

BMO World Bond Fund (the “Fund”)

For the six-month period ended March 31, 2022 (the “Period”)

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

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

Sub-advisor: BMO Asset Management Limited, London, England

2022 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/mutualfunds and www.bmo.com/gam/ca or SEDAR at 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 \$209 million to approximately \$196 million. Series A units of the Fund returned -4.87%. Please see the *Past Performance* section for information on the performance returns of the Fund’s other series.

During the Period, central banks began to tighten monetary policy, either by reducing the rate at which they had been making asset purchases, or by raising interest rates. The withdrawal of monetary policy stimulus was reflected in higher short-dated bond yields, contributing to a flattening of yield curves globally as market participants anticipated a deceleration in growth in the medium term.

The recovery in global demand for goods continued to put pressure on supply chains, while capacity constraints in global goods markets proved to be persistent. Increased demand, supply disruptions and higher energy prices were the major contributors to the rise in inflation. The hostilities in Ukraine significantly impacted energy supply and security, as well as future global trading policies. The hostilities in Ukraine also worsened inflationary concerns as energy prices surged amid fears of supply constraints. The emergence of the COVID-19 Omicron variant threatened supply chains and added to growth and inflation concerns as China locked down some major areas, including Shanghai. Despite these concerns, Chinese equity markets recovered as China rolled back its aggressive stance towards Information Technology companies. This had a positive effect on global equity and credit markets.

Underweight exposures to interest rate risk and credit risk contributed to the Fund’s performance. The Fund’s underweight duration (sensitivity to interest rates) position, primarily focused on the U.S. Treasury market and, to a lesser extent the U.K. market, contributed to performance amid strengthening economic growth, improving labour market conditions, and rising inflation. The underweight allocation to credit risk is a result of the relative expense of credit valuations, alongside the potential for market weakness, resulting from higher yield levels and increased market volatility as central banks began to tighten monetary policy. The hostilities in Ukraine heightened the sensitivity of global credit markets, leading to a sharp widening in credit spreads (the difference in yield between securities of similar maturity but with different credit quality). The Fund also benefited from a cross-market trade that favoured China versus the U.S. China’s strong performance reflected the impact of renewed COVID-19 lockdowns in economically important cities like Shanghai, as well as affirmation from Chinese policymakers that the policy environment would be conducive for growth.

An underweight position in Mexican local-currency bonds detracted from performance. The Fund held a tactical overweight position in Mexican sovereign bonds, which had a negative impact on performance as interest rates rose significantly in the first quarter of 2022 amid tighter U.S. monetary policy and events in Ukraine, both of which led to increased demand for “safe-haven” assets.

BMO World Bond Fund

The sub-advisor took advantage of new-issue activity, allocating capital to those issues that were being sufficiently rewarded for taking credit or interest rate risk. The Fund's exposure to the property sector was increased through the purchase of debt from Real Estate sector companies and real estate investment trusts. The Fund's underweight position in credit was eliminated. The sub-advisor also reduced the Fund's risk through the sale of debt from Adler Real Estate AG amid concerns over corporate governance. The sub-advisor reduced the scale of the Fund's short-duration position in U.S. Treasuries.

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 hostilities in Ukraine and subsequent sanctions on Russia may have a long-lasting effect on global markets as geopolitical risks take centre stage. Europe could be forced to transition its energy policy, and Russia and other commodity-based countries may accelerate new trading rules away from the U.S. dollar. Russia has already linked the ruble to gold. The COVID-19 pandemic is still causing disruption to cities across China.

The sub-advisor expects the rate of global economic growth to slow amid elevated energy and goods prices, which should have an adverse impact on consumers' real incomes at a time when interest rates are rising. Inflation may decline in the medium term, although energy prices are likely to remain volatile. One complicating factor to the growth and inflation picture is the conflict in Ukraine. In the short term, the conflict may worsen global supply constraints while continuing to exert upward pressure on commodity prices. Monetary policy is expected to continue tightening in developed and emerging markets as central banks attempt to quell inflationary pressures.

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.

Subsequent Event

Multi-Series Structure Change

Series D units are no longer available for purchase by new or existing investors effective on or about May 27, 2022.

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 and BMO Asset Management Limited is a sub-advisor to BMOAM. 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.

On November 8, 2021, BMO Financial Group announced that it had completed the previously announced sale of the entities that represent its EMEA asset management business to Ameriprise Financial, Inc. As a result of the closing of this transaction, BMO Asset Management Limited is no longer an affiliate of the Manager.

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 0.30%. 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/mutualfunds and www.bmo.com/gam/ca or www.sedar.com.

BMO World Bond 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 non-government debt securities and/or equity 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 debt securities in the secondary market with BMO Nesbitt Burns Inc., an affiliate of the Manager, that is trading with the Fund as principal; 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 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.

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 will no longer be available for purchase by investors who hold those securities in an account with BMO InvestorLine Inc.

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 ⁽¹⁾

Series A Units

		Period ended		Periods ended Sep. 30			
		Mar. 31	2021	2020	2019	2018	2017
		2022					
Net assets, beginning of period	\$	10.04	10.74	11.05	10.48	10.54	12.50
Increase (decrease)							
from operations:							
Total revenue	\$	0.08	0.22	0.21	0.26	0.27	0.28
Total expenses ⁽²⁾	\$	-0.11	-0.23	-0.24	-0.24	-0.24	-0.24
Realized gains (losses)							
for the period	\$	0.29	0.50	0.34	0.88	1.30	0.05
Unrealized gains (losses)							
for the period	\$	-0.73	-0.74	-0.04	-0.10	-1.14	-0.97
Total increase (decrease)							
from operations ⁽³⁾	\$	-0.47	-0.25	0.27	0.80	0.19	-0.88
Distributions:							
From net investment income (excluding dividends)	\$	—	—	0.04	0.04	0.07	0.10
From dividends	\$	—	—	—	—	—	—
From capital gains	\$	0.39	0.20	0.37	—	—	0.83
Return of capital	\$	0.12	0.24	0.20	0.20	0.17	0.14
Total Annual Distributions ⁽⁴⁾	\$	0.51	0.44	0.61	0.24	0.24	1.07
Net assets, end of period	\$	9.07	10.04	10.74	11.05	10.48	10.54

Advisor Series Units

		Period ended		Periods ended Sep. 30			
		Mar. 31	2021	2020	2019	2018	2017
		2022					
Net assets, beginning of period	\$	9.29	9.94	10.23	9.71	9.79	11.44
Increase (decrease)							
from operations:							
Total revenue	\$	0.08	0.20	0.19	0.24	0.25	0.26
Total expenses ⁽²⁾	\$	-0.10	-0.22	-0.22	-0.22	-0.22	-0.23
Realized gains (losses)							
for the period	\$	0.25	0.47	0.31	0.82	1.22	0.05
Unrealized gains (losses)							
for the period	\$	-0.66	-0.70	-0.01	-0.09	-1.08	-0.96
Total increase (decrease)							
from operations ⁽³⁾	\$	-0.43	-0.25	0.27	0.75	0.17	-0.88
Distributions:							
From net investment income (excluding dividends)	\$	—	—	0.04	0.04	0.05	0.09
From dividends	\$	—	—	—	—	—	—
From capital gains	\$	0.37	0.17	0.34	—	—	0.58
Return of capital	\$	0.12	0.24	0.20	0.20	0.19	0.15
Total Annual Distributions ⁽⁴⁾	\$	0.49	0.41	0.58	0.24	0.24	0.82
Net assets, end of period	\$	8.37	9.29	9.94	10.23	9.71	9.79

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Series F Units

	Period ended Mar. 31 2022	2021	Periods ended Sep. 30			2017
			2020	2019	2018	
Net assets, beginning of period	\$ 11.26	11.94	12.19	11.48	11.48	13.14
Increase (decrease) from operations:						
Total revenue	\$ 0.09	0.24	0.23	0.29	0.29	0.31
Total expenses ⁽²⁾	\$ -0.04	-0.09	-0.10	-0.09	-0.09	-0.09
Realized gains (losses) for the period	\$ 0.35	0.56	0.37	1.01	1.59	0.08
Unrealized gains (losses) for the period	\$ -0.83	-0.86	-0.04	-0.14	-1.46	-1.33
Total increase (decrease) from operations ⁽³⁾	\$ -0.43	-0.15	0.46	1.07	0.33	-1.03
Distributions:						
From net investment income (excluding dividends)	\$ 0.02	0.13	0.23	0.23	0.27	0.33
From dividends	\$ —	—	—	—	—	—
From capital gains	\$ 0.45	0.20	0.40	—	—	0.53
Return of capital	\$ 0.16	0.23	0.13	0.13	0.09	0.03
Total Annual Distributions ⁽⁴⁾	\$ 0.63	0.56	0.76	0.36	0.36	0.89
Net assets, end of period	\$ 10.18	11.26	11.94	12.19	11.48	11.48

Series D Units

	Period ended Mar. 31 2022	2021	Periods ended Sep. 30			2017
			2020	2019	2018 ⁽⁵⁾	
Net assets, beginning of period	\$ 9.77	10.43	10.38	9.81	10.00*	
Increase (decrease) from operations:						
Total revenue	\$ 0.08	0.22	0.21	0.25	0.22	
Total expenses ⁽²⁾	\$ -0.09	-0.19	-0.19	-0.18	-0.17	
Realized gains (losses) for the period	\$ 0.01	0.51	0.31	1.03	2.83	
Unrealized gains (losses) for the period	\$ -0.49	-0.75	0.10	-0.17	-2.99	
Total increase (decrease) from operations ⁽³⁾	\$ -0.49	-0.21	0.43	0.93	-0.11	
Distributions:						
From net investment income (excluding dividends)	\$ —	0.00	0.11	0.11	0.16	
From dividends	\$ —	—	—	—	—	
From capital gains	\$ 0.43	0.22	0.06	—	—	
Return of capital	\$ 0.12	0.23	0.12	0.12	—	
Total Annual Distributions ⁽⁴⁾	\$ 0.55	0.45	0.29	0.23	0.16	
Net assets, end of period	\$ 8.79	9.77	10.43	10.38	9.81	

Series I Units

	Period ended Mar. 31 2022	2021	Periods ended Sep. 30			2017
			2020	2019	2018	
Net assets, beginning of period	\$ 10.77	11.37	11.51	10.78	11.26	13.76
Increase (decrease) from operations:						
Total revenue	\$ 0.09	0.20	0.22	0.27	0.29	0.30
Total expenses ⁽²⁾	\$ 0.00	-0.00	0.00	0.00	0.01	0.00
Realized gains (losses) for the period	\$ 0.31	-0.42	0.36	0.93	0.62	0.06
Unrealized gains (losses) for the period	\$ -0.80	0.26	-0.05	-0.13	-0.38	-1.01
Total increase (decrease) from operations ⁽³⁾	\$ -0.40	0.04	0.53	1.07	0.54	-0.65
Distributions:						
From net investment income (excluding dividends)	\$ 0.09	0.25	0.30	0.35	0.36	0.63
From dividends	\$ —	—	—	—	—	—
From capital gains	\$ —	0.22	0.35	—	0.57	1.15
Return of capital	\$ 0.09	0.11	0.06	0.01	0.00	0.01
Total Annual Distributions ⁽⁴⁾	\$ 0.18	0.58	0.71	0.36	0.93	1.79
Net assets, end of period	\$ 10.19	10.77	11.37	11.51	10.78	11.26

Classic Series Units

	Period ended Mar. 31 2022	2021	Periods ended Sep. 30			2017
			2020	2019	2018	
Net assets, beginning of period	\$ 10.10	10.55	10.64	9.92	9.85	11.58
Increase (decrease) from operations:						
Total revenue	\$ 0.09	0.22	0.21	0.25	0.25	0.26
Total expenses ⁽²⁾	\$ -0.07	-0.16	-0.16	-0.15	-0.16	-0.15
Realized gains (losses) for the period	\$ 0.15	0.56	0.32	0.85	1.24	0.05
Unrealized gains (losses) for the period	\$ -0.64	-0.80	-0.01	-0.10	-1.08	-0.90
Total increase (decrease) from operations ⁽³⁾	\$ -0.47	-0.18	0.36	0.85	0.25	-0.74
Distributions:						
From net investment income (excluding dividends)	\$ —	0.04	0.13	0.13	0.16	0.18
From dividends	\$ —	—	—	—	—	—
From capital gains	\$ 0.52	0.22	0.33	—	—	0.79
Return of capital	\$ —	0.01	0.00	0.00	0.00	0.00
Total Annual Distributions ⁽⁴⁾	\$ 0.52	0.27	0.46	0.13	0.16	0.97
Net assets, end of period	\$ 9.15	10.10	10.55	10.64	9.92	9.85

* Initial net assets.

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

⁽²⁾ Includes commissions and other portfolio transaction costs and withholding taxes.

⁽³⁾ 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.

⁽⁴⁾ 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 year-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.

⁽⁵⁾ The information shown in this column is for the period beginning November 20, 2017 (the series' inception date) and ending September 30, 2018.

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Ratios and Supplemental Data

Series A Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2022	2021	2020	2019	2018	2017
Total net asset value (000's) ⁽¹⁾	\$ 117,115	127,116	133,407	155,141	165,061	225,378
Number of units						
outstanding (000's) ⁽¹⁾	12,920	12,656	12,418	14,043	15,752	21,383
Management expense ratio ⁽²⁾	% 2.27	2.27	2.27	2.27	2.23	2.23
Management expense ratio						
before waivers or absorptions	% 2.27	2.27	2.27	2.27	2.27	2.27
Trading expense ratio ⁽³⁾	% —	—	—	0.03	0.03	0.00
Portfolio turnover rate ⁽⁴⁾	% 39.98	53.91	83.00	49.89	14.23	14.04
Net asset value per unit	\$ 9.07	10.04	10.74	11.05	10.48	10.54

Advisor Series Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2022	2021	2020	2019	2018	2017
Total net asset value (000's) ⁽¹⁾	\$ 5,388	6,460	6,698	6,879	6,772	8,085
Number of units						
outstanding (000's) ⁽¹⁾	644	695	674	673	697	826
Management expense ratio ⁽²⁾	% 2.25	2.26	2.26	2.25	2.27	2.27
Management expense ratio						
before waivers or absorptions	% 2.26	2.26	2.26	2.26	2.27	2.27
Trading expense ratio ⁽³⁾	% —	—	—	0.03	0.03	0.00
Portfolio turnover rate ⁽⁴⁾	% 39.98	53.91	83.00	49.89	14.23	14.04
Net asset value per unit	\$ 8.37	9.29	9.94	10.23	9.71	9.79

Series F Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2022	2021	2020	2019	2018	2017
Total net asset value (000's) ⁽¹⁾	\$ 23,278	21,742	20,254	23,011	21,558	20,871
Number of units						
outstanding (000's) ⁽¹⁾	2,286	1,931	1,697	1,888	1,878	1,818
Management expense ratio ⁽²⁾	% 0.80	0.80	0.80	0.80	0.80	0.80
Management expense ratio						
before waivers or absorptions	% 0.85	0.84	0.84	0.83	0.83	0.83
Trading expense ratio ⁽³⁾	% —	—	—	0.03	0.03	0.00
Portfolio turnover rate ⁽⁴⁾	% 39.98	53.91	83.00	49.89	14.23	14.04
Net asset value per unit	\$ 10.18	11.26	11.94	12.19	11.48	11.48

Series D Units

	Period ended		Periods ended Sep. 30		
	Mar. 31 2022	2021	2020	2019	2018 ⁽⁵⁾
Total net asset value (000's) ⁽¹⁾	\$ 28	2,447	3,009	142	36
Number of units					
outstanding (000's) ⁽¹⁾	3	250	288	14	4
Management expense ratio ⁽²⁾	% 1.87	1.89	1.87	1.85	1.92
Management expense ratio					
before waivers or absorptions	% 1.89	1.89	1.87	1.85	2.80
Trading expense ratio ⁽³⁾	% —	—	—	0.03	0.03
Portfolio turnover rate ⁽⁴⁾	% 39.98	53.91	83.00	49.89	14.23
Net asset value per unit	\$ 8.79	9.77	10.43	10.38	9.81

Series I Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2022	2021	2020	2019	2018	2017
Total net asset value (000's) ⁽¹⁾	\$ 49,934	50,866	3,205	4,233	4,389	563,945
Number of units						
outstanding (000's) ⁽¹⁾	4,904	4,724	282	368	407	50,091
Management expense ratio ⁺	% —	—	—	—	—	—
Management expense ratio						
before waivers or absorptions ⁺	% —	—	—	—	—	—
Trading expense ratio ⁽³⁾	% —	—	—	0.03	0.03	0.00
Portfolio turnover rate ⁽⁴⁾	% 39.98	53.91	83.00	49.89	14.23	14.04
Net asset value per unit	\$ 10.19	10.77	11.37	11.51	10.78	11.26

Classic Series Units

	Period ended		Periods ended Sep. 30			
	Mar. 31 2022	2021	2020	2019	2018	2017
Total net asset value (000's) ⁽¹⁾	\$ 398	811	1,173	1,519	1,471	1,608
Number of units						
outstanding (000's) ⁽¹⁾	43	80	111	143	148	163
Management expense ratio ⁽²⁾	% 1.54	1.55	1.55	1.55	1.55	1.56
Management expense ratio						
before waivers or absorptions	% 1.54	1.55	1.55	1.55	1.55	1.56
Trading expense ratio ⁽³⁾	% —	—	—	0.03	0.03	0.00
Portfolio turnover rate ⁽⁴⁾	% 39.98	53.91	83.00	49.89	14.23	14.04
Net asset value per unit	\$ 9.15	10.10	10.55	10.64	9.92	9.85

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

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

⁽²⁾ 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.

⁽³⁾ 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. For the financial periods-ended March 31, 2022, September 30, 2021 and September 30, 2020, no commissions or other portfolio transactions costs were incurred by the Fund. As a result, the trading expense ratio for these periods was nil.

⁽⁴⁾ 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.

⁽⁵⁾ The information shown in this column is for the period beginning November 20, 2017 (the series' inception date) and ending September 30, 2018.

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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	29	71
Advisor Series Units	1.75	31	69
Series F Units	0.45	0	100
Series D Units	1.40	11	89
Series I Units	—	—	—
Classic Series Units	1.10	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 June 1, 2012, BMO Guardian Global Bond Fund merged into the Fund.

On April 29, 2013, BMO Asset Management Inc. replaced Insight Investment Management (Global) Limited as portfolio manager of the Fund. In addition, the investment strategies of the Fund changed to reflect the investment style of BMO Asset Management Inc.

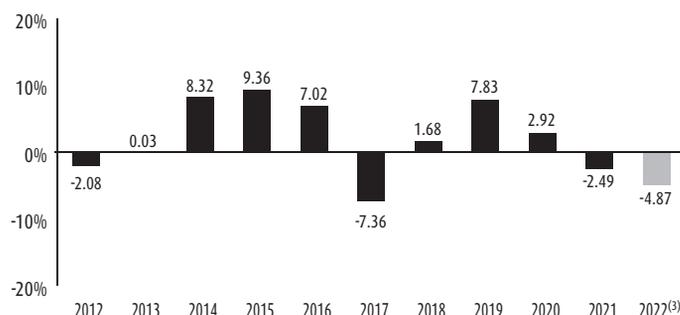
On May 4, 2018, the Manager announced that BMO Asset Management Limited would become a sub-advisor for the Fund. In addition, the investment strategies of the Fund changed to reflect the investment style of BMO Asset Management Limited.

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

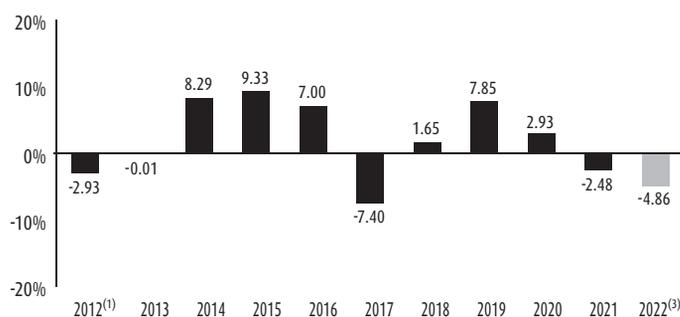
Year-by-Year Returns

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, 2022, 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

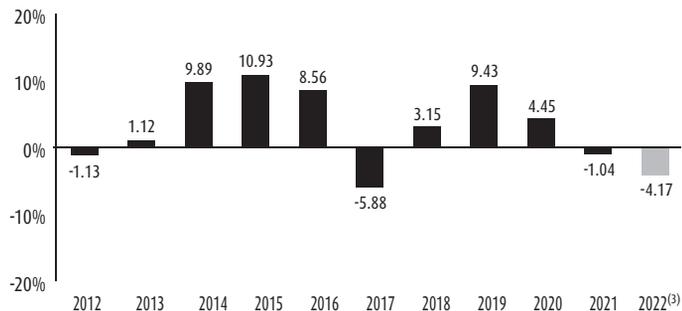


Advisor Series Units

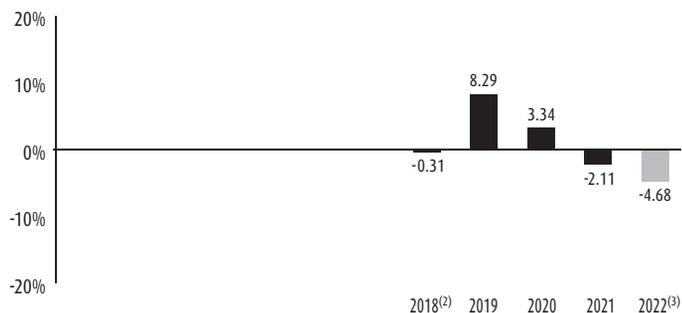


BMO World Bond Fund

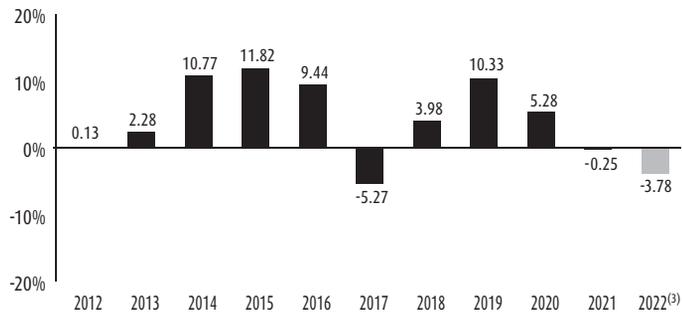
Series F Units



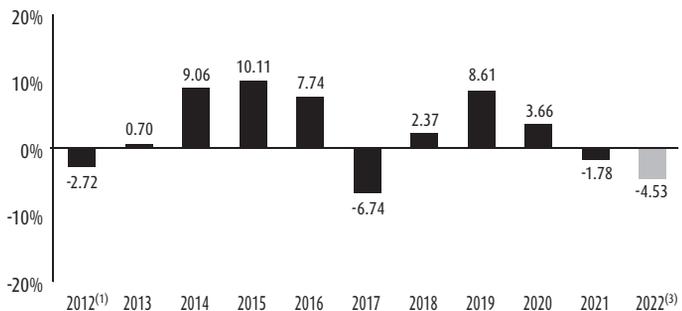
Series D Units



Series I Units



Classic Series Units



⁽¹⁾ For the period beginning with the performance launch date of June 1, 2012 to September 30, 2012.

⁽²⁾ For the period beginning with the performance launch date of November 21, 2017 to September 30, 2018.

⁽³⁾ For the six-month period ended March 31, 2022.

BMO World Bond Fund

SUMMARY OF INVESTMENT PORTFOLIO

As at March 31, 2022

Portfolio Allocation	% of Net Asset Value	Top 25 Holdings Issuer	% of Net Asset Value
United States	24.6	Cash/Receivables/Payables	5.4
Japan	13.3	People's Republic of China, Unsecured, 1.990% Apr 9, 2025	4.9
China	9.0	United States Treasury Notes, 0.625% Aug 15, 2030	4.7
Canada	7.0	United States Treasury Notes, 1.375% Dec 31, 2028	3.9
Germany	6.9	BMO Mid-Term US IG Corporate Bond Index ETF ⁺	3.5
United Kingdom	5.6	People's Republic of China, Unsecured, 3.810% Sep 14, 2050	2.5
Cash/Receivables/Payables	5.4	Government of Japan, Twenty Year Bonds, Series 117, Senior, Unsecured, 2.100% Mar 20, 2030	2.4
Mexico	4.2	United States Treasury Bonds, 2.750% Feb 15, 2028	2.3
Australia	3.4	Federal Republic of Germany, Series 181, Unsecured, 0.010% Apr 11, 2025	2.2
France	2.6	United Mexican States, Series M, Senior, Unsecured, 5.750% Mar 5, 2026	1.9
Netherlands	2.3	Government of Canada, Unsecured, 2.250% Jun 1, 2029	1.8
Spain	1.9	Government of Japan, Ten Year Bonds, Series 340, Senior, Unsecured, 0.400% Sep 20, 2025	1.8
South Korea	1.7	United States Treasury Bonds, 2.875% May 15, 2049	1.7
United Arab Emirates	1.4	Government of Japan, Ten Year Bonds, Series 332, Senior, Unsecured, 0.600% Dec 20, 2023	1.6
Supranational	1.3	Commonwealth of Australia, Series 157, Senior, Unsecured, 1.500% Jun 21, 2031	1.5
South Africa	1.3	United Mexican States, Series M, Senior, Unsecured, 8.000% Nov 7, 2047	1.4
Other	8.1	United Kingdom Treasury Gilt, Unsecured, 1.500% Jul 22, 2047	1.3
Total Portfolio Allocation	100.0	Republic of South Africa, Series 2048, Senior, Unsecured, 8.750% Feb 28, 2048	1.2
		United States Treasury Notes, 1.875% Feb 15, 2032	1.1
		Government of Japan, Thirty Year Bonds, Series 41, Senior, Unsecured, 1.700% Dec 20, 2043	1.1
		CPPIB Capital Inc., Euro Medium Term Notes, Senior, Unsecured, 0.750% Feb 2, 2037	1.1
		Federal Republic of Germany, Unsecured, 0.010% Feb 15, 2031	1.0
		Kreditanstalt Fuer Wiederaufbau, Euro Medium Term Notes, Senior, Unsecured, 0.125% Jan 9, 2032	0.9
		People's Republic of China, Senior, Unsecured, Notes, 0.250% Nov 25, 2030	0.9
		Government of Japan, Twenty Year Bond, Series 152, Senior, Unsecured, 1.200% Mar 20, 2035	0.8
		Top Holdings as a Percentage of Total Net Asset Value	52.9
		Total Net Asset Value	\$196,141,364

⁺The prospectus and other information about the underlying exchange traded fund(s) held in the portfolio are available at www.sedar.com and 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 and 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.

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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