

## **BANK OF MONTREAL**

### **MINUTES OF ANNUAL MEETING OF SHAREHOLDERS**

**Thursday, April 5, 2018**

The Annual Meeting of Shareholders of Bank of Montreal (the “Bank”) was held in the Presentation Hall of BMO’s Institute for Learning (“IFL”), Toronto, Ontario, Thursday, April 5, 2018 commencing at 9:30 a.m. (Eastern Time).

In accordance with the By-laws of the Bank, Robert Prichard, the Bank’s Chairman of the Board, acted as Chair of the meeting, and Barbara Muir, the Bank’s Corporate Secretary, acted as Secretary of the meeting.

The Chair extended a warm welcome to shareholders and guests and introduced the Bank executives on stage: Mr. Darryl White, Chief Executive Officer (CEO); Mr. Tom Flynn, Chief Financial Officer; Mr. Simon Fish, General Counsel; and Ms. Muir.

The Chair noted that members of the Board of Directors of Bank of Montreal and the Bank’s senior management team were seated in the audience. The Chair then advised that notice of the meeting had been duly given and a quorum was present. He declared the meeting properly constituted for the transaction of business.

The Chair appointed Mr. Steve Gilbert and Ms. Sonia Ciavaglia, representatives of Computershare Trust Company of Canada, as Scrutineers for the meeting. The Chair also noted that the following representatives of the shareholders’ auditors, KPMG LLP, were in attendance: Mr. Elio Luongo, Mr. Jim Newton (lead audit partner), and Mr. Naveen Kalia.

#### **PROCEDURES**

The Chair outlined certain procedures to be followed in the conduct of the meeting. The Chair also advised that closed captioning was provided for the hearing impaired and that the meeting was being broadcast live on the Internet in both official languages. He then outlined the agenda for the meeting and made comments in respect of forward-looking statements and non-GAAP financial measures.

#### **CHAIRMAN’S GENERAL COMMENTS**

The Chair commented that the Bank celebrated its bicentennial in 2017 and is now embarking on its third century of business. He introduced Mr. White, who was welcomed as the new CEO at the start of the bank’s 201<sup>st</sup> year.

#### **CHIEF EXECUTIVE OFFICER REMARKS**

In his shareholder address, Mr. White spoke about the bank’s record, its advantages and primary areas of focus, and how it is positioned for growth in a modern marketplace. Mr. White also commented on the strength of BMO’s culture, BMO’s aim to deliver in an industry-leading customer experience and its commitment to achieving business goals responsibly and sustainably.

## **ADDITIONAL PROCEDURES**

The Chair reviewed additional procedures for the meeting and noted that voting on all matters of business requiring a vote by shareholders, as set out in the management proxy circular for the meeting, would be conducted by paper ballot.

## **2017 ANNUAL FINANCIAL STATEMENTS AND AUDITORS' REPORT TO SHAREHOLDERS**

The Chair referred to the Annual Report for the financial year ended October 31, 2017, a copy of which was forwarded to shareholders in advance of the meeting. He noted that the Annual Financial Statements were included in the Annual Report. The Chair advised that the Auditors' Report contained in the Bank's 2017 Annual Report would be taken as read.

He then invited questions on the financial statements. There being none, he proceeded to the next items of business.

## **ELECTION OF THE BOARD OF DIRECTORS**

The Chair introduced the thirteen nominees standing for re-election as Directors and introduced a new nominee, Mr. David Harquail, standing for election for the first time. He thanked the Directors for their service to the Bank, and noted the contributions of the four Committee Chairs (Christine Edwards, Ron Farmer, Philip Orsino and Don Wilson III). The Chair highlighted that Mr. Orsino was stepping down as Chair of the Audit and Conduct Review Committee after 12 years, and he thanked him for his leadership and his continuing service as a Director.

The following fourteen persons were then nominated (with such nominations seconded) to be elected as Directors of the Bank until the next succeeding Annual Meeting of Shareholders of the Bank, or until their successors are elected or appointed:

Janice M. Babiak	Linda Huber
Sophie Brochu	Eric La Flèche
George A. Cope	Lorraine Mitchelmore
Christine Edwards	Philip S. Orsino
Martin S. Eichenbaum	J. Robert S. Prichard
Ronald H. Farmer	Darryl White
David Harquail	Don M. Wilson III

The Chair called for discussion on the motion and, there being none, asked the shareholders and proxyholders present to cast their votes.

## **APPOINTMENT OF THE SHAREHOLDERS' AUDITORS**

The following motion (duly made and seconded) was presented to the meeting:

**THAT** the firm of KPMG LLP be appointed as auditors of the Bank for the ensuing year.

The Chair called for discussion on the motion and, there being none, asked the shareholders and proxyholders present to cast their votes.

## **ADVISORY RESOLUTION ON THE BANK'S APPROACH TO EXECUTIVE COMPENSATION**

The Chair introduced the next item of business which was the approval of an advisory resolution on the Bank's approach to executive compensation, details of which were set out on page 6 of the management proxy circular for the meeting.

The following motion (duly made and seconded) was presented to the meeting:

**RESOLVED**, that the advisory resolution on the Bank's approach to executive compensation, be approved.

The Chair opened the floor for questions or comments and Mr. Daniel Thouin, from Mouvement d'Éducation et de Défense des Actionnaires ("MÉDAC"), commented on the bank's approach to executive compensation. The Chair thanked Mr. Thouin for his comments and then asked the shareholders and proxyholders present to cast their votes.

## **COLLECTION AND TABULATION OF BALLOTS**

The Chair declared the polls closed with respect to all items of business and the scrutineers left the meeting to tabulate the ballots.

During the ballot tabulation period, the Chair commented on the shareholder proposals which had been submitted but withdrawn this year. The Chair recognized Ms. Linda Schwey, who submitted and withdrew a proposal regarding outsourcing of jobs. Mr. Thouin from MÉDAC then commented on the four shareholder proposals that MÉDAC submitted and subsequently withdrew following discussion with the Bank.

## **VOTING RESULTS**

Following collection and tabulation of the ballots cast at the meeting, the Chair called upon the Scrutineers to report the results of the voting. Mr. Gilbert announced the preliminary results of the voting, a final copy of which is appended to and forms part of these minutes as Appendix A.

The Chair declared that: the fourteen nominees proposed for election as Directors of the Bank were elected; the audit firm of KPMG LLP was appointed as the Shareholders' Auditors of the Bank for the ensuing year; and the advisory resolution on the Bank's approach to executive compensation was approved.

## **SHAREHOLDERS' QUESTIONS**

The Chair then declared the meeting open for shareholder questions. Ms. Schwey commented on her withdrawn shareholder proposal and various other shareholders or proxyholders commented or asked questions with respect to, inter alia: productivity, and disclosure of management information in the management proxy circular.

## **TERMINATION OF MEETING**

The Chair thanked all those who attended the meeting. With there being no further business, the Chair declared the meeting terminated at 10:35 a.m.

Confirmed

Chair

Verified

Secretary

**LIST OF APPENDICES**

Appendix A      Voting Results

**REPORT UNDER  
NATIONAL INSTRUMENT 51-102  
REPORT OF VOTING RESULTS**

**To: Canadian Securities Administrators**

In accordance with section 11.3 of National Instrument 51-102 – Continuous Disclosure Obligations, the following sets out the matters voted on at the Annual Meeting of Shareholders of Bank of Montreal (the “Bank”) held on April 5, 2018 and, as such votes were conducted by ballot, the number and percentage of votes cast for, against/withheld from each vote. Each of the matters set out below is described in greater detail in the Notice of Annual Meeting of Shareholders and Management Proxy Circular which was mailed to shareholders prior to the Annual Meeting and is available at [www.bmo.com/investorrelations](http://www.bmo.com/investorrelations).

The Board of Directors and management of the Bank recommended that shareholders vote FOR the election as director of each of the 14 nominees listed in the Management Proxy Circular, FOR the appointment of KPMG LLP as Auditors of the Bank, and FOR the advisory resolution on the Bank’s approach to executive compensation.

**1. Election of Directors**

A ballot was conducted to vote on each resolution to appoint each of the following 14 nominees as a Director of the Bank to serve until the next Annual Meeting of Shareholders of the Bank or until their resignation or their successor is elected or appointed, and the outcome was as follows:

<b>Nominee</b>	<b>Votes For</b>		<b>Votes Withheld</b>	
Janice M. Babiak	307,573,712	99.66%	1,042,601	0.34%
Sophie Brochu	306,600,919	99.35%	2,014,893	0.65%
George A. Cope	302,200,634	97.92%	6,415,676	2.08%
Christine A. Edwards	306,305,310	99.25%	2,309,714	0.75%
Martin S. Eichenbaum	307,416,266	99.61%	1,200,283	0.39%
Ronald H. Farmer	301,150,828	97.58%	7,464,600	2.42%
David Harquail	307,391,026	99.60%	1,225,524	0.40%
Linda Huber	307,550,295	99.65%	1,065,235	0.35%
Eric R. La Flèche	307,306,112	99.58%	1,309,347	0.42%
Lorraine Mitchelmore	307,502,342	99.64%	1,114,128	0.36%
Philip S. Orsino	298,437,100	96.70%	10,179,448	3.30%
J. Robert S. Prichard	298,896,448	96.85%	9,720,101	3.15%
Darryl White	307,163,800	99.53%	1,452,671	0.47%
Don M. Wilson III	305,402,930	98.96%	3,214,148	1.04%

**2. Appointment of Shareholders’ Auditors**

A ballot was conducted to vote on the resolution to appoint the firm of KPMG LLP as the auditors of the Bank for the 2018 fiscal year and the outcome was as follows:

<b>Votes For</b>	<b>Votes Withheld</b>
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318,553,707	97.83%	7,064,198	2.17%
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### 3. Advisory Resolution on the Bank's approach to Executive Compensation

A ballot was conducted to vote for the Advisory Resolution on the Bank's approach to Executive Compensation and the outcome was as follows:

Votes For		Votes Against	
295,707,642	95.83%	12,854,844	4.17%

Dated this 5<sup>th</sup> day of April, 2018.

#### Bank of Montreal

By: /s/ Barbara M. Muir  
 Barbara M. Muir  
 Corporate Secretary