

Investment Analysis





Executive Summary

With the new changes to Client Focused Reforms (CFR), BMO aims to support Registered Individuals with information about the recommended securities and tools to help address the Know Your Product (KYP) and Suitability expectations and guidelines. With consideration to understanding client-investment suitability, Registered Individuals must be able to demonstrate their assessment and understanding of a reasonable range of alternative securities made available through the firm.

To make a suitability determination, Registered Individuals need to take reasonable steps to understand the securities that they purchase, sell, or recommend for a client, including the initial and ongoing costs associated with acquiring and holding each security, the security's structure, features, and risks, and the impact of the action on their clients' accounts, including liquidity, concentration, and the actual and potential impact of costs on the client's return. Registered Individuals also must obtain approval from the firm to offer the security to their client.

In addition to putting their clients' interests first, the ability to meet the KYP requirements is pertinent to making a suitability determination. The Registered Individual must provide a reasonable range of alternative actions available at the time of determination. This refers to a suitable range of comparable securities that are available through the firm that fall within a similar risk level, suitability, and category when compared to a client's risk profile. Once these requirements are met, the Registered Individual may then present this recommendation to their client.

Completion of all the above KYP requirements should be recorded in a format that can be readily provided to regulating bodies upon request to ensure that adequate steps were taken. With the following presentation and checklist, it can help evidence that KYP obligations have been completed in order to conduct a suitability determination.



KYP Checklist

- Has the security been approved by the firm to be made available to the client?
- Have reasonable steps been taken by the Registered Individual to understand the securities to enable a suitability determination?
- Has the risk rating of the recommendation and the impact of the action on the client's account been evaluated?
- Has a reasonable range of alternative products been reviewed within the comparison at the time of the suitability determination?

Commentary

BMO Dividend Fund has a Low to Medium risk rating and is a Core Canadian Dividend strategy that invests in Dividend Growth stocks. The Fund's ability to hold foreign assets helps to broaden its ability to gain exposure to sectors less available in Canada (eg. Technology).

- Managed by: BMO Asset Management
- High Conviction Portfolio of 35-40 Companies
- Average Asset Allocation: 80% Canadian Equity / 20% US Equity

Investment discipline is focused on:

- High quality sustainable business models able to withstand both economic, market, and competitive pressures
- Investing for the long term
- Risk management- at stock level, portfolio level, and oversight level
- Maintaining a high conviction, yet diversified portfolio
- Low Fee: F-Class MER = 0.70%

Relative to the included peer group the BMO Dividend Fund has:

- the best 10-year performance
- outperformed in 2 of the last 5 calendar years
- the second-best maximum drawdown and standard deviation over 5 years.

Fees:

- BMO Dividend Fund has the lowest fee among the peer group at 0.70%

Summary:

BMO Dividend Fund has outperformed the peer group over the longer term. This is because of its consistent focus on dividend growers and by using a low turnover, long term holdings strategy along with a low MER of 0.70%. This fund is an attractive solution for investors looking for a Low to Medium risk approach to owning a high conviction portfolio of Dividend Growth stocks.

Source: BMO Global Asset Management as of 31st August 2023.

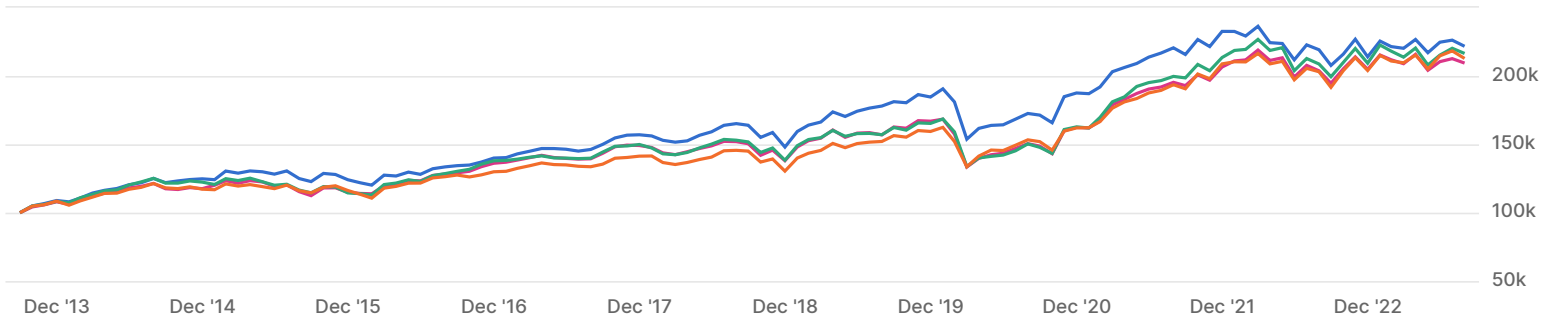


Hypothetical Return Graph

Growth of \$100,000.00

From 2013-09 to 2023-08

● BMO Dividend Series F :	\$221,730.78	● Mackenzie Canadian Dividend Series F :	\$209,439.82
● RBC Canadian Dividend Sr F :	\$216,496.15	● Manulife Canadian Dividend Growth Series F :	\$212,831.01



Hypothetical returns are net of fees and are based on monthly performance for the period ending on 31/08/23 for ● **BMO95146**, ● **MFC1551**, ● **RBF607** and ● **MMF3606**. For periods greater than one year, the indicated rates of return are the average annual compound total returns as of the date indicated including changes in unit value and the reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges or income taxes payable by any unitholder that would have reduced returns.

Overview

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
YTD Return	0.76%	-0.47%	0.94%	1.47%
6 Month Return	0.66%	-0.15%	1.66%	1.62%
1 Year Return	2.48%	4.40%	5.72%	7.15%
3 Year Return	8.16%	11.10%	12.61%	10.91%
5 Year Return	5.53%	6.14%	6.72%	7.26%
10 Year Return	7.97%	7.32%	7.72%	7.51%
Beta	0.92	0.91	0.99	0.90
MER	0.70%	0.99%	0.76%	1.02%

Performance is net of fees. Performance data for period ending on 26/09/23 for ● **BMO95146**, ● **MFC1551**, ● **RBF607** and ● **MMF3606**. Risk data for period ending on 31/08/23 for ● **BMO95146**, ● **MFC1551**, ● **RBF607** and ● **MMF3606**. MER provided by Funddata for the following items: ● Manulife Canadian Di...

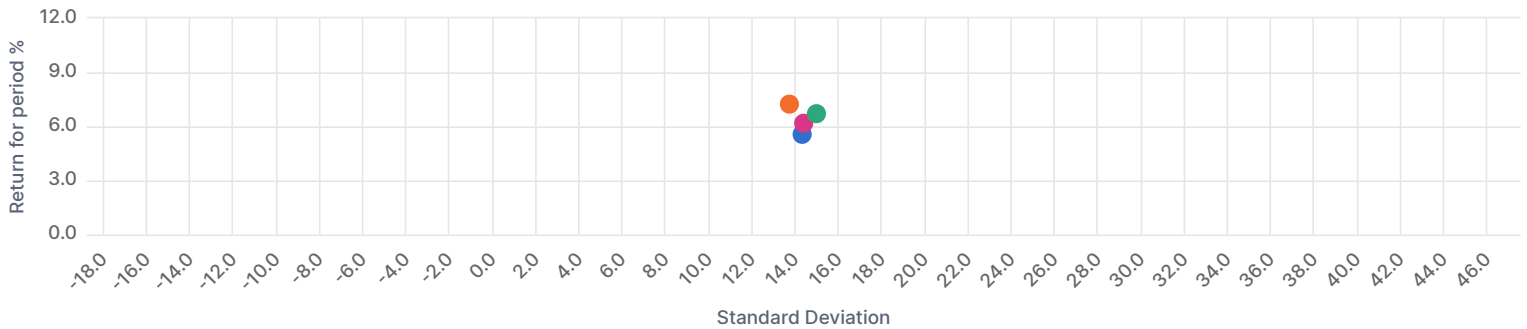
Asset Allocation

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
Fixed Income	0.08%	0.00%	0.00%	0.00%
Cash	3.45%	1.14%	4.11%	0.90%
Canadian Equity	67.49%	77.48%	93.26%	66.97%
United States Equity	25.37%	14.88%	1.41%	17.23%
International Equity	0.00%	4.59%	0.00%	12.64%
Other*	3.61%	1.91%	1.22%	2.26%

Allocations data as at 31/07/23 for ● **BMO95146**, as at 30/06/23 for ● **MFC1551** and as at 31/08/23 for ● **RBF607** and ● **MMF3606**. The "Other" category will also compensate for data that is currently unavailable.

Risk / Reward Analysis (5 Years)

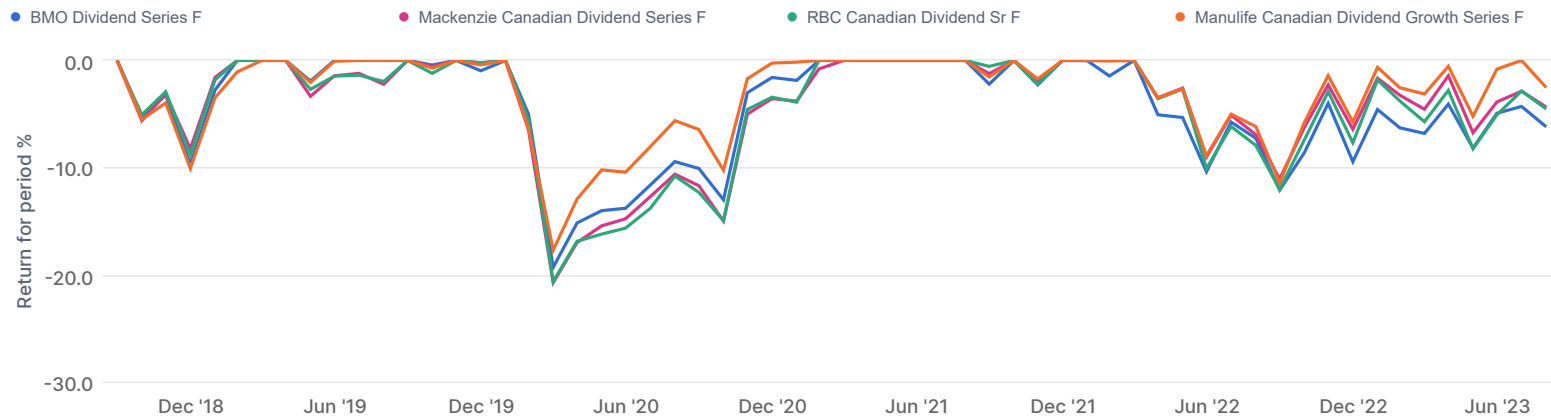
● BMO Dividend Series F
 ● Mackenzie Canadian Dividend Series F
 ● RBC Canadian Dividend Sr F
 ● Manulife Canadian Dividend Growth Series F
 Std. Dev.: 14.37 | Return: 5.53%
 Std. Dev.: 14.42 | Return: 6.14%
 Std. Dev.: 15.03 | Return: 6.72%
 Std. Dev.: 13.71 | Return: 7.26%



Risk data for period ending on 31/08/23 for ● BMO95146, ● MFC1551, ● RBF607 and ● MMF3606. Performance is net of fees. Performance data for period ending on 26/09/23 for ● BMO95146, ● MFC1551, ● RBF607 and ● MMF3606.

Drawdown Analysis

From 2018-09 to 2023-09



For periods greater than one year, the indicated rates of return are the average annual compound total returns as of the date indicated including changes in unit value and the reinvestment of all distributions and do not take into account sales, redemption, distribution or other optional charges or income taxes payable by any unitholder that would have reduced returns. Drawdown data is net of fees and is based on monthly performance for the period ending on 31/08/23 for ● BMO95146, ● MFC1551, ● RBF607 and ● MMF3606.

Trailing Returns

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
1 Month Return	-1.55%	-0.98%	-0.97%	-1.40%
3 Month Return	-0.94%	-0.37%	0.77%	-0.86%
6 Month Return	0.66%	-0.15%	1.66%	1.62%
YTD Return	0.76%	-0.47%	0.94%	1.47%
1 Year Return	2.48%	4.40%	5.72%	7.15%
2 Year Return	-0.99%	2.21%	2.71%	3.33%
3 Year Return	8.16%	11.10%	12.61%	10.91%
4 Year Return	4.35%	5.78%	6.74%	7.30%
5 Year Return	5.53%	6.14%	6.72%	7.26%
10 Year Return	7.97%	7.32%	7.72%	7.51%
Since Inception	7.85%	6.46%	8.16%	5.88%

Performance is net of fees. Performance data for period ending on 26/09/23 for ● BMO95146, ● MFC1551, ● RBF607 and ● MMF3606.

Calendar Year Returns (5 Years)

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
2022	-8.00%	-0.81%	-1.95%	-2.32%
2021	24.01%	27.19%	31.17%	28.90%
2020	1.61%	-2.72%	-1.53%	1.64%
2019	24.74%	20.94%	19.46%	22.24%
2018	-5.74%	-7.45%	-7.68%	-7.75%

Performance is net of fees.

Top 5 Equity Industry Holdings

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
First	41.46% Financials	37.06% Financials	42.47% Financials	28.36% Financials
Second	14.65% Industrials	14.56% Oil & Gas	18.66% Oil & Gas	18.65% Consumer Services
Third	10.58% Oil & Gas	10.09% Industrials	12.77% Industrials	16.88% Oil & Gas
Fourth	8.24% Technology	7.07% Consumer Services	8.25% Consumer Services	9.72% Industrials
Fifth	8.09% Consumer Services	6.76% Technology	4.63% Utilities	8.40% Health Care

Allocations data as at 31/07/23 for ● BMO95146, as at 30/06/23 for ● MFC1551 and as at 31/08/23 for ● RBF607 and ● MMF3606.

Top 5 Country Allocations

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
First	70.81% Canada	78.62% Canada	97.58% Canada	68.22% Canada
Second	25.58% United States of Ameri...	14.88% United States of Ameri...	1.22% Bermuda	17.24% United States of Ameri...
Third	3.61% Bermuda	1.50% Bermuda	1.16% United States of Ameri...	3.73% France
Fourth	N/A	0.75% United Kingdom	0.04% Unidentified	3.63% Netherlands
Fifth	N/A	0.67% Germany	N/A	2.22% United Kingdom

Core Equity Metrics

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
Equity Allocation	92.86%	96.95%	94.67%	96.84%
Price-To-Book Ratio	4.09	3.33	1.71	3.82
Price-To-Earnings Ratio	21.88	18.02	11.87	18.53
Distribution Yield	3.72%	1.87%	2.76%	3.64%
Return on Equity	19.91%	17.69%	12.99%	15.82%

Allocations data as at 31/07/23 for ● **BMO95146**, as at 30/06/23 for ● **MFC1551** and as at 31/08/23 for ● **RBF607** and ● **MMF3606**. Return on equity as at 31/07/23 for ● **BMO95146**, as at 30/06/23 for ● **MFC1551** and as at 31/08/23 for ● **RBF607** and ● **MMF3606**. Other equity metrics as at 31/07/23 for ● **BMO95146**, as at 30/06/23 for ● **MFC1551** and as at 31/08/23 for ● **RBF607** and ● **MMF3606**.

Equity Style Breakdown

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
Equity Style				
Value	1.42%	6.46%	4.31%	1.69%
Blend	23.73%	36.43%	39.91%	41.73%
Growth	74.86%	57.12%	55.78%	56.59%
Market Cap				
Large Cap	97.15%	96.40%	90.97%	89.42%
Mid Cap	2.85%	2.86%	8.89%	8.43%
Small Cap	0.00%	0.74%	0.14%	2.15%

Equity style provided by Fundata and is as at 31/07/23 for ● **BMO95146**, as at 30/06/23 for ● **MFC1551** and as at 31/08/23 for ● **RBF607** and ● **MMF3606**.

Core Risk Metrics (5 Years)

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
Risk Rating	Low to medium	Low to medium	Medium	Medium
Beta	0.86	0.86	0.90	0.82
Standard Deviation	14.37	14.42	15.03	13.71
Sharpe Ratio	0.31	0.35	0.37	0.46
Maximum Drawdown	-19.33%	-20.76%	-20.65%	-17.73%
R-Squared	0.92	0.92	0.92	0.92
Correlation Coefficient	0.96	0.96	0.96	0.96
Upside / Downside	↑ 84.6% ↓ 92.6%	↑ 86.1% ↓ 91.5%	↑ 90.9% ↓ 93.9%	↑ 88.7% ↓ 88.6%

Risk data for period ending on 31/08/23 for ● BMO95146, ● MFC1551, ● RBF607 and ● MMF3606. The risk metrics for ● BMO95146, ● MFC1551, ● RBF607 and ● MMF3606 were calculated with S&P/TSX Composite TR and FTSE CAD 3 Months Eurodeposit.

Top 5 Holdings

	● BMO Dividend Series F	● Mackenzie Canadian Dividend Series F	● RBC Canadian Dividend Sr F	● Manulife Canadian Dividend Growth Series F
First	7.86% Royal Bank of Canada ...	6.86% Royal Bank of Canada ...	8.05% Royal Bank of Canada ...	7.02% Toronto-Dominion Ban...
Second	6.63% Toronto-Dominion Ban...	5.86% Toronto-Dominion Ban...	6.45% Toronto-Dominion Ban...	5.12% Bank of Montreal ORD
Third	4.28% Canadian Pacific Kans...	4.42% Bank of Montreal ORD	4.78% Canadian Pacific Kans...	4.83% Enbridge Inc ORD
Fourth	3.81% Canadian National Rail...	3.66% Telus Corp ORD	4.45% Canadian Natural Reso...	4.41% Canadian Natural Reso...
Fifth	3.64% Microsoft Corp ORD	3.53% Sun Life Financial Inc ...	4.32% Canadian National Rail...	4.29% Suncor Energy Inc ORD
Sub Total	26.22%	24.33%	28.05%	25.67%

Holdings data as at 31/07/23 for ● BMO95146, as at 30/06/23 for ● MFC1551 and as at 31/08/23 for ● RBF607 and ● MMF3606.

Glossary

Alpha

Alpha is a measure of performance. It indicates when an investment has beaten the market over a period of time.

Beta

Beta is used as a measure of volatility of an investment compared to the risk of the entire market. A score of 1 indicates the investment is as volatile as the market. Less than 1 indicates it is less volatile than the market.

Consistent Return

The Lipper Rating for Consistent Return identifies a fund that has provided relatively superior consistency and risk-adjusted returns when compared to a group of similar funds. Funds which achieve high ratings for Consistent Return may be the best fit for investors who value a fund's year-to-year consistency relative to other funds in a particular peer group.

Investors are cautioned that some peer groups are inherently more volatile than others, and even Lipper Leaders for Consistent Return in the most volatile groups may not be well suited to shorter-term goals or less risk-tolerant investors.

Information Ratio

Information Ratio measures a portfolio's return beyond the returns of a benchmark and compares it to the volatility of the returns.

Lipper Leader Scores

<http://www.lipperleaders.com/quickinfo.aspx>

Funds are ranked against their Lipper peer group classifications each month for 3-, 5-, 10-year, and overall periods. These ratings are based on an equal-weighted average of percentile ranks of the five Lipper Leaders metrics.

For each metric:

- the top 20% of funds receive a rating of '5' and are named Lipper Leaders;
- the next 20% of funds receive a rating of '4';
- the middle 20% of funds receive a rating of '3';
- the next 20% of funds receive a rating of '2';
- the lowest 20% of funds receive a rating of '1'.

Lipper Leaders provide context and perspective for making informed investment decisions but do not predict future performance.

Management Expense Ratio

Management Expense Ratio ("MER") indicates how much a fund pays in management fees, operating expenses, taxes, and potentially commissions to advisors.

Maximum Drawdown

Maximum Drawdown is the maximum compounded loss an investment incurred during a period.

Portfolio Correlation

Portfolio Correlation measures how much two investments move relative to each other. Correlation falls between -1.0 and 1.0.

Preservation

Choosing a Lipper Rating for Preservation may help to minimize downside risk relative to other fund choices in the same asset class. Investors are cautioned that equity funds have historically been more volatile than mixed-equity or fixed-income funds, and that even the Lipper Rating for Preservation in more volatile asset classes may not be well suited to shorter-term goals or less risk-tolerant investors.

R-Squared

R-squared measures what percentage of an investment's performance is caused by movements in its benchmark. R-squared values range from 0 to 100%.

Sharpe Ratio

Sharpe Ratio describes how much excess return an investment produces relative to its volatility.

Sortino Ratio

Sortino Ratio describes how much excess return an investment produces relative to its downside volatility.

Standard Deviation

Standard Deviation measures the historical volatility of an investment. It compares the variance of performance relative to its average over time.

Total Return

The Lipper Rating for Total Return denotes a fund that has provided superior total returns (income from dividends and interest as well as capital appreciation) when compared to a group of similar funds.

Tracking Error

Tracking Error is the difference between the standard deviation of a fund and its benchmark. It is used to indicate how closely a fund replicates a benchmark.

Upside/Downside Capture

Upside/Downside Capture is a measure of an investment's performance during positive and negative market periods. It's used to determine how well an investment performed during periods where market returns have been positive or negative. It's presented as a percentage.

The KYP Tool is provided to Financial Advisors only, for educational and informational purposes only and solely as a tool for advisors to support the assessment of investment suitability for investors. Investors are expected to consult their advisors to determine suitability for their investment objectives and portfolio. The information, analysis and opinions expressed herein are for general information only and are not intended to provide specific advice or recommendations for any individual security. Please note that the information presented may not be appropriate for all. The KYP Tool is not intended to be an exhaustive or definitive examination, professional advice should be obtained.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments and the use of an asset allocation service. Please read the fund facts or prospectus of the mutual funds in which investment may be made before investing, including mutual fund investments under an asset allocation service. The indicated rates of return (other than for each money market fund) are the historical annual compounded total returns assuming the investment strategy recommended by the asset allocation service is used and after deduction of the fees in respect of the service. The returns are based on the historical annual compounded total returns of the participating funds including changes in unit value and reinvestment of all distributions and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder in respect of a participating fund that would have reduced returns. In case of BMO Money Market Fund note that mutual fund securities are not covered by the Canada Deposit Insurance Corporation or by any other government deposit insurer. There can be no assurances that the Fund will be able to maintain its net asset value per security at a constant amount or that the full amount of your investment in the fund will be returned to you. Past performance may not be repeated. The indicated rate of return for each money market fund is an annualized historical yield based on the seven-day period ended as indicated and annualized in the case of effective yield by compounding the seven-day return and does not represent an actual one-year return.

Risk tolerance measures the degree of uncertainty that an investor can handle regarding fluctuations in the value of their portfolio. The amount of risk associated with any particular investment depends largely on your own personal circumstances including your time horizon, liquidity needs, portfolio size, income, investment knowledge and attitude toward price fluctuations. Investors should consult their financial advisor before making a decision as to whether this Fund is a suitable investment for them.

For a summary of the risks of an investment in BMO Mutual Funds, please see the specific risks set out in the prospectus. BMO Global Asset Management is a brand name under which BMO Asset Management Inc. and BMO Investments Inc. operate. ©/™Registered trademarks/trademark of Bank of Montreal, used under licence.

capintel

Past performance does not guarantee future results. Data provided by Refinitiv, unless otherwise indicated. This information is for discussion purposes only and should not be relied upon as the sole basis for making an investment decision. Please refer to disclosure documents for more information. The holdings in this report are based on the fund holdings and do not reflect your current portfolio holdings. ALL CONTENT IN THIS REPORT IS PROVIDED "AS IS" AND "AS AVAILABLE". CAPINTEL DOES NOT GUARANTEE THE ACCURACY OF ITS CONTENT AND YOU AGREE TO ACCEPT ANY RISKS ASSOCIATED WITH THE USE OF THIS REPORT.

The information and data provided in this report (the "Report") are provided by third party data providers. NEITHER CAPINTEL NOR THE DATA PROVIDERS WARRANT THAT THE PROVISION OF THE REPORT WILL BE ERROR FREE, TIMELY, COMPLETE OR ACCURATE. USE OF THE REPORT AND RELIANCE THEREON IS AT USER'S SOLE RISK. NEITHER CAPINTEL NOR THE DATA PROVIDERS WILL IN ANY WAY BE LIABLE TO USER OR ANY OTHER ENTITY OR PERSON FOR ANY INACCURACIES, ERRORS, OMISSIONS, DELAYS, DAMAGES, CLAIMS, LIABILITIES OR LOSSES, REGARDLESS OF CAUSE, IN OR ARISING FROM THE USE OF THE REPORT.

IN NO EVENT WILL CAPINTEL NOR THE DATA PROVIDERS BE LIABLE FOR ANY DAMAGES, INCLUDING WITHOUT LIMITATION DIRECT OR INDIRECT, SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES, LOSSES OR EXPENSES ARISING IN CONNECTION WITH THE REPORT EVEN IF THEY OR THEIR REPRESENTATIVES ARE ADVISED OF THE POSSIBILITY OF SUCH DAMAGES, LOSSES OR EXPENSES. FURTHER, CAPINTEL AND THE DATA PROVIDERS SHALL NOT BE LIABLE IN ANY MANNER FOR THE PRODUCT OR SERVICES OF ANYONE WHO REDISTRIBUTES THE INFORMATION CONTAINED HEREIN.