

BMO Harris Bank
Community Impact Review
Spring 2018





Cover: Cynthia Mufarreh, Chief Community Reinvestment Act Officer, BMO Harris Bank.

Above: Employees watching the 2013 announcement of BMO's donation to Rush University Medical Center.

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Community Impact at a Glance

\$17m

BMO Harris Bank contributed \$17 million to charitable causes.*

9,500+

Our employees provided financial education outreach to more than 9,500 people.*

7+ years

BMO has maintained enterprise-wide carbon neutrality for more than seven years.

\$1b+

Originated more than \$1 billion in loans to small businesses.*

\$667m+

BMO's community development loans support affordable housing, economic development and community services.*

\$1.8b+

Mortgage loans, with nearly 30% going to low and moderate income borrowers.*

*Amounts are for the year ended December 31, 2017, and relate to our U.S. operations.

\$6.87m

Raised for local United Way organizations and other charities during the 2017 BMO Employee Giving Campaign.

Rush, Rush

BMO helps fund Rush University Medical Center's work addressing health disparities in Chicago's low-income neighborhoods.

"EDUCATION, JOBS AND HEALTH CARE are essential to a community's growth and vitality," says Dr. Tricia Johnson, Executive Director of Rush's Building Healthy Urban Communities initiative. "BMO's donation allowed us to create a coordinated care system that improves all three."

In 2013, BMO made a \$5 million investment in Rush, the Medical Home Network and Malcolm X College, funding a unique new initiative to help advance health care and education while creating jobs in the heart of Chicago. "Four years ago, we had no infrastructure for coordinating care," says Tricia. "Now, together, we've developed more sustainable models of care, new training programs, and a pipeline to jobs in health care – all while bringing high-quality care to the people who need it most."

Rush is the largest private employer on Chicago's West Side, and this initiative has helped strengthen its position as a

cornerstone of local health and economic vitality. "There isn't a lot of funding for continuing education for health care teams serving Medicaid communities, so grants like this are essential to our success," says Tricia.

Diane Whatton, Head of Community Giving, BMO Harris Bank, agrees. "This project reflects BMO's community giving philosophy, which is focused on collaboration, learning and innovation. We work with partners like Rush to achieve sustainable solutions and shape the future together."

BMO's donation has also funded the development of new educational curricula, including the Community Health Worker program at Malcolm X College, for students pursuing certificates or associate's degrees; the Bachelor of Science in Health Science at Rush, for those pursuing graduate degrees in health care; and the BMO Harris Bank Health Disparities Research Fellowship, aimed at early-career PhDs.

"Continuing education is so important. As is helping people become financially stable – long term. And to do it in the health care field, so that people can contribute to the health of the community as they better their own lives, is incredibly valuable," says Tricia. "We're very proud of the work we've done thanks to BMO's inspirational vision and support, and I'm excited for what comes next." 🍌

\$170m+

New commitments in community development investments.*

1,000+

BMO Harris Bank gave grants to more than 1,000 non-profits.*

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Reinvesting in the Future

Employees at BMO leverage their expertise to create lasting community impact – and they’re earning recognition along the way.

“AT THE HEART OF A community are the people who live and work there,” says Cynthia Mufarreh, Chief Community Reinvestment Act (CRA) Officer, BMO Harris Bank. “And we are committed to supporting the people and businesses who call our communities home.”

While BMO’s work reflects the fundamental CRA goal of helping qualified borrowers at lower income levels afford their own homes, for us that’s just one dimension of a broader commitment that extends from neighborhood financial literacy programs and small business financing to major urban redevelopment projects.

Our CRA colleagues throughout the bank create strategic partnerships with housing agencies and elected officials; help developers and organizations strengthen local communities by providing financing for projects that often include government

funding programs; and identify partners in the community who share BMO’s goals, and builds relationships with them. These efforts extend far beyond our CRA team’s mandate – they also help ensure the bank’s success, because adherence with CRA regulation is part of what allows banks to grow, make acquisitions and more.

In recognition of this work, BMO Harris Bank earned an “Outstanding” CRA rating in 2014-2016 from the Office of the Comptroller of the Currency (OCC). All U.S. banks are assigned a CRA performance rating that measures their impact in the communities where they do business. The “Outstanding” designation – the OCC’s highest – is rare and hard-earned; less than 10% of U.S. banks attain it. This recognition is an indication that we are doing good work, and it is paving the way for us as we continue to grow.

“This rating is a recognition of our culture of giving back. For BMO, CRA is more than compliance. It’s a commitment, every day, to doing our best for those around us. It’s about listening – and responding – to what people need to build a better future. And it’s about living our values,” says Cynthia. “Every hour volunteered, dollar donated, and moment spent helping a customer in need is reflected in the OCC’s findings. It’s all part of a larger purpose that we share at BMO.” ☺

Our Strategic Framework

Our Vision

To be the bank that defines great customer experience.



Strategic Priorities

The clearly defined statements of purpose that guide the bank's long-term decision-making as we deliver on our vision.

Achieve industry-leading **customer loyalty** by delivering on our brand promise.

Enhance **productivity** to drive performance and shareholder value.

Accelerate deployment of **digital technology** to transform our business.

Leverage our consolidated **North American platform** and expand strategically in select global markets to deliver growth.

Ensure our strength in **risk management** underpins everything we do for our customers.



Sustainability Principles

The guidelines we follow as a responsibly managed bank consider social, economic and environmental impacts as we pursue sustainable growth.

Social change

Helping people adapt and thrive as society evolves – tailoring our products and services to reflect changing expectations, and embracing diversity and inclusion in our workplace and the communities where we do business.

Financial resilience

Supporting customers' needs and goals, while gauging appropriate levels of risk, as they shape their financial futures. And providing members of underserved communities with access to guidance and support that helps them and enables them to do better.

Community-building

Fostering social and economic well-being in the communities where we live and work by financing new enterprises, facilitating public investment, paying our fair share of taxes and, together with our employees, providing support through charitable donations, sponsorships and volunteer activities.

Environmental impact

Reducing our environmental footprint while considering the impacts of our business activities as we work with stakeholders who share our commitment to sustainability.

We balance our commitments to all stakeholders as we pursue our business strategy and strive to fulfill our broader social responsibilities.



A Foundation of Trust

To continue earning the trust of our stakeholders, we act with integrity, communicate with transparency and uphold the highest standards of sound, ethical governance.

Who We Are

Established in 1817, BMO Financial Group is a highly diversified financial services provider based in North America. BMO provides a broad range of personal and commercial banking, wealth management and investment banking products and services.



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