

To Whom It May Concern,

We are writing in response to your letter dated April 22, 2024, (the “Letter”), signed by Beatriz Balbin, Chief, Special Procedures Branch, Office of the High Commissioner for Human Rights. We take the matters raised in the Letter very seriously. For client confidentiality reasons we are not able to discuss client matters or the specific allegations raised in the Letter. We would refer to [REDACTED] to the allegations, dated [REDACTED].

BMO supports the purpose and intention of the UN Guiding Principles on Business and Human Rights (“UN GP”), as endorsed by the United Nations Human Rights Council. We would refer you to our most recent [Statement on Human Rights](#) for a description of our approach to the implementation of the UN Guiding Principles.

In the context of our lending activity, BMO applies due diligence processes to identify, assess and mitigate actual and potential adverse human rights impacts and act upon findings. Our policy framework requires enhanced due diligence for heightened risk sectors where human rights impacts can be identified, assessed and managed. Our lines of business present environmental and social risk due diligence analysis as part of transaction approval procedures. Where specific issues are identified due diligence may also involve site visits, direct client engagement and ongoing monitoring.

BMO Global Asset Management (“BMO GAM”) has in place a Responsible Investing program pertinent to the matters raised in the Letter. BMO GAM holds approximately CAD \$170 billion in assets under management the majority of which are passively held indexed funds (i.e. exchange traded funds or ETFs) in secondary markets, as of April 30, 2024. As part of its responsible investment approach, BMO GAM has made a public commitment to respect UNGPs-aligned human and labour rights through its investment-related practices, such as stewardship (corporate engagement, proxy voting and public policy work) and reporting activities. We also publicly state our expectations for investee companies to manage social risks and impacts in operations and supply chains which include expectations for investees to respect human rights.

BMO GAM’s Responsible Investment (RI) team engages with investee companies to manage salient human rights risks and financially material Environmental, Social and Governance (ESG) factors and promotes the adoption of best practices, including UNGPs-aligned human rights and environmental due diligence (HREDD) to manage adverse impacts on people and the planet related to the business activities of investee companies. The BMO GAM RI team primarily focuses stewardship activities on Canadian based issuers and has retained a third-party engagement service provider known as Responsible Engagement Overlay (reo®) to ensure broad global engagement coverage and increased impact for investments outside of Canada. Since summer 2023, BMO GAM has been co-leading engagement with Barrick Gold alongside TD Asset Management and other major Canadian, and U.S. asset managers through the UN Principles for Responsible Investment’s (UN PRI) Advance investor collaboration. This initiative aims to promote adoption and implementation of UNGPs aligned human rights due diligence practices, responsible political engagement, and decent work to ensure a Just Transition, in relation to transition minerals producers and renewable energy companies. To maintain engagement confidentiality, we will not share details of Barrick Gold’s responses to investor questions.

As part of our due diligence approach to proactively prevent and mitigate adverse human rights impacts where we have the most leverage, in 2023 BMO GAM's RI team conducted and published research on the state of corporate human rights due diligence in Canada to inform engagement prioritization. In 2022, BMO GAM benchmarked 29 of Canada's largest companies on their adoption and implementation of human rights due diligence (HRDD) considering obligations for businesses, including investors, under the UNGP and forthcoming (and now enacted) domestic and international laws to prevent and mitigate adverse human rights impacts from business activities that are founded on the UNGPs. The anonymized research was published in early 2023 and has informed BMO GAM RI team's multi-year engagement campaign on HRDD adoption and implementation by Canadian based issuers. Since the beginning of the campaign, which is now in year 2, we have had 83 distinct engagements on HRDD with 24 companies.

BMO GAM's Responsible Investment team strives for continuous improvement in its approach to human rights due diligence, using guidance from the UN Principles for Responsible Investment (UN PRI), and the Investor Alliance for Human Rights, where BMO GAM serves on the advisory committee. In 2023, BMO GAM signed the UN PRI's Advance Investor Statement recognizing the role investors can play in advancing human rights globally, and now co-leads collaborative engagements on human rights in high-risk sectors under the UN PRI Advance banner, elaborated below.

Finally, with regards to remediation, interested parties can seek access to remedy for perceived human rights violations related to BMO GAM investments through BMO's complaint handling processes, as described in our Statement on Human Rights, referenced above. Moreover, BMO GAM has engaged with Barrick Gold in discussions related to ensuring effective operation-level grievance mechanisms, effective Human Rights Impact Assessments and reporting at the site level, and how the Community Development Committees that work with Barrick Gold are formed and what their role is. BMO GAM and the other collaborating investors through Advance, have conveyed expectations that extra care be taken to ensure the perspectives of the most marginalized within communities affected by the company activities are heard, and are integrated into business model strategy development and operations to prevent and mitigate adverse human rights impacts. This also aligns with BMO GAM's own efforts to engage directly with rightsholders and/or their representative groups as per the UNGPs, in order to ensure a holistic investor perspective and better understanding of how our engagement with companies on rightsholder matters can more optimally support prevention, mitigation and remediation of adverse human rights impacts as well as financially material ESG concerns.

We appreciate and respect your outreach on this important matter.

Sincerely,

**Michael Torrance**

Vice President, Chief Sustainability Officer

Sustainability Office | Legal and Regulatory Compliance | BMO Financial Group