

# BMO Asset Allocation Fund (the “Fund”)

For the six-month period ended March 31, 2023 (the “Period”)

Manager: BMO Investments Inc. (the “Manager” or “BMOI”)

Portfolio manager: BMO Asset Management Inc., Toronto, Ontario (the “portfolio manager”)

## 2023 Semi-Annual Management Report of Fund Performance

This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual or annual financial statements of the Fund. If the semi-annual financial statements of the Fund do not accompany the mailing of this report, you may obtain a copy of the semi-annual or annual financial statements at your request, and at no cost, by calling 1-800-665-7700 and 1-800-668-7327, by writing to us at BMO Investments Inc., First Canadian Place, 100 King Street West, 43rd Floor, Toronto, Ontario, M5X 1A1 or by visiting our website at [www.bmo.com/gam/ca/advisor/legal-and-regulatory](http://www.bmo.com/gam/ca/advisor/legal-and-regulatory) or SEDAR at [www.sedar.com](http://www.sedar.com). You may also contact us using one of these methods to request a copy of the Fund’s proxy voting policies and procedures, proxy voting disclosure record and/or quarterly portfolio disclosure.

### MANAGEMENT DISCUSSION OF FUND PERFORMANCE

#### Results of Operations

During the Period, the Fund’s total net asset value changed from approximately \$1,442 million to approximately \$1,498 million. Series A units of the Fund returned 6.95%. Please see the *Past Performance* section for information on the performance returns of the Fund’s other series.

Over the Period, Canadian equity markets were volatile as a result of changing global economic conditions, slower growth and lower oil prices. The Bank of Canada (“BoC”) raised interest rates 125 basis points to end the period at a 4.50% benchmark interest rate. The S&P/TSX Composite Total Return Index gained 10.8% driven primarily by the Information Technology (up 42.3%) and Materials (up 16.2%) sectors. The worst performing sectors were Health Care (-11.0%) and Utilities (-3.3%).

Over the Period, U.S. equity markets gained, fueled by optimism for a resilient economic outlook. Easing inflationary pressures suggested the U.S. Federal Reserve Board (“Fed”) might be reaching the end of its cycle of interest-rate increases. The S&P 500 Index posted a total return of 15.6% (in U.S.-dollar terms) and 13.9% (in Canadian-dollar terms). Information Technology was the strongest-performing sector, gaining 27.6% over the Period (in U.S.-dollar terms), while Consumer Discretionary was the worst-performing sector, gaining 4.2% (in U.S.-dollar terms).

International equities gained over the Period and was rallied by China’s economic reopening, Europe’s milder-than-expected winter, lower energy prices and exaggerated

pessimism in the region. Banking sector stress and the struggles at Credit Suisse Group AG weighed on equities in March. Despite these struggles, Europe, Australasia, Far East (“EAFE”) equity markets performed well, posting a total return of 27.3% (in U.S.-dollar terms) and 25.4% (in Canadian-dollar terms).

Canadian fixed income markets gained over the Period. The Bank of Canada (“BoC”) raised its benchmark interest rate to 3.75% at its October meeting, a smaller increase than the market expected. The BoC raised its benchmark interest rate to 4.25% in December and 4.50% in January. The Canadian bond market, as measured by the FTSE Canada Universe Bond Index, gained 3.3% over the Period. Corporate bonds outperformed government bonds, gaining 3.8% and 3.2%, respectively.

The Fund’s overweight position in the Information Technology sector and stock selection in Real Estate and Energy contributed to the Fund’s performance. Top individual contributors to the Fund’s performance included holdings in Dream Industrial REIT and Granite REIT. These industrial real estate investment trusts (“REITs”) benefited from increasing demand, low availability and rising rents. Another notable contributor to the Fund’s performance was a holding in Canadian Natural Resources Ltd. whose stock rose 19.16%, significantly outperforming the Energy sector.

Within fixed income holdings, the Fund held an overweight position in the corporate sector, with an emphasis on the short end of the yield curve (maturities of five years and under). This positioning kept the Fund’s yield in excess of the benchmark and contributed to relative performance during the Period.



Mutual Funds

# BMO Asset Allocation Fund

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The Fund's overweight allocation to the Utilities sector detracted from performance, as did stock selection within Utilities and Financials. Individual detractors from the Fund's performance included holdings in Northland Power Inc. and The Toronto-Dominion Bank.

The Fund's lower duration (interest-rate sensitivity) detracted from performance as yields fell. Investment-grade credit default swaps were purchased for risk management purposes, which detracted from the Fund's performance as credit spreads tightened.

The portfolio manager added a new position in CGI Inc. due to its mix of recurring revenue, strong organic growth, solid free-cash-flow conversion, capital discipline and commitment to corporate social responsibility. An existing holding in BCE Inc. was increased for its attractive balance of growth and profitability.

TMX Group Ltd. was eliminated from the Fund because it faces a tough year-over-year comparable as volatile market conditions weaken capital markets activities. Canadian National Railway Co. was trimmed amid macroeconomic and labour challenges.

The portfolio manager excluded Fairfax Financial Holdings Ltd. from the Fund amid concerns that the company's entrenched board might not protect the interests of minority shareholders and lags on environment, social and governance ("ESG"). The portfolio manager also excluded MTY Food Group Inc. from the Fund based on ESG concerns.

*For information on the Fund's performance and composition, please refer to the Past Performance section and Summary of Investment Portfolio section of this report.*

## Recent Developments

The portfolio manager believes that elevated inflation and high interest rates will continue to pressure consumer spending and bring recession risks. Firms with solid pricing power and operating efficiency should deliver resilient earnings and stock returns despite market uncertainty. As a result, the Fund focuses on companies with high-quality earnings, attractive valuations and growing investor interest, which should continue to add value in this market environment. The portfolio manager expects to keep the Fund's duration generally in line with or below that of the benchmark.

In February 2022, hostilities commenced in Ukraine. In response, a number of countries have imposed economic sanctions on Russia and certain Russian citizens and entities. The impact of the hostilities, economic sanctions and other

measures may have wide-ranging global effects on price volatility for securities and commodities as well as the stability of global financial markets. It is uncertain how long the hostilities, economic sanctions and market instability will continue and whether they will escalate further.

## RELATED PARTY TRANSACTIONS

From time to time, the Manager may, on behalf of the Fund, enter into transactions or arrangements with or involving other members of BMO Financial Group, or certain other persons or companies that are related or connected to the Manager (each a "Related Party"). The purpose of this section is to provide a brief description of any transaction involving the Fund and a Related Party.

### Manager

BMO Investments Inc., an indirect, wholly-owned subsidiary of Bank of Montreal ("BMO"), is the Manager and trustee of the Fund. The Manager is paid a management fee by the Fund as compensation for its services, which is described in the "Management Fees" section later in this document.

### Portfolio Manager

The Fund's portfolio manager is BMO Asset Management Inc. ("BMOAM"), an affiliate of the Manager. BMOAM provides portfolio management services to the Fund. BMOAM receives from the Manager a management fee based on assets under management, calculated daily and payable monthly.

### Administration Fee and Operating Expenses

The Fund pays a fixed administration fee to the Manager in respect of each series other than Series I. The Manager in return pays the operating expenses of these series of the Fund, other than certain specified expenses that are paid directly by the Fund ("Fund Expenses"). Fund Expenses are allocated proportionately among the relevant series. If the Fund Expenses are specific to a series, the Fund Expenses are allocated to that series. The fixed administration fee is calculated as a fixed annual percentage of the net asset value of each relevant series of the Fund. The annual fixed administration fee rate for each series of the Fund other than Series I is 0.17%. The administration fee is subject to applicable taxes. The Manager may, in certain cases, waive a portion of the administration fee that it receives from the Fund or from certain series of the Fund. Separate fees and expenses are negotiated and paid directly by each Series I investor. Further details about the fixed administration fee, Fund Expenses and/or operating expenses can be found in the Fund's most recent simplified prospectus at [www.bmo.com/gam/ca/advisor/legal-and-regulatory](http://www.bmo.com/gam/ca/advisor/legal-and-regulatory) or [www.sedar.com](http://www.sedar.com).

# BMO Asset Allocation Fund

## Buying and Selling Securities

During the Period, the Fund relied on standing instructions provided by the independent review committee (“IRC”) for any of the following related party transactions that may have occurred in the Fund (each, a “Related Party Transaction”):

- (a) investments in securities issued by BMO, an affiliate of the Manager, or any other issuer related to the Manager;
- (b) investments in a class of securities of an issuer during the period of distribution of those securities to the public and/or the 60-day period following the distribution period where BMO Nesbitt Burns Inc., an affiliate of the Manager, or any other affiliate of the Manager acted as an underwriter in the distribution;
- (c) trades in over-the-counter debt securities in the secondary market with BMO Nesbitt Burns Inc., or any other affiliate of the Manager, acting as principal in the Canadian debt securities market; and
- (d) trades of a security of any issuer from or to, another investment fund managed by the Manager or an affiliate of the Manager or a managed account managed by the Manager or an affiliate of the Manager.

In accordance with the IRC’s standing instructions, in making a decision to cause the Fund to enter into a Related Party Transaction, the Manager and the portfolio manager of the Fund are required to comply with the Manager’s written policies and procedures governing the Related Party Transaction and report periodically to the IRC, describing each instance that the Manager relied on the standing instructions and its compliance or non-compliance with the governing policies and procedures. The governing policies and procedures are designed to ensure that each Related Party Transaction (i) is made free from any influence of BMO, BMO Nesbitt Burns Inc. or an associate or affiliate of BMO and/or BMO Nesbitt Burns Inc., and without taking into account any considerations relevant to BMO, BMO Nesbitt Burns Inc. or an associate or affiliate of BMO and/or BMO Nesbitt Burns Inc.; (ii) represents the business judgment of the Manager, uninfluenced by considerations other than the best interests of the Fund; and (iii) achieves a fair and reasonable result for the Fund.

## Brokerage Commissions

The Fund pays standard brokerage commissions at market rates to BMO Nesbitt Burns Inc., an affiliate of the Manager, for executing a portion of its trades. The brokerage commissions charged to the Fund (excluding exchange and other fees) during the periods indicated, were as follows:

	Period ended Mar. 31, 2023 \$000	Period ended Mar. 31, 2022 \$000
Total brokerage commissions	93	68
Brokerage commissions paid to BMO Nesbitt Burns Inc.	31	14

## Distribution Services

The Manager markets and distributes the Fund through BMO branches and/or (depending on the series) through registered dealers and brokers, including BMO InvestorLine Inc. and BMO Nesbitt Burns Inc., both affiliates of the Manager. The Manager pays to these affiliates a service fee called a “trailing commission” based on the average daily value of the units and/or shares that are held in investor accounts. This service fee is paid monthly or quarterly and varies by purchase option and by series. Effective on or after June 1, 2022, series of units of the Fund that pay a service fee are no longer available for purchase by investors who hold those securities in an account with BMO InvestorLine Inc.

# BMO Asset Allocation Fund

## FINANCIAL HIGHLIGHTS

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the periods indicated.

### The Fund's Net Assets per Unit <sup>(1)</sup>

#### Series A Units

	Period ended		Periods ended Sep. 30			
	Mar. 31	2022	2021	2020	2019	2018
	2023					
Net assets, beginning of period	\$ 21.62	24.67	22.23	22.14	21.44	21.22
<b>Increase (decrease)</b>						
<b>from operations:</b>						
Total revenue	\$ 0.40	0.60	0.57	0.55	0.59	0.50
Total expenses <sup>(2)</sup>	\$ -0.23	-0.50	-0.50	-0.46	-0.45	-0.45
Realized gains (losses)						
for the period	\$ 0.20	1.68	1.04	0.70	0.66	0.77
Unrealized gains (losses)						
for the period	\$ 1.09	-4.24	1.48	-0.25	0.32	0.09
<b>Total increase (decrease)</b>						
<b>from operations <sup>(3)</sup></b>	\$ 1.46	-2.46	2.59	0.54	1.12	0.91
<b>Distributions:</b>						
From net investment income (excluding dividends)	\$ 0.00	—	—	—	0.04	—
From dividends	\$ 0.13	0.03	0.14	0.06	—	0.02
From capital gains	\$ 1.44	0.56	—	0.44	0.40	0.65
Return of capital	\$ 0.02	0.00	0.00	0.00	—	—
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 1.59	0.59	0.14	0.50	0.44	0.67
<b>Net assets, end of period</b>	\$ 21.48	21.62	24.67	22.23	22.14	21.44

#### Advisor Series Units

	Period ended		Periods ended Sep. 30			
	Mar. 31	2022	2021	2020	2019	2018
	2023					
Net assets, beginning of period	\$ 30.61	34.93	31.48	31.33	30.31	29.98
<b>Increase (decrease)</b>						
<b>from operations:</b>						
Total revenue	\$ 0.56	0.85	0.81	0.77	0.82	0.71
Total expenses <sup>(2)</sup>	\$ -0.32	-0.71	-0.71	-0.65	-0.64	-0.64
Realized gains (losses)						
for the period	\$ 0.28	2.37	1.47	0.98	0.94	1.09
Unrealized gains (losses)						
for the period	\$ 1.53	-6.00	2.11	-0.32	0.51	0.09
<b>Total increase (decrease)</b>						
<b>from operations <sup>(3)</sup></b>	\$ 2.05	-3.49	3.68	0.78	1.63	1.25
<b>Distributions:</b>						
From net investment income (excluding dividends)	\$ 0.01	—	—	—	0.05	—
From dividends	\$ 0.18	0.04	0.19	0.09	—	0.03
From capital gains	\$ 2.03	0.79	—	0.60	0.54	0.91
Return of capital	\$ 0.03	0.01	0.00	0.00	—	—
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 2.25	0.84	0.19	0.69	0.59	0.94
<b>Net assets, end of period</b>	\$ 30.42	30.61	34.93	31.48	31.33	30.31

### Series T5 Units

	Period ended		Periods ended Sep. 30			
	Mar. 31	2022	2021	2020	2019	2018
	2023					
Net assets, beginning of period	\$ 5.88	7.06	6.64	6.92	7.03	7.32
<b>Increase (decrease)</b>						
<b>from operations:</b>						
Total revenue	\$ 0.11	0.17	0.17	0.17	0.35	0.17
Total expenses <sup>(2)</sup>	\$ -0.06	-0.14	-0.15	-0.14	-0.14	-0.15
Realized gains (losses)						
for the period	\$ 0.05	0.47	0.31	0.23	0.05	0.26
Unrealized gains (losses)						
for the period	\$ 0.30	-1.17	0.43	-0.25	0.10	0.03
<b>Total increase (decrease)</b>						
<b>from operations <sup>(3)</sup></b>	\$ 0.40	-0.67	0.76	0.01	0.36	0.31
<b>Distributions:</b>						
From net investment income (excluding dividends)	\$ 0.00	—	—	—	0.02	—
From dividends	\$ 0.02	0.01	0.04	0.02	—	0.02
From capital gains	\$ 0.38	0.16	—	0.13	0.13	0.23
Return of capital	\$ 0.14	0.34	0.30	0.31	0.31	0.35
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 0.54	0.51	0.34	0.46	0.46	0.60
<b>Net assets, end of period</b>	\$ 5.73	5.88	7.06	6.64	6.92	7.03

### Series T6 Units

	Period ended		Periods ended Sep. 30			
	Mar. 31	2022 <sup>(7)</sup>	2021	2020	2019	2018
	2023					
Net assets, beginning of period	\$ 9.11	10.00*				
<b>Increase (decrease)</b>						
<b>from operations:</b>						
Total revenue	\$ 0.16	0.10				
Total expenses <sup>(2)</sup>	\$ -0.10	-0.07				
Realized gains (losses)						
for the period	\$ 0.04	0.15				
Unrealized gains (losses)						
for the period	\$ -0.26	-0.92				
<b>Total increase (decrease)</b>						
<b>from operations <sup>(3)</sup></b>	\$ -0.16	-0.74				
<b>Distributions:</b>						
From net investment income (excluding dividends)	\$ 0.00	0.02				
From dividends	\$ 0.05	0.06				
From capital gains	\$ 0.18	—				
Return of capital	\$ 0.24	0.07				
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 0.47	0.15				
<b>Net assets, end of period</b>	\$ 9.26	9.11				

# BMO Asset Allocation Fund

## Series F Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Net assets, beginning of period	\$ 14.81	16.92	15.26	15.19	14.69	14.38
<b>Increase (decrease)</b>						
<b>from operations:</b>						
Total revenue	\$ 0.27	0.42	0.39	0.37	0.42	0.34
Total expenses <sup>(2)</sup>	\$ -0.05	-0.11	-0.11	-0.10	-0.10	-0.10
Realized gains (losses)						
for the period	\$ 0.14	1.28	0.71	0.48	0.43	0.52
Unrealized gains (losses)						
for the period	\$ 0.74	-3.56	1.00	-0.17	0.27	-0.01
<b>Total increase (decrease)</b>						
<b>from operations <sup>(3)</sup></b>	\$ 1.10	-1.97	1.99	0.58	1.02	0.75
<b>Distributions:</b>						
From net investment income						
(excluding dividends)	\$ 0.10	0.05	0.10	0.08	0.13	0.04
From dividends	\$ 0.26	0.24	0.21	0.19	0.10	0.15
From capital gains	\$ 1.00	0.38	—	0.27	0.24	0.32
Return of capital	\$ 0.01	0.01	0.02	0.01	—	0.01
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 1.37	0.68	0.33	0.55	0.47	0.52
<b>Net assets, end of period</b>	\$ 14.54	14.81	16.92	15.26	15.19	14.69

## Series F6 Units

	Period ended		Period ended Sep. 30			
	Mar. 31 2023	2022 <sup>(6)</sup>	2021	2020	2019	2018 <sup>(5)</sup>
Net assets, beginning of period	\$ 16.57	20.00*				
<b>Increase (decrease)</b>						
<b>from operations:</b>						
Total revenue	\$ 0.30	0.50				
Total expenses <sup>(2)</sup>	\$ -0.06	-0.11				
Realized gains (losses)						
for the period	\$ 0.11	1.37				
Unrealized gains (losses)						
for the period	\$ 0.87	-6.37				
<b>Total increase (decrease)</b>						
<b>from operations <sup>(3)</sup></b>	\$ 1.22	-4.61				
<b>Distributions:</b>						
From net investment income						
(excluding dividends)	\$ 0.05	0.13				
From dividends	\$ 0.14	0.12				
From capital gains	\$ 0.57	0.09				
Return of capital	\$ 0.35	0.86				
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 1.11	1.20				
<b>Net assets, end of period</b>	\$ 16.70	16.57				

## Series D Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Net assets, beginning of period	\$ 11.87	13.59	12.26	11.94	11.53	11.38
<b>Increase (decrease)</b>						
<b>from operations:</b>						
Total revenue	\$ 0.23	0.29	0.31	0.30	0.34	0.27
Total expenses <sup>(2)</sup>	\$ -0.06	-0.14	-0.13	-0.12	-0.12	-0.11
Realized gains (losses)						
for the period	\$ 0.08	0.50	0.57	0.38	0.32	0.40
Unrealized gains (losses)						
for the period	\$ 0.64	-0.17	0.81	-0.04	0.22	-0.03
<b>Total increase (decrease)</b>						
<b>from operations <sup>(3)</sup></b>	\$ 0.89	0.48	1.56	0.52	0.76	0.53
<b>Distributions:</b>						
From net investment income						
(excluding dividends)	\$ —	0.01	0.04	0.01	0.09	—
From dividends	\$ —	0.18	0.18	0.05	0.06	0.14
From capital gains	\$ 0.16	0.38	—	0.07	0.18	0.31
Return of capital	\$ —	0.01	0.01	0.00	—	0.01
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 0.16	0.58	0.23	0.13	0.33	0.46
<b>Net assets, end of period</b>	\$ 12.60	11.87	13.59	12.26	11.94	11.53

## Series G Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018 <sup>(5)</sup>
Net assets, beginning of period	\$ 10.53	12.02	10.84	10.77	10.39	10.00*
<b>Increase (decrease)</b>						
<b>from operations:</b>						
Total revenue	\$ 0.19	0.29	0.28	0.27	0.31	0.16
Total expenses <sup>(2)</sup>	\$ -0.06	-0.13	-0.13	-0.12	-0.12	-0.07
Realized gains (losses)						
for the period	\$ 0.10	0.82	0.50	0.33	0.29	0.21
Unrealized gains (losses)						
for the period	\$ 0.52	-2.08	0.71	-0.10	0.20	0.01
<b>Total increase (decrease)</b>						
<b>from operations <sup>(3)</sup></b>	\$ 0.75	-1.10	1.36	0.38	0.68	0.31
<b>Distributions:</b>						
From net investment income						
(excluding dividends)	\$ 0.01	0.01	0.03	0.01	0.06	—
From dividends	\$ 0.18	0.15	0.15	0.13	0.06	—
From capital gains	\$ 0.68	0.26	—	0.19	0.15	—
Return of capital	\$ 0.01	0.00	0.01	0.00	—	—
<b>Total Annual Distributions <sup>(4)</sup></b>	\$ 0.88	0.42	0.19	0.33	0.27	—
<b>Net assets, end of period</b>	\$ 10.41	10.53	12.02	10.84	10.77	10.39

# BMO Asset Allocation Fund

## Series I Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Net assets, beginning of period	\$ 14.33	16.22	14.64	14.41	13.70	13.07
<b>Increase (decrease) from operations:</b>						
Total revenue	\$ 0.27	0.40	0.38	0.36	0.41	0.33
Total expenses <sup>(2)</sup>	\$ 0.00	0.00	0.00	0.00	0.00	0.00
Realized gains (losses) for the period	\$ 0.13	1.13	0.69	0.45	0.39	0.45
Unrealized gains (losses) for the period	\$ 0.69	-3.01	0.77	-0.18	0.48	-0.24
<b>Total increase (decrease) from operations<sup>(3)</sup></b>	\$ 1.09	-1.48	1.84	0.63	1.28	0.54
<b>Distributions:</b>						
From net investment income (excluding dividends)	\$ 0.16	0.14	0.20	0.13	0.08	0.04
From dividends	\$ 0.23	0.17	0.20	0.14	0.10	0.05
From capital gains	\$ 0.81	0.29	—	0.19	0.13	0.11
Return of capital	\$ 0.01	0.01	0.02	0.01	—	0.01
<b>Total Annual Distributions<sup>(4)</sup></b>	\$ 1.21	0.61	0.42	0.47	0.31	0.21
<b>Net assets, end of period</b>	\$ 14.24	14.33	16.22	14.64	14.41	13.70

## Classic Series Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Net assets, beginning of period	\$ 29.26	33.47	30.19	30.28	29.69	29.47
<b>Increase (decrease) from operations:</b>						
Total revenue	\$ 0.53	0.82	0.78	0.73	0.79	0.68
Total expenses <sup>(2)</sup>	\$ -0.26	-0.58	-0.58	-0.54	-0.53	-0.54
Realized gains (losses) for the period	\$ 0.27	2.25	1.41	0.95	0.92	1.07
Unrealized gains (losses) for the period	\$ 1.46	-5.67	1.97	-0.51	0.34	0.16
<b>Total increase (decrease) from operations<sup>(3)</sup></b>	\$ 2.00	-3.18	3.58	0.63	1.52	1.37
<b>Distributions:</b>						
From net investment income (excluding dividends)	\$ 0.00	—	—	—	0.19	—
From dividends	\$ 0.30	0.19	0.31	0.24	—	0.14
From capital gains	\$ 1.90	0.80	—	0.74	0.83	0.97
Return of capital	\$ 0.04	0.00	—	—	—	—
<b>Total Annual Distributions<sup>(4)</sup></b>	\$ 2.24	0.99	0.31	0.98	1.02	1.11
<b>Net assets, end of period</b>	\$ 29.04	29.26	33.47	30.19	30.28	29.69

\* Initial net assets.

<sup>(1)</sup> This information is derived from the Fund's unaudited semi-annual and audited annual financial statements.

<sup>(2)</sup> Includes commissions and other portfolio transaction costs and withholding taxes.

<sup>(3)</sup> Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase/decrease from operations is based on the weighted average number of units outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per unit.

<sup>(4)</sup> Distributions were either paid in cash or reinvested in additional units of the Fund, or both. The allocation of the distributions from each of income, dividends, capital gains and return of capital is based on the Manager's estimate as at March 31 or September 30 of the period shown, as applicable, which is the Fund's financial period-end. However, the actual allocation of distributions is determined as at December 15, the Fund's tax year-end. Accordingly, the actual allocation among income, dividends, capital gains and return of capital may differ from these estimates.

<sup>(5)</sup> The information shown in this column is for the period beginning February 14, 2018 (the series' inception date) and ending September 30, 2018.

<sup>(6)</sup> The information shown in this column is for the period beginning October 22, 2021 (the series' inception date) and ending September 30, 2022.

<sup>(7)</sup> The information shown in this column is for the period beginning May 27, 2022 (the series' inception date) and ending September 30, 2022.

## Ratios and Supplemental Data

### Series A Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 1,284,730	1,240,313	1,445,220	1,373,346	1,519,671	1,652,430
Number of units outstanding (000's) <sup>(1)</sup>	59,801	57,374	58,590	61,767	68,626	77,070
Management expense ratio <sup>(2)</sup>	% 2.13	2.13	2.12	2.13	2.12	2.12
Management expense ratio before waivers or absorptions	% 2.13	2.13	2.12	2.13	2.12	2.12
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02	0.02	0.02	0.02	0.01
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19	30.99	39.22	49.86	50.93
Net asset value per unit	\$ 21.48	21.62	24.67	22.23	22.14	21.44

### Advisor Series Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 69,550	65,364	76,108	72,576	76,333	77,963
Number of units outstanding (000's) <sup>(1)</sup>	2,286	2,135	2,179	2,305	2,436	2,572
Management expense ratio <sup>(2)</sup>	% 2.12	2.12	2.12	2.12	2.12	2.12
Management expense ratio before waivers or absorptions	% 2.12	2.12	2.12	2.12	2.12	2.12
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02	0.02	0.02	0.02	0.01
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19	30.99	39.22	49.86	50.93
Net asset value per unit	\$ 30.42	30.61	34.93	31.48	31.33	30.31

### Series T5 Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 963	1,006	1,189	1,140	1,662	1,659
Number of units outstanding (000's) <sup>(1)</sup>	168	171	168	172	240	236
Management expense ratio <sup>(2)</sup>	% 2.08	2.08	2.08	2.09	2.09	2.11
Management expense ratio before waivers or absorptions	% 2.09	2.09	2.10	2.10	2.10	2.11
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02	0.02	0.02	0.02	0.01
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19	30.99	39.22	49.86	50.93
Net asset value per unit	\$ 5.73	5.88	7.06	6.64	6.92	7.03

### Series T6 Units

	Period ended		Periods ended Sep. 30	
	Mar. 31 2023	2022 <sup>(7)</sup>	2021	2020
Total net asset value (000's) <sup>(1)</sup>	\$ 55	1		
Number of units outstanding (000's) <sup>(1)</sup>	6	0		
Management expense ratio <sup>(2)</sup>	% 2.17	2.17		
Management expense ratio before waivers or absorptions	% 2.55	27.82		
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02		
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19		
Net asset value per unit	\$ 9.26	9.11		

# BMO Asset Allocation Fund

## Series F Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 96,669	96,110	71,639	64,809	66,137	63,388
Number of units						
outstanding (000's) <sup>(1)</sup>	6,648	6,488	4,233	4,247	4,355	4,316
Management expense ratio <sup>(2)</sup>	% 0.69	0.70	0.70	0.70	0.70	0.70
Management expense ratio						
before waivers or absorptions	% 0.69	0.70	0.70	0.70	0.70	0.70
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02	0.02	0.02	0.02	0.01
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19	30.99	39.22	49.86	50.93
Net asset value per unit	\$ 14.54	14.81	16.92	15.26	15.19	14.69

## Series F6 Units

	Period ended		Period ended Sep. 30			
	Mar. 31 2023	2022 <sup>(5)</sup>	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 65	89				
Number of units						
outstanding (000's) <sup>(1)</sup>	4	5				
Management expense ratio <sup>(2)</sup>	% 0.69	0.70				
Management expense ratio						
before waivers or absorptions	% 0.80	1.08				
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02				
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19				
Net asset value per unit	\$ 16.70	16.57				

## Series D Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 458	429	41,626	37,733	8,520	6,685
Number of units						
outstanding (000's) <sup>(1)</sup>	36	36	3,063	3,078	714	580
Management expense ratio <sup>(2)</sup>	% 1.02	1.01	1.02	1.01	1.01	1.00
Management expense ratio						
before waivers or absorptions	% 1.02	1.02	1.02	1.01	1.01	1.00
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02	0.02	0.02	0.02	0.01
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19	30.99	39.22	49.86	50.93
Net asset value per unit	\$ 12.60	11.87	13.59	12.26	11.94	11.53

## Series G Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018 <sup>(5)</sup>
Total net asset value (000's) <sup>(1)</sup>	\$ 19,805	18,446	20,666	18,559	18,320	16,340
Number of units						
outstanding (000's) <sup>(1)</sup>	1,903	1,752	1,720	1,712	1,700	1,573
Management expense ratio <sup>(2)</sup>	% 1.13	1.14	1.14	1.14	1.14	1.14
Management expense ratio						
before waivers or absorptions	% 1.13	1.14	1.14	1.14	1.14	1.14
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02	0.02	0.02	0.02	0.01
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19	30.99	39.22	49.86	50.93
Net asset value per unit	\$ 10.41	10.53	12.02	10.84	10.77	10.39

## Series I Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 24,736	20,078	17,089	9,801	9,873	2,974
Number of units						
outstanding (000's) <sup>(1)</sup>	1,737	1,401	1,054	670	685	217
Management expense ratio <sup>(2)</sup>	% —	—	—	—	—	—
Management expense ratio						
before waivers or absorptions <sup>(2)</sup>	% —	—	—	—	—	—
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02	0.02	0.02	0.02	0.01
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19	30.99	39.22	49.86	50.93
Net asset value per unit	\$ 14.24	14.33	16.22	14.64	14.41	13.70

## Classic Series Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2023	2022	2021	2020	2019	2018
Total net asset value (000's) <sup>(1)</sup>	\$ 684	653	834	752	1,166	1,229
Number of units						
outstanding (000's) <sup>(1)</sup>	24	22	25	25	38	41
Management expense ratio <sup>(2)</sup>	% 1.81	1.81	1.81	1.84	1.84	1.85
Management expense ratio						
before waivers or absorptions	% 1.81	1.81	1.81	1.84	1.84	1.86
Trading expense ratio <sup>(3)</sup>	% 0.02	0.02	0.02	0.02	0.02	0.01
Portfolio turnover rate <sup>(4)</sup>	% 16.47	32.19	30.99	39.22	49.86	50.93
Net asset value per unit	\$ 29.04	29.26	33.47	30.19	30.28	29.69

+ Operating expenses are paid by BMOII and management fees are paid directly to BMOII as negotiated with the investor.

<sup>(1)</sup> This information is provided as at March 31 or September 30 of the period shown, as applicable.

<sup>(2)</sup> Management expense ratio is based on total expenses (excluding commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

<sup>(3)</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net asset value during the period.

<sup>(4)</sup> The Fund's portfolio turnover rate indicates how actively the Fund's portfolio manager manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the year. The higher a fund's portfolio turnover rate in a year, the greater the trading costs payable by the fund in the year, and the greater the chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

<sup>(5)</sup> The information shown in this column is for the period beginning February 14, 2018 (the series' inception date) and ending September 30, 2018.

<sup>(6)</sup> The information shown in this column is for the period beginning October 22, 2021 (the series' inception date) and ending September 30, 2022.

<sup>(7)</sup> The information shown in this column is for the period beginning May 27, 2022 (the series' inception date) and ending September 30, 2022.

# BMO Asset Allocation Fund

## Management Fees

The Manager is responsible for the day-to-day management of the business and operations of the Fund. The Manager monitors and evaluates the Fund's performance, pays for the investment advice provided by the Fund's portfolio manager and provides certain administrative services required by the Fund. As compensation for its services, the Manager is entitled to receive a management fee payable monthly, calculated based on the daily net asset value of each series of the Fund at the annual rate set out in the table below. The management fee is subject to applicable taxes. The Manager may, at its discretion, waive a portion or the entire amount of the management fee chargeable at any given time for each series of the Fund.

	Annual Management Fee Rate* %	As a Percentage of Management Fees	
		Dealer Compensation %	General Administration, Investment Advice and Profit %
Series A Units	1.75	57	43
Advisor Series Units	1.75	55	45
Series T5 Units	1.75	56	44
Series T6 Units	1.75	56	44
Series F Units	0.45	0	100
Series F6 Units	0.45	0	100
Series D Units	0.75	33	67
Series G Units	0.85	41	59
Series I Units	—	—	—
Classic Series Units	1.50	22	78

\* For Series I Units, separate Series I fees are negotiated and paid directly by each Series I investor. The combined management and administration fees for Series I Units will not exceed the management fee charged for Advisor Series or Series A Units.

## PAST PERFORMANCE

The Fund's performance information assumes that all distributions made by the Fund in the periods shown were reinvested in additional securities of the Fund and is based on the net asset value of the Fund. The reinvestment of distributions increases returns. The performance information does not take into account sales, redemption, distribution, other optional charges or income taxes payable that, if applicable, would have reduced returns or performance. Please remember that how the Fund has performed in the past does not indicate how it will perform in the future.

The returns of each series may differ from one another for a number of reasons, including if the series was not issued and outstanding for the entire reporting period and because of the different levels of management fees and expenses allocated and payable by each series.

On December 15, 2013, BMO Nesbitt Burns Balanced Fund merged into the Fund.

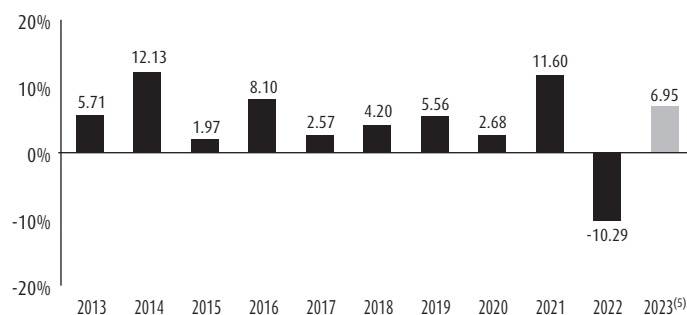
On February 1, 2017, the management fee on Series F units was lowered from 0.50% to 0.45%.

These changes could have affected the performance of the Fund had they been in effect throughout the performance measurement periods presented.

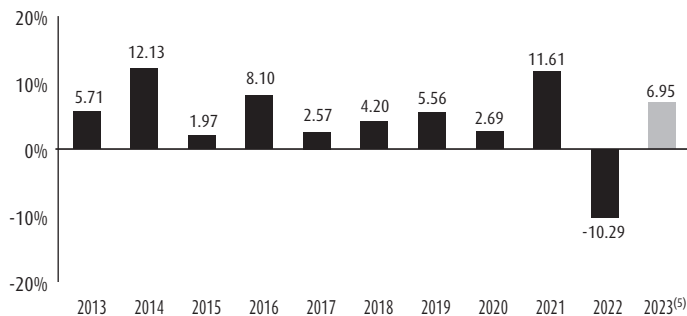
## Year-by-Year Returns

The following bar charts show the performance of each series of the Fund for each of the financial years shown and for the six-month period ended March 31, 2023, and illustrate how the Fund's performance has changed from year to year. The charts show in percentage terms how an investment made on the first day of each financial year would have increased or decreased by the last day of each financial year.

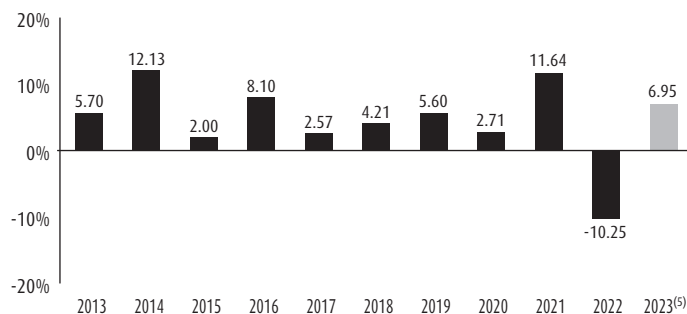
### Series A Units



### Advisor Series Units



### Series T5 Units



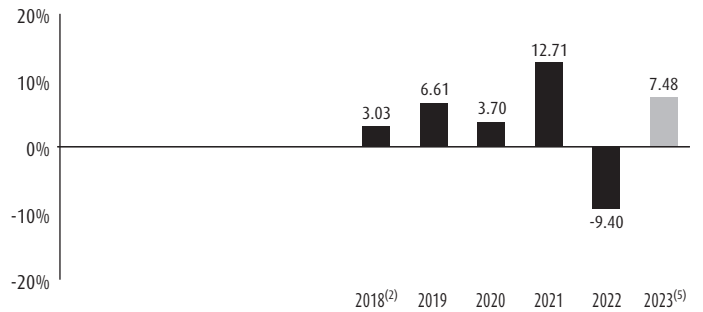


# BMO Asset Allocation Fund

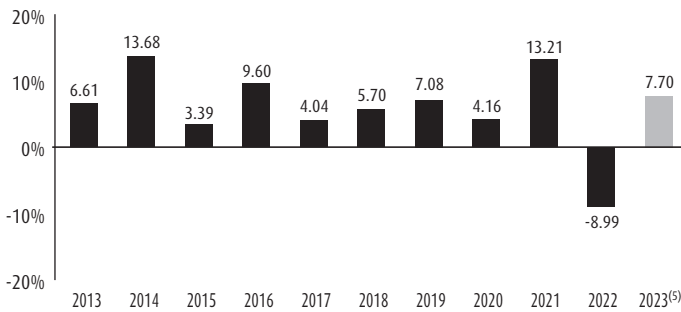
**Series T6 Units**



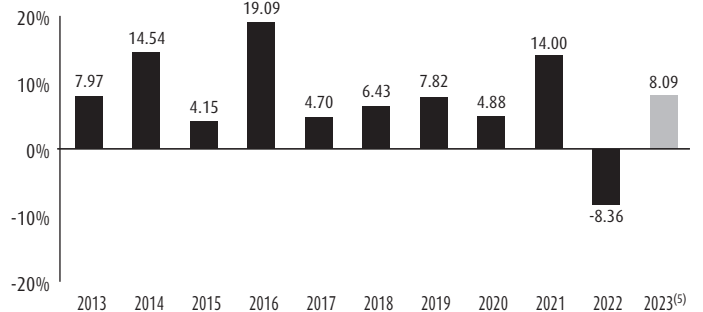
**Series G Units**



**Series F Units**



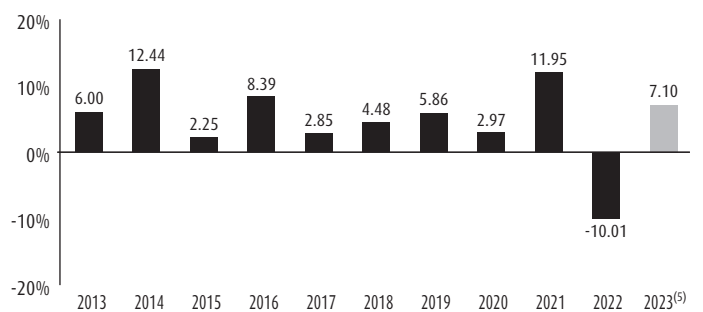
**Series I Units**



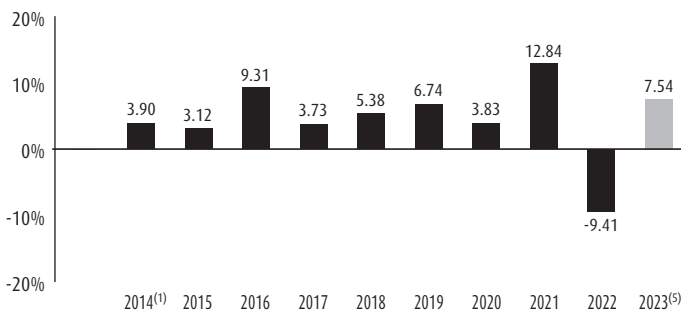
**Series F6 Units**



**Classic Series Units**



**Series D Units**



(1) For the period beginning with the performance launch date of April 8, 2014 to September 30, 2014.  
 (2) For the period beginning with the performance launch date of February 16, 2018 to September 30, 2018.  
 (3) For the period beginning with the performance launch date of October 22, 2021 to September 30, 2022.  
 (4) For the period beginning with the performance launch date of June 13, 2022 to September 30, 2022.  
 (5) For the six-month period ended March 31, 2023.

# BMO Asset Allocation Fund

## SUMMARY OF INVESTMENT PORTFOLIO

As at March 31, 2023

<b>Portfolio Allocation</b>	<b>% of Net Asset Value</b>
Bonds & Debentures	37.9
Canadian Equities	35.1
International Equity Fund	7.0
U.S. Equity Fund	6.1
Emerging Markets Equity Fund	3.9
Global Equity Funds	3.1
Canadian Equity Fund	2.3
U.S. Equities	2.1
Money Market Investments	1.6
Cash/Receivables/Payables	0.9
<b>Total Portfolio Allocation</b>	<b>100.0</b>

<b>Top 25 Holdings Issuer</b>	<b>% of Net Asset Value</b>
BMO MSCI EAFE Index ETF <sup>+</sup>	7.0
BMO S&P 500 Index ETF <sup>+</sup>	6.1
BMO MSCI Emerging Markets Index ETF <sup>+</sup>	3.9
Royal Bank of Canada	3.1
BMO S&P/TSX Capped Composite Index ETF <sup>+</sup>	2.3
Toronto-Dominion Bank, The	2.2
BMO Global Infrastructure Index ETF <sup>+</sup>	2.0
Canadian Natural Resources Limited	2.0
Canadian Pacific Railway Limited	1.9
Constellation Software Inc.	1.7
Government of Canada, Unsecured, 2.000% Jun 1, 2032	1.3
Province of Quebec, Unsecured, 3.500% Dec 1, 2045	1.3
Bank of Montreal	1.1
Suncor Energy Inc.	1.1
BMO Brookfield Global Renewables Infrastructure Fund, ETF Series <sup>+</sup>	1.1
Province of Ontario, Unsecured, Notes, 2.900% Jun 2, 2049	1.1
Franco-Nevada Corporation	1.1
Province of Ontario, Unsecured, Notes, 2.050% Jun 2, 2030	1.0
Manulife Financial Corporation	1.0
Government of Canada, Unsecured, 1.750% Dec 1, 2053	1.0
BCE Inc.	1.0
Shopify Inc., Class A	1.0
TFI International Inc.	1.0
Granite REIT	0.9
Cash/Receivables/Payables	0.9
<b>Top Holdings as a Percentage of Total Net Asset Value</b>	<b>48.1</b>
<b>Total Net Asset Value</b>	<b>\$1,497,715,087</b>

<sup>+</sup>The prospectus and other information about the underlying investment fund(s) held in the portfolio are available at [www.sedar.com](http://www.sedar.com).

For BMO Mutual Funds, this information is also available at [www.bmo.com/gam/ca/advisor/legal-and-regulatory](http://www.bmo.com/gam/ca/advisor/legal-and-regulatory) and for BMO Exchange Traded Funds at [www.bmo.com/etflegal](http://www.bmo.com/etflegal).

The summary of investment portfolio may change due to the Fund's ongoing portfolio transactions. Updates are available quarterly.

**BMO Investments Inc.**

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[www.bmo.com/mutualfunds](http://www.bmo.com/mutualfunds) and [www.bmo.com/gam/ca](http://www.bmo.com/gam/ca)

If you have any questions, please give us a call as follows:

- If you purchased BMO Mutual Funds through a BMO Bank of Montreal branch or BMO Online Banking, please call 1-800-665-7700.
- If you purchased BMO Mutual Funds through a full-service or discount broker, please call 1-800-668-7327 or email [clientservices.mutualfunds@bmo.com](mailto:clientservices.mutualfunds@bmo.com).

**Caution regarding forward-looking statements**

This document may contain forward-looking statements relating to anticipated future events, results, circumstances, performance or expectations that are not historical facts but instead represent our beliefs regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions and other forward-looking statements will not prove to be accurate. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed or implied in the forward-looking statements. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including but not limited to market and general economic conditions, interest rates, regulatory and statutory developments, the effects of competition in the geographic and business areas in which the Fund may invest in and the risks detailed from time to time in BMO Mutual Funds' simplified prospectus. We caution that the foregoing list of factors is not exhaustive and that when relying on forward-looking statements to make decisions with respect to investing in the Fund, investors and others should carefully consider these factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements. Due to the potential impact of these factors, BMO Investments Inc. does not undertake, and specifically disclaims, any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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Mutual Funds