Thank you for the opportunity to review and comment on BMO’s initial scores for the 2019 Human Rights Benchmark Report. Without accepting the findings of the report or methodology employed, we do wish to provide comments on aspects of the methodology and additional information we believe should inform your work.

There appear to be a number of important facets of robust human rights programs, particularly those that are aimed at addressing the central human rights impacts related to retail banking, including impacts on employees and customers that have not been considered in your analysis.

BMO is strongly committed to respecting human rights in all areas of our business and respect for human rights is reflected in our core values. This means promoting a diverse and inclusive working environment and mitigating adverse human rights impacts caused, contributed or linked to our business in every jurisdiction where we do business.

Workplace diversity and inclusion is one of BMO’s core corporate values. As our customers and the communities in which we do business become more diverse, having a diverse workforce and an inclusive culture helps us better understand – and better serve – their many unique needs. We provide equitable opportunities to employees regardless of their gender, race, age, ethnicity, ability and sexual orientation, and maintain a workplace where all employees feel valued, respected and heard. We strive to create an environment where all of our people can succeed, supporting individual needs by: providing employees with disabilities with workplace accommodations, technical devices or additional support to succeed at work; and making available the tools and resources to assist every employee to contribute to their full potential. To support our commitment to equality, diversity and inclusion, BMO has operating procedures that aim to create a safe and inclusive workplace for all. These include, but are not limited to, programs regarding health and safety, anti-harassment, bullying and victimisation at work, resolution programs and grievance procedures, workplace violence, employee protection plans, drug-free workplace program, drug and alcohol guidelines, and flexible work arrangements.

Our hiring and recruitment procedures are developed and implemented to comply with applicable legislation to ensure a fair and equitable approach to hiring. We are committed to respecting and promoting diversity, equality and human rights in our workforce. In particular, we recognize gender equality as a fundamental human right; support the right to freedom of association and collective bargaining (see BMO Statement on Freedom of Association and Collective Bargaining).

BMO’s Supplier Code of Conduct sets out the standards we expect our suppliers to meet in regard to respecting human rights, upholding ethical business practices and complying with the law. The Supplier Code of Conduct establishes our the requirements we have for our suppliers respecting human rights and employment practices, diversity and inclusions, as well as workplace safety, security and health. We encourage our suppliers to adopt policies and codes of conduct similar to our own, and to convey their expectations to their own suppliers along the supply chain. In both our employment practices and supply chain governance, we overtly prohibit forced, compulsory and/or child labour and stand against discrimination in all parts of the employment life cycle.
BMO has a world-leading Anti-Money Laundering (AML) program. Our program is comprised of policies, procedures, and risk assessments on anti-money laundering, anti-terrorist financing, and sanction measures designed to safeguard against financial crime. As a financial services provider with customers in multiple jurisdictions, we recognise that we may be exposed to customers who engage in slavery and human trafficking when providing certain services. To address this risk we have incorporated specific process into our AML program specific to identifying risks of human trafficking or modern slavery. BMO’s AML program also collaborates with Project Protect, which aims to raise awareness and increase suspicious transaction reporting in relation to human trafficking. Our AML program seeks to identify and verify customer information, monitor customer transactions for unusual activity, and report suspicious activity to the relevant authorities in an effort to identify criminal activities, such as human trafficking, that may be linked to money laundering, terrorist financing, or sanctions avoidance. We examine our AML strategies, goals, and objectives on an ongoing basis.

Our transactional due diligence policies and procedures include consideration of human rights issues and impacts. However, these are internal policies that are not publicly disclosed. In addition to these internal policies, BMO is a signatory to the Equator Principles, and as such, BMO has committed to assessing and managing the environmental and social risks associated with all lending transactions that are within the scope of those principles. Meeting this commitment involves considering human rights matters that are related to any such transactions, including the health and safety of communities, Indigenous rights, workers’ rights and community relations.

Human rights are central to the approach that BMO Global Asset Management takes in its responsible investment, corporate engagement, voting and reporting activities. Our asset management operations in Europe, the Middle East and Asia include a specialist Responsible Investment team which undertakes investor engagement aimed at encouraging companies in which we invest to adopt best practices in respect of environmental, social and governance issues. This has included initiatives to engage with companies operating in high-risk sectors on topics such as the protection of migrant worker rights, collective bargaining, and health and safety standards. The team also monitors companies alleged to be in contravention of the United Nations Global Compact Principles, and engages with any of those companies if there is an issue of significant concern. In addition, BMO offers a range of funds with investment portfolios in which every investee company has been systematically screened for its ethical, social and environmental standards. BMO Global Asset Management is a founding signatory to the United Nations Principles for Responsible Investment (UNPRI).

We provide multiple channels for our employees to report any Code, legal or regulatory violations, including a confidential, and if preferred, anonymous external whistleblower service that is available to our employees and other BMO stakeholders (for example, our suppliers) 24 hours per day, every day of the year. BMO’s Office of the Ombudsman conducts a confidential and impartial review of customer complaints – grounded in fairness, integrity and respect – that considers the interests of all parties, as well as applicable laws, policies and standard industry practices. Customers can also take their concerns to one of BMO’s external dispute resolution
providers – the Ombudsman for Banking Services and Investments or the OmbudsService for Life & Health Insurance – for a further impartial, informal and confidential review. We also have established avenues for affected communities to raise their concerns with BMO, including through the office of the Chief Sustainability Officer. BMO’s Sustainability Office regularly engages with affected communities to better understand human rights impacts related to BMO’s business activities, and escalates those issues for further redress when appropriate.

We trust the foregoing information is useful for your research. Should you have any further questions please feel free to contact us.