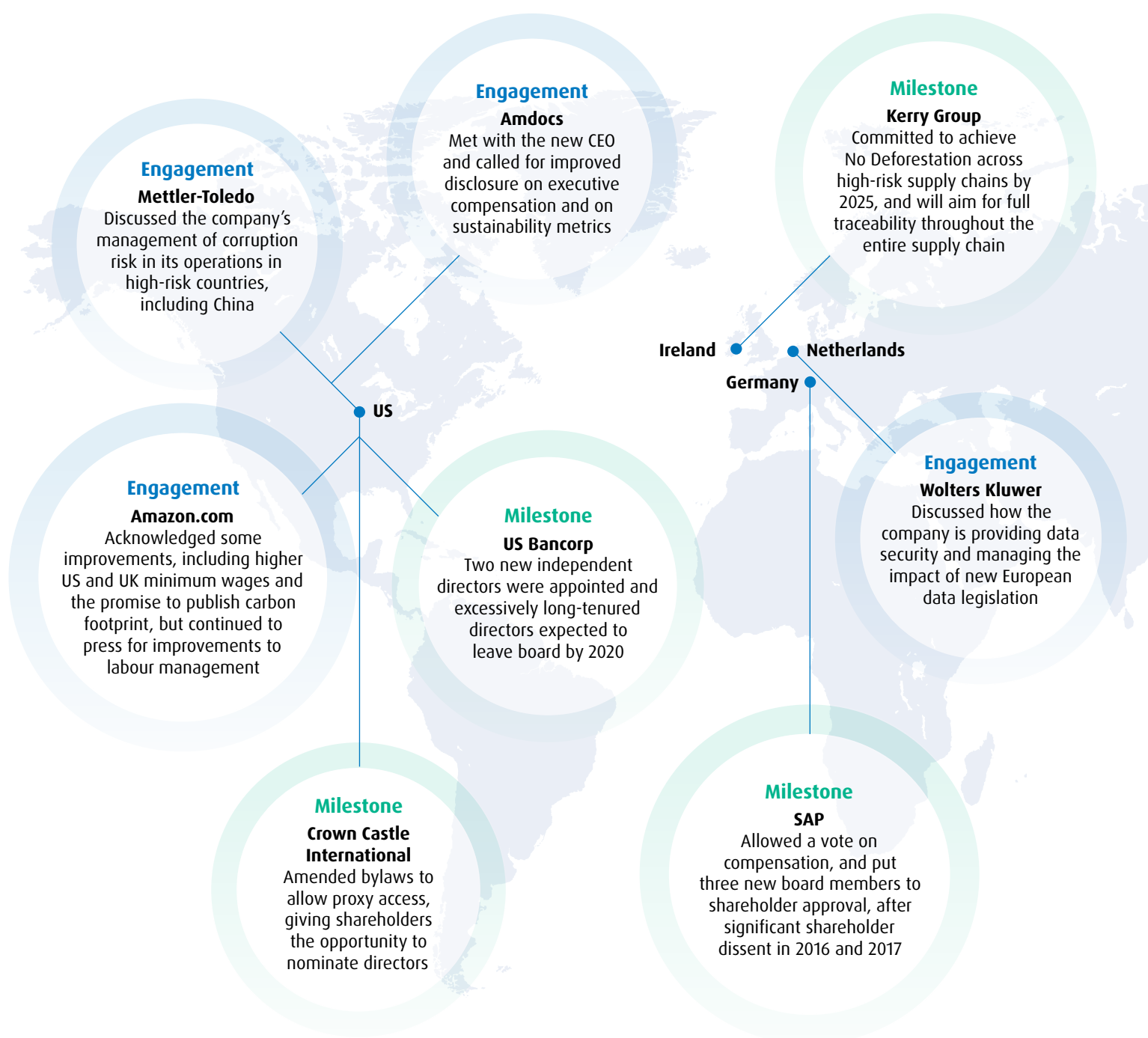
The average for our Strategy in 2018 was 6.2%, slightly above the benchmark figure of 5.8%. Perhaps unsurprisingly, technology companies were amongst the leaders, with **SAP** having a ratio of almost 15%, reflecting innovations including the development of tools for customers to manage environmental and social risks in their operations and supply chains. **QIAGEN** also ranked high as an innovator in medical analytics and genetic testing technologies.

R&D as % of turnover

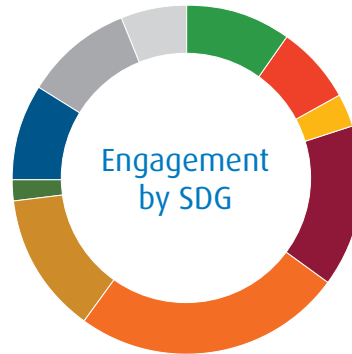


Engagement in focus – global reach

Investor engagement can both address material ESG risks, such as poor governance, and support the Sustainable Development Goals through engaging on issues such as labour standards, human rights, and how companies make vital products and services available to global consumers.

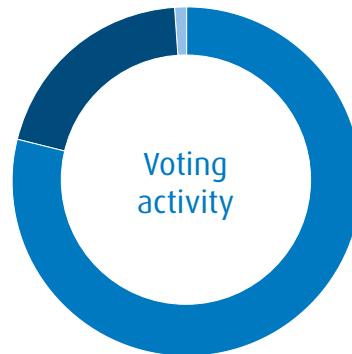


Engagement dashboard



In 2018 we engaged with 30 companies held in the Strategy, with the aim of improving their management of environmental, social and governance issues. Key topics included engagement on cybersecurity and data privacy (linked to SDG 9), labour standards (linked to SDG 8) and plastics (linked to SDG 12).

● SDG3 – Good Health and Well-Being	10%	● SDG12 – Responsible Consumption and Production	13%
● SDG5 – Gender Equality	7%	● SDG13 – Climate Action	2%
● SDG7 – Affordable and Clean Energy	3%	● SDG16 – Peace, Justice and Strong Institutions	9%
● SDG8 – Decent Work and Economic Growth	15%	● No Link	10%
● SDG9 – Industry, Innovation and Infrastructure	25%	● Other	6%



Our voting activity in 2018 resulted in us opposing management on 18% of resolutions, with remuneration the issue we most frequently had concerns on, voting against almost one-third of pay plans where these were put to shareholders for approval.

● With management	79%
● Against management	18%
● Other*	3%

* Other includes cases where we did not vote due to share blocking in a market or potentially a lack of POA (Power of Attorney).

2019 engagement priorities

In the coming year our focus areas are:

- Protecting vulnerable workers
- Gender equality
- Climate change
- Biodiversity and water
- Antimicrobial resistance

Engagement

Kubota

Asked how strategy and targets are aligned with Japan's national climate plans and the COP21 Paris climate deal

Japan

Engagement

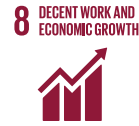
CSL

Discussed safeguards around the collection of human plasma, a key input to their products

Australia



Thematic focus: Access to finance



Our investee companies reach over 90 million customers in markets lacking access to finance. Financial inclusion is a critical enabling factor for development and economic growth, and is targeted in SDG8 and SDG9.

Background

We see responsible finance as the offering of financial products and services in an accountable, transparent, ethical and sustainable way. In this context, responsible finance can mean protecting customers and treating them fairly; increasing access to finance; having effective ethics and compliance programmes; contributing to open and stable financial markets; or incorporating ESG considerations in lending activities. Given the breadth of this topic, we have decided to focus on access to finance, an area with clear links to poverty alleviation and where impact measurement, while still nascent, is relatively more advanced.

We share the belief that financial inclusion is one of the most important factors in ending global poverty. Increasingly, evidence shows that providing people with the ability to save and borrow efficiently and securely can improve well-being, gender equality and household consumption, and encourage enterprise. Ultimately, all of these can help lift people out of poverty.

Great strides have been made towards achieving financial inclusion, with around 1.2 billion adults worldwide obtaining access to a bank account this decade. However, close to one-third of adults – 1.7 billion – most of them in Asia, remain unbanked¹.

Our Strategy seeks to invest in companies committed to driving further improvements in the countries in which they operate:

- Customising product offerings to meet the needs of small and medium-sized enterprises, and to underbanked communities,

“

"Financial inclusion is one of the most important factors in ending global poverty."

Kalina Lazarova, Director, Responsible Investment team

Case Study: Prudential plc

We invest in Prudential plc, a global insurance company with customers across the UK, US and Asia. The company's strategy is to "identify markets where our customers' needs are underserved", and it offers insurance services in a number of geographies where customers would otherwise have no access to these.

One example is in Ghana, where meeting the expectations for funerals is not only notoriously complicated but can mean crippling financial costs to families. Prudential plc has introduced a range of Farewell Plans – special life insurance policies to provide financial security for the whole family

with a range of pre-burial and post-burial benefits.

The company has also invested in financial literacy, and in partnership with the Cartoon Network has launched Cha-Ching, a programme developed to help instil money-smart skills in primary school age children. Including lesson plans for teachers, this has become part of the curriculum in the Philippines, for example, and now runs in 11 countries across Asia, as well as being rolled out into schools in the UK, US and Poland. The series of 16, three-minute animated videos were developed in consultation with an educational expert.

¹ Global Findex Report 2017, World Bank

“We must seize the enormous potential of financial innovations, new technologies and digitalization to provide equitable access to finance, especially for those hardest to reach”

António Guterres, UN Secretary-General



(Above) Prudential plc's regional award winning Financial Education series – ‘Cha-Ching’ – has been adapted for use in core curriculum subjects in schools in Malaysia in response to the growing need for financial literacy.

such as indigenous or rural communities. **HDFC Bank's** Sustainable Livelihood Initiative, aimed at empowering women, has supported over 32 million people in India over the past five years. In total across our investee companies, over 90 million customers have been reached.

- Using technology-enabled innovation to provide access to those not using traditional banking services. **PayPal** has introduced services including the ability to pay bills digitally without having a bank account. **Allianz** has become a partner in BIMA, a business allowing individuals to buy insurance through their mobile phone.
- Running financial literacy programmes. The companies in our Strategy have reached over 6 million people, an

example being **Mastercard's** initiative to train 15,000 female entrepreneurs in Indonesia.

Understanding impact

Most financial institutions use supply-side metrics to showcase the impacts of their financial inclusion efforts, with a focus on access and financial literacy, e.g. number of bank accounts opened, number of people reached through financial education programmes. These metrics provide valuable insights into the scale of our holdings' financial inclusion efforts, although we would like companies to aim to go further by attempting to capture the ultimate real-life outcomes, such as the impact on people's financial resilience.

Examples of impact	Example metrics
Who – whether underserved people are being targeted	• Number of first-time bank accounts opened (by gender, demographic, income group) • Number of first-time insurance policies approved (by gender, demographic, income group) • Number of branches or credit officers operating in rural/urban locations • Number of people reached through financial literacy programmes • Share of women, as part of total clients
What – the type of financial product or service provided	• Number of savings accounts opened • Number of loans disbursed • Average loan size, by client group • Average annualized interest rates for loans • % of transactions initiated through digital channels
How much – quantifying impact outcomes	• Needs met through deployment of financial service/product • Improved financial resilience (e.g. adults with savings for retirement) • Businesses created/grown (by gender, demographic) • Percentage of loans repaid

BMO Global Asset Management

– heritage and innovation

Over 35 years, we have developed a range of specialist ESG products, ESG-integrated investment strategies, a deep commitment to active ownership, and our Responsible Engagement Overlay service, **reo**®.

Our credentials

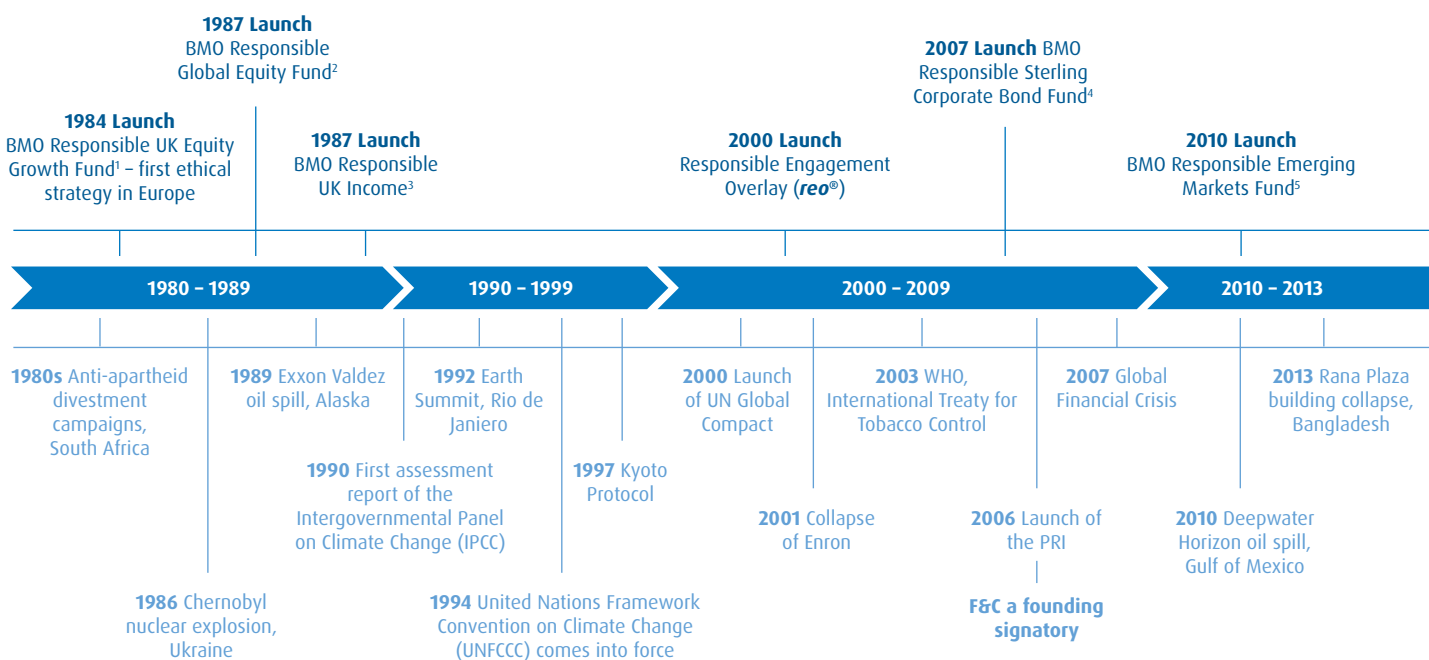
- 16-strong Responsible Investment team supporting our group activities. 8 languages in the team, including Mandarin, Cantonese, German, Spanish, Dutch, and Italian
- Range of ESG expertise, including climate change; corporate governance; human rights; water; supply chains; and sustainable finance
- Active member of international ESG networks and collaborations
- Supported by our independent Responsible Investment Advisory Council (RIAC)

US\$3.7bn AUM in ESG specialist strategies

US\$1.2bn AUM in BMO Responsible Global Equity Strategy

As at 31st December 2018

Macro and corporate events



“We exist to convene, catalyze and empower change that sustains growth for good.”

Darryl White, CEO, BMO Financial Group

Our approach to ESG integration and stewardship

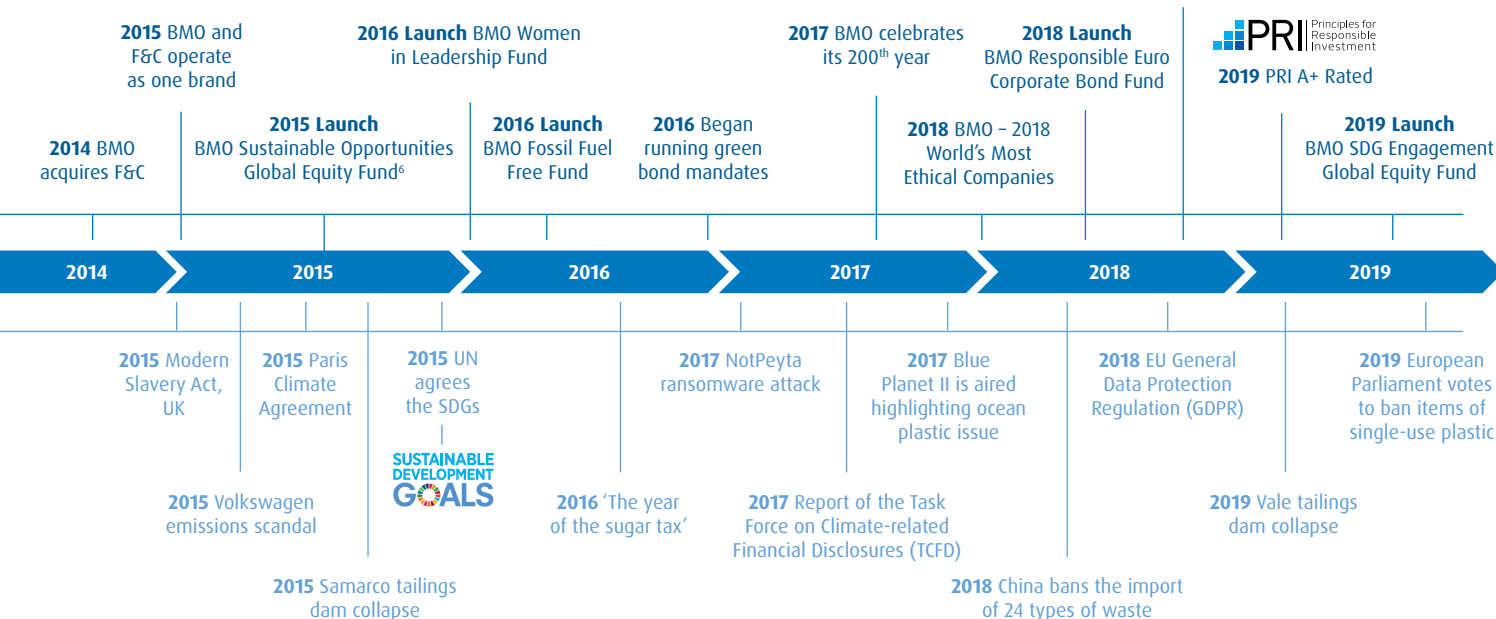
- ESG factors are systematically integrated into our investment processes, in a form appropriate to each strategy and asset class
- Fundamental belief in the value of being active and engaged owners
- Comprehensive global engagement programme covering over 600 companies in 2018 and an underlying online database for over 12,500 companies that allows us to record engagement interactions and progress
- Active use of voting based on in-house policy and expertise
- Constructive investor voice in public policy globally

Our corporate commitment

- BMO Financial Group is committed to four key Sustainability Principles: Social Change, Financial Resilience, Community-building and Environmental Impact
- SDGs inform sustainability strategy and reporting
- Supporter of the Taskforce on Climate-related Financial Disclosure (TCFD)

INVESTMENT
WEEK
SUSTAINABLE & ESG
INVESTMENT AWARDS 2018
WINNER
Best ESG
Research Team

PRI Principles for
Responsible
Investment
2019 PRI A+ Rated



¹ F&C Responsible UK Equity Growth fund, ² Previously a North American strategy, it expanded its geographic remit in 1998, becoming F&C Responsible Global Equity Fund, ³ F&C Responsible UK Income Fund, ⁴ F&C Responsible Sterling Corporate Bond Fund, ⁵ F&C Portfolios Fund – BMO Responsible Global Emerging Markets Equity, ⁶ F&C Global Thematic Opportunities Fund.

Contact us

Institutional business

 +44 (0)20 7011 4444

 institutional.enquiries@bmogam.com

UK intermediary sales:

 0800 085 0383

 sales.support@bmogam.com

 bmogam.com/adviser

European wholesale

 +44 (0)20 7011 4444

 client.service@bmogam.com

 bmogam.com

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