

BMO Laddered Preferred Share (ZPR)

Summary Guide

Duration (Years)¹: 3.11

| Reset Year ¹² | Issues | Weight | Average Reset Spread ² | Average Coupon | Avg Premium | > 0% ³ | Current Yield ⁴ | Implied Current Yield ⁵ | YTC ⁶ | YTM ⁷ | YTW ⁸ | YTE ⁹ |
|--------------------------|------------|----------------|-----------------------------------|----------------|----------------|-------------------|----------------------------|------------------------------------|------------------|------------------|------------------|------------------|
| 2024 | 40 | 18.13% | 276.27 | 4.27% | -14.60% | 0 | 5.03% | 7.33% | 55.81% | 8.11% | 7.99% | 8.11% |
| 2025 | 36 | 21.89% | 273.95 | 3.59% | -21.62% | 0 | 4.57% | 7.94% | 25.47% | 7.63% | 7.63% | 7.63% |
| 2026 | 18 | 17.66% | 199.31 | 3.28% | -35.43% | 0 | 5.10% | 8.56% | 24.86% | 8.04% | 8.04% | 8.04% |
| 2027 | 21 | 17.47% | 284.06 | 5.83% | -18.33% | 1 | 7.26% | 7.91% | 13.53% | 8.08% | 7.88% | 7.88% |
| 2028 | 32 | 21.48% | 269.67 | 6.29% | -15.61% | 0 | 7.51% | 7.34% | 10.84% | 7.48% | 7.48% | 7.48% |
| 2029 | 10 | 3.37% | 261.39 | 5.59% | -18.33% | 0 | 6.91% | 7.43% | 10.96% | 7.84% | 7.75% | 7.84% |
| Portfolio | 157 | 100.00% | 261.61 | 4.69% | -20.81% | 1 | 5.93% | 7.79% | 25.15% | 7.84% | 7.78% | 7.81% |

| Level 1 ¹¹ | Issues | % | Average Reset Spread ² | Average Coupon | Avg Premium | > 0% ³ | Current Yield ⁴ | Implied Current Yield ⁵ | YTC ⁶ | YTM ⁷ | YTW ⁸ | YTE ⁹ |
|------------------------|------------|----------------|-----------------------------------|----------------|----------------|-------------------|----------------------------|------------------------------------|------------------|------------------|------------------|------------------|
| Communications | 10 | 8.38% | 108.64 | 3.81% | -34.90% | 0 | 5.78% | 7.02% | 23.28% | 7.08% | 7.08% | 7.08% |
| Consumer, Non-cyclical | 2 | 0.41% | 476.48 | 6.06% | -0.30% | 0 | 6.07% | 8.22% | 8.90% | 8.21% | 8.21% | 8.21% |
| Diversified | 2 | 0.75% | 278.88 | 3.88% | -28.62% | 0 | 5.42% | 8.76% | 61.13% | 8.55% | 8.55% | 8.55% |
| Energy | 35 | 23.18% | 264.28 | 4.68% | -26.59% | 0 | 6.30% | 8.36% | 38.93% | 8.27% | 8.25% | 8.27% |
| Financial | 80 | 52.15% | 273.64 | 4.72% | -16.13% | 1 | 5.66% | 7.55% | 20.58% | 7.76% | 7.65% | 7.69% |
| Utilities | 28 | 15.14% | 294.05 | 5.14% | -20.44% | 0 | 6.40% | 8.08% | 19.46% | 7.87% | 7.87% | 7.87% |
| Portfolio | 157 | 100.00% | 261.61 | 4.69% | -20.81% | 1 | 5.93% | 7.79% | 25.15% | 7.84% | 7.78% | 7.81% |

| Credit Rating ¹⁰ | Issues | Weight | Average Reset Spread ² | Average Coupon | Avg Premium | > 0% ³ | Current Yield ⁴ | Implied Current Yield ⁵ | YTC ⁶ | YTM ⁷ | YTW ⁸ | YTE ⁹ |
|-----------------------------|------------|----------------|-----------------------------------|----------------|----------------|-------------------|----------------------------|------------------------------------|------------------|------------------|------------------|------------------|
| P1 | 5 | 3.85% | 184.74 | 2.61% | -33.03% | 0 | 3.82% | 7.97% | 24.47% | 7.38% | 7.38% | 7.38% |
| P2 | 103 | 75.76% | 254.06 | 4.66% | -19.74% | 1 | 5.78% | 7.55% | 25.91% | 7.67% | 7.60% | 7.63% |
| P3 | 49 | 20.38% | 304.21 | 5.23% | -22.49% | 0 | 6.89% | 8.64% | 22.45% | 8.57% | 8.55% | 8.57% |
| Portfolio | 157 | 100.00% | 261.61 | 4.69% | -20.81% | 1 | 5.93% | 7.79% | 25.15% | 7.84% | 7.78% | 7.81% |

| Level 2 ¹¹ | Issue | % | Average Reset Spread ² | Average Coupon | Avg Premium | > 0% ³ | Current Yield ⁴ | Implied Current Yield ⁵ | YTC ⁶ | YTM ⁷ | YTW ⁸ | YTE ⁹ |
|--------------------------|------------|----------------|-----------------------------------|----------------|----------------|-------------------|----------------------------|------------------------------------|------------------|------------------|------------------|------------------|
| Banks | 34 | 28.79% | 275.06 | 4.85% | -8.22% | 1 | 5.22% | 6.74% | 19.62% | 6.82% | 6.69% | 6.69% |
| Commercial Services | 2 | 0.41% | 476.48 | 6.06% | -0.30% | 0 | 6.07% | 8.22% | 8.90% | 8.21% | 8.21% | 8.21% |
| Diversified Finan Serv | 1 | 0.02% | 519.00 | 7.94% | -29.00% | 0 | 11.18% | 12.14% | 20.98% | 12.10% | 12.10% | 12.10% |
| Electric | 24 | 12.33% | 295.14 | 5.23% | -21.02% | 0 | 6.54% | 8.17% | 20.46% | 7.96% | 7.96% | 7.96% |
| Gas | 4 | 2.81% | 289.26 | 4.72% | -17.89% | 0 | 5.81% | 7.70% | 15.06% | 7.47% | 7.47% | 7.47% |
| Holding Companies-Divers | 2 | 0.75% | 278.88 | 3.88% | -28.62% | 0 | 5.42% | 8.76% | 61.13% | 8.55% | 8.55% | 8.55% |
| Insurance | 21 | 13.49% | 238.28 | 4.16% | -22.87% | 0 | 5.24% | 7.61% | 20.38% | 8.47% | 8.30% | 8.47% |
| Investment Companies | 1 | 0.28% | 396.00 | 5.85% | -4.36% | 0 | 6.12% | 7.72% | 8.21% | 7.65% | 7.65% | 7.65% |
| Oil&Gas | 4 | 2.32% | 275.58 | 3.61% | -19.55% | 0 | 4.41% | 7.76% | 18.72% | 7.45% | 7.45% | 7.45% |
| Pipelines | 31 | 20.85% | 263.02 | 4.80% | -27.38% | 0 | 6.51% | 8.43% | 41.18% | 8.36% | 8.34% | 8.36% |
| Private Equity | 12 | 6.74% | 295.43 | 4.80% | -24.66% | 0 | 6.32% | 8.53% | 21.25% | 8.29% | 8.29% | 8.29% |
| Real Estate | 9 | 2.28% | 357.07 | 5.42% | -48.61% | 0 | 10.52% | 13.80% | 34.37% | 13.31% | 13.31% | 13.31% |
| REITS | 2 | 0.55% | 383.60 | 6.95% | -31.62% | 0 | 10.16% | 10.62% | 17.36% | 10.31% | 10.31% | 10.31% |
| Telecommunications | 10 | 8.38% | 108.64 | 3.81% | -34.90% | 0 | 5.78% | 7.02% | 23.28% | 7.08% | 7.08% | 7.08% |
| Portfolio | 157 | 100.00% | 261.61 | 4.69% | -20.81% | 1 | 5.93% | 7.79% | 25.15% | 7.84% | 7.78% | 7.81% |

Data as of March 5, 2024.

* Note all yields are shown before fees. Also note that these yields will change from month to month based on market conditions.

- 1 Duration is a measure of sensitivity to changes in interest rates. For example, a 5 year duration means the value will decrease by 5% if interest rates rise 1% and increase in value by 5% if interest rates fall 1%. Generally, the higher the duration the more volatile the price will be when interest rates change.
- 2 Average Reset Spread is the average spread at reset date to 5 year Bank of Canada bonds.
- 3 >0% is the percentage of issues trading above par.
- 4 Current Yield is current dividends of the underlying divided by price.
- 5 Implied Current Yield is the theoretical current yield assuming the preferred share was to reset to today's 5 year Government of Canada yield.
- 6 Yield to Call (YTC) assumes each issue is called at its next reset date.
- 7 Yield to Maturity (YTM) assumes each issue is called at its last possible reset date.
- 8 Yield to Worst (YTW) Assumes the lower of YTC and YTM for each line. This measure will tend to be overly conservative.
- 9 Yield to Estimate (YTE) Assumes each issue that is trading at more than par value will get called at its next reset date.
- 10 Credit Rating is meant to give an indication of the risk that a borrower will not fulfill its full obligations in a timely manner. Credit ratings are taken from a blend of S&P, Moody's and DBRS. Preferred share credit rating scale indicates P1 to be highest quality, P2 to be adequate quality and P3 to be somewhat speculative. Please note credit ratings can change.
- 11 Levels refer to the Global Industry Classification Standards where level one describes a sector and level two describes sub-sectors.
- 12 Each year, at reset, a portion of the portfolio changes its rates to reflect current interest rate levels.



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