2024 Sustainability Report

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For more information about TD and its activities, please read our other reports and supplementary material:

- **2024 Annual Report**
- **Supplementary Sustainability Resources**
- **2025 Management Proxy Circular**

About This Report

Reporting Scope

This report presents information on TD's sustainability strategy[1] and performance during the fiscal year (ending October 31, 2024) related to those environmental, social and governance (ESG) topics that are important to TD because of the risks and/or opportunities they pose to the Bank, our customers, our clients, our communities or our colleagues. Reports from previous years are available at td.com/esg.

The report focuses on the activities and operations of TD and its wholly owned subsidiaries and activities that support TD's sustainability strategy. Additional information regarding the activities and operations of TD and its wholly owned subsidiaries is included in TD's 2024 Annual Report.

Throughout the report, "TD," "the Bank," "we," "us" or "our" refers to TD Bank Group. "TD Bank" refers to TD Bank, America's Most Convenient Bank®.

The data supporting the report may be found in our 2024 Sustainability Performance Data Pack & Indices ("Data Pack"), which includes footnotes and commentary regarding restatements or data changes, where applicable. This Sustainability Report includes an appendix containing our OSFI B-15 Climate Risk Management Guideline Index and the Data Pack includes our voluntary reporting indices.

Currency

All currency is in Canadian dollars unless otherwise noted.

Endnotes and Acronyms

The endnotes referenced throughout this report provide additional information on key concepts and metrics. The acronyms used throughout this report are described in the appendix.

Reporting Frameworks

This report is informed by the following reporting frameworks and standards:

- The reporting requirements of the Office of the Superintendent of Financial Institutions (OSFI), Guideline B-15: Climate Risk Management, which are effective for Domestic Systemically Important Banks (D-SIBs), including TD, as of fiscal year-end 2024. For more information about how we are following OSFI's B-15 Guidelines, refer to the OSFI B-15 Index.
- The voluntary 2021 Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB).
- The recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).
- The Glasgow Financial Alliance for Net Zero (GFANZ) Financial Institution Net-zero Transition Plans Fundamentals, Recommendations, and Guidance (2022).
- Additional transition plan frameworks, such as the TCFD's Guidance on Metrics, Targets and Transition Plans and the United Kingdom Government's Transition Plan Taskforce's Disclosure Framework.

In December 2024, the Canadian Sustainability Standards Board (CSSB) issued the final guidance on Canadian Sustainability Disclosure Standard (CSDS) 1, General Requirements for Disclosure of Sustainability-related Financial Information and CSDS 2, Climate-related Disclosures and the Criteria for Modification Framework. Due to the timing of their release, these standards have not informed the development of this report. TD is reviewing these standards for consideration in future reporting cycles.

2024 Sustainability Performance Data Pack & Indices

We continue to assess the adoption of additional reporting standards and monitor evolving regulations related to sustainability disclosure.

External Assurance and Other Reviews

Ernst & Young LLP (EY) performed a limited assurance engagement over a selection of TD's social and environmental performance indicators and a reasonable assurance engagement with respect to TD's use of net proceeds from its 2021 and 2023 Green Bond issuances. For further information, please see the links below:

2024 Assurance Report for Sustainability Metrics

2024 Assurance Report related to TD Sustainable Financing Report

The LBG (formerly the London Benchmarking Group) Model is a recognized global standard for managing, measuring and reporting community investment. In addition to TD's own calculations, we ask LBG Canada to verify our corporate giving and assess our data based on its methodology, which helps to account for the broader impacts of our financial contribution to communities.

LBG Verification Statement

Symbol Key

- Supporting content/links
- A: Performance indicators for which EY provided a limited level of assurance[2]
- LBG: Facts and figures for which LBG assessed our data and calculated our corporate giving based on its methodology
- Resource Corner: Links to additional policies and references

Ways to Reach Us

If you would like to contact TD with feedback, here are a few ways to reach us:

Customers: **customer.service@td.com**

Shareholders: **tdshinfo@td.com**

Institutional investors: **tdir@td.com**

Suppliers: **tdsource@td.com**

Non-Profits and Community-Based Groups: **tdreadycommitment@td.com**

On X (formerly Twitter): **@TD_Canada** or **TDBank_US**

By text: **TDHELP (834357)**

A Message from Our Leadership

I am pleased to present this Report to our stakeholders.

TD plays an important role in our communities, across society, and in our collective economic prosperity. We have a responsibility to all those we serve to build an institution that is well governed, focused on the future, and able to address the ever-changing dynamics that can impact our business.

Throughout a year of change and complexity, we remained steadfast in our efforts to help build a more prosperous and sustainable future where people and businesses can thrive.

We contributed $169 million in 2024 to non-profit and community organizations through the TD Ready Commitment. Together with the know-how, experience, and business expertise of our colleagues, we helped these organizations elevate our communities and solve complex problems.

To enhance our support for the communities we serve in the U.S., in January of 2024, we announced a three-year Community Impact Plan that will provide roughly US$20 billion to support lending, philanthropy, banking access, and other efforts focusing on underserved communities across our U.S. footprint.

This work complements the efforts underway through TD Pathways to Economic Inclusion, our enterprise-wide strategy to help overcome barriers to prosperity. Across both the plan and strategy, in 2024, we helped advance initiatives that support community resilience, and contributed $9.5 billion in affordable and community housing in Canada and the U.S.

As economies evolve and businesses adapt to seize new opportunities, TD remains focused on supporting their journey. Over the past year, we helped small- to large-size businesses across multiple industries prepare for a changing economy. To date, we have contributed $145.9 billion towards our $500 billion Sustainable & Decarbonization Finance Target focused on helping our customers and clients build financial resilience.

We strive to build a high-performing organization where colleagues are empowered to achieve their full potential. To drive performance and support the millions of households and businesses that rely on TD, we continue to actively bring down barriers, foster belonging and build an inclusive workplace that attracts, retains, and develops the best talent from across the diverse communities in which we operate.

I want to thank our more than 95,000 colleagues for their continued dedication, our customers and clients for their confidence in the Bank, and all stakeholders for your continued support. We will continue to work hard, every day, to earn your trust.

Sincerely,

Raymond Chun
Group President and CEO

In 2024, the Bank helped our clients adapt to a changing world, advanced its sustainability and corporate citizenship goals, and supported organizations that are contributing to a more inclusive and sustainable tomorrow.

Importantly, the Bank has taken action to enhance our U.S. Anti-Money Laundering program within an effective risk and control environment. This is the number-one priority for the Board and management. To oversee these efforts, we also further enhanced governance and renewed our Board.

This Report captures the progress we have made over the year. I want to thank our colleagues who have demonstrated their dedication to the Bank, to the millions we serve, and to the communities in which we operate.

Sincerely,

Alan MacGibbon
Chair of the Board

Sustainability at TD

Sustainability at TD

At TD, our purpose is to enrich the lives of our customers, communities and colleagues because we recognize that we can only be successful when they are successful. Society is facing complex challenges, such as climate change, diverging views, economic disparity and poverty. These issues affect the global economy, the financial health of our customers and clients, and TD as an organization. At the same time, these challenges also create opportunities for sustainable economic growth[3] for TD and for its customers and clients, for offering new products and services and for innovations in how we can support our stakeholders as they adapt to an evolving market.

Throughout our history, TD has adapted to changes in its operating environment to continue to meet the evolving needs of our customers and clients. TD's resilience is a reflection of our customer focus and strategic vision. As a global systemically important bank,[4] we recognize our responsibility not only to safeguard the health of our institution but also to contribute to the stability of the global financial system. Accordingly, we strive to maintain robust practices to manage risks and create value.

Teams across our organization play complementary roles in addressing the Bank's priority sustainability topics[5] to build the Bank's long-term stability and success in the emerging sustainable economy. We aim to do this by balancing the need to protect the Bank while adapting business practices to meet changing market conditions and the evolving needs of our customers, clients, communities and colleagues:

1. **Protect the Bank** from risks stemming from TD's priority sustainability topics.
2. **Adapt the Bank** in response to the associated business impacts and industry trends.

Sustainability Topics

Environmental, Social and Governance-related topics that are important to TD because of the risks and/or opportunities they pose to the Bank, our customers, our colleagues and our communities.

In managing our priority sustainability topics, we are focused on:

Protecting the Bank

Identifying, assessing and managing potential risks to TD

Adapting the Bank

Evolving business practices for changing market conditions and customer needs in the emerging sustainable economy

To help TD remain resilient, we work to embed sustainability into governance, risk management, business strategies and decision-making.

Approach to Protecting the Bank – Risk Management

Operating a complex financial institution in multiple jurisdictions exposes the Bank's businesses and operations to a broad range of risks. TD has a responsibility to its stakeholders, including its investors, customers, colleagues and regulators, to maintain its strategic, financial and operational resilience through sound risk management practices. The Bank considers its risk appetite in its approach to making decisions.

TD's Enterprise Risk Framework

TD's Enterprise Risk Framework (ERF) outlines how the Bank governs and manages risk. It is supported by frameworks, policies, procedures and practices to identify, assess, measure, control and report on risks (see the Environmental and Social Risk Management and Climate Risk Management sections for more information). TD applies a risk-based approach in the ordinary course of making business decisions. Risk identification and assessment processes are embedded throughout the organization in governance processes, risk programs and practices. The Bank has developed tools to identify, assess, monitor, mitigate and report on risks (see the Climate Risk Management section for more information). The ERF's Risk Management Process is summarized below:

1. **Risk Identification and Assessment** focuses on recognizing and understanding existing risks, risks from new or evolving business initiatives, aggregate risks and emerging risks from the changing environment.
2. **Measurement** processes and tools are in place to quantify risks and provide accurate and timely measurements of the risks TD assumes.
3. **Control** processes are established and communicated through policies and procedures approved by management and the Risk Committee of the Board that reflect TD's risk appetite and risk tolerances.
4. **Monitoring and Reporting** on risk levels is conducted on a regular basis against TD's risk appetite statement. Management reports its risk monitoring activities to the Board and its Committees, and to appropriate executive and management committees. New and emerging risks or significant changes to the Bank's risk profile are reported to senior management, the Risk Committee of the Board, and the Board, as required and appropriate.

TD has established definitions for environmental and social risk and climate-related risk, meaning these risks are integrated into our Enterprise Risk Framework. See the E&S Risk Management section for more information about defining E&S risk and E&S due diligence and see the Environmental section for information about climate-related risks.

Approach to Adapting the Bank – Sustainability Across the Enterprise

While managing the risks associated with sustainability topics that affect people globally is crucial for TD (e.g., climate change and economic disparities), understanding and adapting to evolving market conditions is also critical for our business. We believe that by focusing on sustainable economic growth opportunities, we can unlock long-term value creation for TD and its customers, clients, communities and colleagues, fostering resilience in an uncertain world. Visit the links below to read more about how TD is working to protect and adapt the Bank in the areas of governance, social and environmental.

TD Enterprise Sustainability Framework

The TD Enterprise Sustainability Framework outlines our approach to managing priority sustainability topics deemed important for the Bank. There are several ways we engage on these topics. This report provides examples of how we are focused on differentiating the Bank in a competitive market, working with our stakeholders, including regulators, clients and communities, to help shape the broader financial ecosystem in which the Bank operates. We also continue to work to embed sustainability considerations into appropriate business-as-usual processes across the Bank. Click through the sections of this report to learn about our work across each of the pillars of our Sustainability Framework.

TD Enterprise Sustainability Framework

TD's Framework outlines those sustainability topics identified as most important to the Bank.[1]

Environmental	Social	Governance
• Climate Change	• Employment Access • Financial Access • Housing Access	• Corporate Governance • Risk Managemtent • Data Security and Privacy • Customer Experience • Product and Service Responsibility
TD Climate Action Plan	TD Pathways to Economic Inclusion	Governance and Risk Management Processes

TD Sustainable Finance Strategy

1 See our sustainability reporting details for information about how we identified our priority sustainability topics.

The Role of Sustainable Finance Across Our Framework

Sustainable finance refers to those financial activities that consider ESG factors as a means of promoting long-term economic growth and the stability of the financial system.[6] As a financial institution, sustainable finance is the foundation of our Enterprise Sustainability Framework, enabling the activities that help us adapt the Bank and implement solutions to sustainability challenges, such as the development of alternative energy sources, or housing developments that are accessible to low- and moderate-income[7] individuals and families. Embedding E, S and G factors into our business strategy and risk management processes, as appropriate, provides TD with additional perspective on business opportunities that can support the long-term health of the global community.

Sustainable finance is one of the key tools we use to adapt the Bank to changing market conditions, and **TD's $500 billion Sustainable and Decarbonization Finance Target helps us track our progress.**[8] See the Sustainable Finance section of this report, which outlines our sustainable finance strategy and 2024 activities in support of our target.

Approach to Adapting the Bank – Sustainability Across the Enterprise continued

Governance

Strong governance is critical to an organization's success. The "G" in ESG is about enabling good decision-making that considers all stakeholders through the establishment of sound policies and the appropriate distribution of roles and responsibilities among the board of directors, management and shareholders.[9] At TD, we focus on maintaining strong governance practices in the following areas: corporate governance and integrity, risk management, data security and privacy, and customer experience and responsibility. Strong performance in these areas is critical for us as a major North American financial institution as it allows us to earn the trust of our regulators and customers and be in a position to access business growth opportunities.

+ Governance

Money laundering is a serious global threat and anti-money laundering (AML) programs are key for risk management, legal compliance and integrity for banks. In October 2024, we acknowledged that TD's U.S. operation did not maintain an adequate AML program to thwart criminal activity. TD has taken full responsibility for these failures and is making the investments, changes and enhancements required to deliver on our commitments. A multi-year effort is underway to implement a strong, effective and sustainable U.S. Bank Secrecy Act/Anti-Money Laundering program.

+ Anti-Money Laundering

Social

The interconnectedness of society, business and the financial system means that banks face systemic risks and opportunities related to social issues. Systemic risks, such as inequality and lack of economic inclusion, can destabilize economies over time, affecting both the Bank's performance and the broader communities it serves. Economic inclusion is embedded into TD's Enterprise Sustainability Framework to direct our focus toward the development of solutions that help address these disparities, help mitigate these risks and position the Bank for long-term financial sustainability and success.

+ Social

Environmental

A healthy natural environment is foundational to the well-being of our communities and the people who live within them. Disruptions in the natural environment can pose challenges to every aspect of our lives, from access to basic necessities to the operation of natural-, social- and human-made infrastructures, including the stability of the global economy. Among the environmental issues facing the world today, climate change has become a defining issue of this era.[10] TD believes that everyone has a role in addressing climate change, and as a member of the financial community, TD is focused on solutions to address climate-related risk to its business and stakeholders, and commercial opportunities to meet the evolving needs of our stakeholders in the transition to a low-carbon economy.

+ Environmental

Performance Highlights

The table below provides highlights of TD's 2024 performance across our priority sustainability topics. A number of the metrics contained on this page and throughout the report are required by Canadian regulators. Further information on these results can be found within the associated sections of this report.

	Sustainability Topics	Supported by	Description		2024	2023
Environmental	Climate Change	TD Climate Action Plan	Absolute reduction in location-based Scope 1 and 2 GHG emissions by 25% by 2025, relative to a 2019 baseline of 162,849 tCO_2e[1]		-29%	-28%
			Progress against Financed Emissions targets in Energy, Power Generation, Automotive Manufacturing and Aviation sectors, by 2030 relative to a 2022 baseline[2,3]	• Energy (-29%, FELI, gCO_2e/$)	-16%	-4%
				• Power Generation (-60%, PEI, $kgCO_2e$/MWh)	-10%	-6%
				• Automotive Manufacturing (-50%, PEI, gCO_2e/vkm)	-2%	-1%
				• Aviation (-10%, PEI, gCO_2e/pkm)	-2%	-2%
Social	• Employment Access • Financial Access • Housing Access	TD Pathways to Economic Inclusion[4]	Overall employee engagement[5] (85% for 2024)[6]		84%	87%[7]
			Women in roles titled Vice President and above[8,9,10,11]		42.7%	41.6%
			Black, Indigenous and minority representation in roles titled Vice President and above[8,9,12,13]		25.7%	24.3%
			Reach 500,000 participants through TD-led and supported financial education initiatives in Canada and the U.S. in 2024[14]		502,389	—[15]
			$12 billion in affordable housing financing in Canada and the U.S. from 2023 to 2030 (cumulative from 2023)[16]		$5.9 billion	$1.97 billion

Performance Highlights continued

	Sustainability Topics	Supported by	Description	2024	2023
Governance	• Corporate Governance • Risk Management • Data Security and Privacy • Customer Experience; Product and Service Responsibility	Governance and Risk Management Processes	That women and men each comprise at least 30% to 40% of the Board's directors of TD Bank Group (a global bank, incorporated under the laws of Canada)[8,11]	47% women 53% men	44% women 56% men
			Independent Directors as a substantial majority of the Board of Directors of TD Bank Group (a global bank, incorporated under the laws of Canada)[17]	93%	94%
			Legendary Experience Index (LEI) – TD Composite Score[18] (72.61 for 2024)	75.63	73.23
Sustainable Finance	Sustainable Finance	TD Sustainable Finance Strategy	$500 billion supporting eligible environmental, decarbonization and social activities through lending, financing, underwriting, advisory services, insurance and the Bank's own investments (cumulative from 2023)[19]	$145.9 billion	$69.5 billion
Philanthropy	Community Well-being	TD Ready Commitment	$1 billion toward community giving, by 2030 (cumulative from 2019)[20]	$854 million	$685 million

1 For additional information on our Scope 1 and 2 target, please see the Environmental section.

2 Results show the Emissions Intensity (Financed Emissions Lending Intensity (FELI) or Physical Emissions Intensity (PEI)) percent change from the restated baseline year of 2019 to 2022.

3 2030 interim financed emissions targets include non-retail lending exposures as well as capital market activities. Information about financed emissions targets can be found in the Environmental section.

4 More details on social performance can be found in the Social section.

5 This represents overall employee engagement as measured using the TD Pulse Survey, which asks full-time employees (excluding contractors and individuals on short-term leave) to rate their level of commitment and connection to TD and their role along three dimensions (intention to stay, pride in working at TD and job satisfaction) on a scale of one to five: Strongly Disagree (1), Disagree (2), Neither Agree Nor Disagree (3), Agree (4) and Strongly Agree (5). The percentages under "Overall Experience" represent the average proportion of respondents in each group who either agreed (4) or strongly agreed (5) with the first three statements shown in the "Pulse Survey Results" table in the 2024 Sustainability Performance Data Pack & Indices. In 2024, the TD Pulse Survey response rate was 85%.

6 Target is based on achieving results that are within the 75th percentile of a global benchmark (a three-year rolling benchmark), which is updated annually and consists of over 900 companies and 27 million responses, spanning geographies and industries.

7 Fiscal year 2023 target was 85%.

8 All nomination, hiring and other employment decisions are made on a non-discriminatory basis, consistent with applicable laws.

9 All talent decisions are part of the Bank's talent management standards and policies, requiring decisions on talent development, promotions and employment decisions to be based on capability and hiring the most qualified talent into every role. Specifically, when making senior management appointments, the Bank considers all characteristics, skills and experiences that contribute to the candidate's capabilities.

10 An aspirational goal of 45% by 2025 for Canada was communicated in 2021.

11 Board and executive officer gender diversity information included here is required to be disclosed in our management proxy circular pursuant to requirements under applicable Canadian securities laws. Please see the 2025 Management Proxy Circular for additional information.

12 "Minority" means non-Caucasian in race or non-white in colour, other than an Indigenous person. Data is voluntarily disclosed by colleagues and therefore may not be reflective of the actual workforce.

13 The aspirational goal of 25% by 2025 for North America was communicated in 2021 and has been achieved.

14 Participants include customers and community members who take part in or receive information through sessions or programs in Canada and/or the U.S. that aim to improve their financial knowledge. "TD-led" initiatives include activities facilitated or delivered directly by TD. "TD-supported" initiatives include programs facilitated by or with charitable organizations that are both partially and fully funded by TD. Due to data and practical limitations, participants may be counted toward this target where they attend only part of a session or program. In addition, the number of participants reported may not reflect unique participants, as participants might engage with multiple programs. In 2024, we updated our methodology to ensure all applicable financial education activities are being captured, leading to additional in-scope TD-led financial education platforms being captured this year towards the financial education target. Prior to 2021, TD had a target for TD-supported financial education, which has now been broadened and recalibrated to reflect our current approach and ambition.

15 The first year that this data was disclosed was in fiscal year 2024. This target was set in fiscal year 2023 for reporting in fiscal year 2024.

16 Includes the activities outlined in the "Affordable and Community Housing" category of the Sustainable & Decarbonization Finance Target, with the exception of residential real estate purchases. Please see the TD Sustainable & Decarbonization Finance Target Methodology for details. This $12 billion affordable housing financing target covers key business activities of the Bank, including lending, financing, underwriting and advisory services. The target represents the cumulative amount of new financing and refinancing activities over eight years, from November 1, 2022 to October 31, 2030. Progress toward this target is also counted toward the Sustainable & Decarbonization Finance Target and is reported for activities in both Canada and the U.S.

17 In 2024, TD's Board of Directors had 15 members in total. Bharat Masrani was not independent because of his former role as Group President and Chief Executive Officer of the Bank. In 2023 and 2022, TD's Board of Directors had 16 members in total.

18 Refer to Customer Experience for information on TD's performance compared to its LEI target.

19 For more information on the Sustainable & Decarbonization Finance Target, please see the TD Sustainable & Decarbonization Finance Target Methodology.

20 Figures are disclosed in CAD equivalent and include any donation commitments recognized as a legal obligation or a constructive obligation and expensed in the fiscal year before they were paid out. Figure does not include donations made through TD Friends of the Environment Foundation.

Integrating Sustainability Governance and Strategy

TD continues to embed sustainability considerations and expertise into its governance structure, executive compensation and businesses and corporate segments.

Linking ESG Factors in Executive Total Rewards

The Bank incorporates a number of ESG factors into the key metrics used to help determine the variable compensation pool for the Senior Executive Team. These ESG metrics supplement customer experience metrics, and are related to the Bank's overall sustainability strategy, including with respect to climate change; diversity, equity and inclusion; and employee engagement. In fiscal 2024, in recognition of the importance and collective accountability to make progress on sustainability priorities, the Bank extended the consideration of ESG metrics to all Senior Vice Presidents and above who participate in the Executive Compensation Plan (ECP).

Details on the ESG factors (including those relating to climate), results and impact on the variable compensation pool can be found in our 2025 Management Proxy Circular.

Integrating Sustainability Governance and Strategy

Board of Directors

- Audit Committee
- Risk Committee
- Human Resources Committee
- Corporate Governance Committee
- Remediation Committee

Senior Management Committees and Councils

- **Enterprise Risk Management Committee**
  Chaired by Chief Executive Officer
- **Chief Executive Officer**
  Senior Executive Team (SET)
- **ESG SET Forum**
  Chaired by the Senior Executive Vice President, Transformation, Enablement and Customer Experience
- Operational Risk Oversight Committee
- Enterprise Reputational Risk Committees

Enterprise Sustainability Framework, TD Climate Action Plan and TD Ready Commitment

Other Committees and Councils

- Combined U.S. Operations Sustainability Committee
- Enterprise Colleague Experience Council
- Inclusion and Diversity Leadership Council
- ESG Disclosure Council
- Sustainable Finance Executive Council

Centrally Driven Sustainability-related Functions

- ESG Risk Management
- Sustainability and Corporate Citizenship
- ESG Centre of Expertise
- Corporate Functions and Lines of Business

Integrating Sustainability Governance and Strategy continued

The following tables outline the sustainability-related mandates and responsibilities of the management committees and councils, corporate functions and lines of business that help integrate sustainability governance and strategy across the organization. For additional details on the Board of Directors' engagement on sustainability matters, please refer to the 2025 Management Proxy Circular.

Senior Management Committees and Forums	Sustainability-Related Responsibilities
Enterprise Risk Management Committee	• Chaired by the CEO, comprised of members of the Senior Executive Team (SET) reporting to the CEO and meets a minimum of eight times a year. • Oversees the management of major enterprise governance, risk and control activities at TD with a view to understanding significant existing and emerging risks, and their impact on the Bank's risk profile and earnings. This includes periodic reviews of the characteristics and quality of the Bank's credit and market risk portfolios, its significant exposures to credit and market risk, the adequacy of its provisions for credit and market losses and review and discussion of non-financial risks, including AML and Compliance. • Reinforces an integrated and effective risk management culture within TD. • Reviews and discusses the Bank's Risk Appetite Statement as well as the direction and trend of top and emerging risks.
ESG Senior Executive Team Forum	• Provides oversight of sustainability and climate strategy development. • Chaired by the SEVP, Transformation, Enablement and Customer Experience (TECE), comprised of members of the SET and meets monthly. SEVP, TECE and Group Head and Chief Risk Officer (CRO), are responsible for executive oversight of TD's sustainability strategy and ESG Risk Management, respectively. • Members are briefed on a regular basis on emerging issues and strategic planning related to TD's sustainability strategy and provide input on strategic ESG topics and opportunities for TD. For example, the ESG SET Forum is informed of climate-related opportunities annually, at a minimum.
Operational Risk Oversight Committee	• Oversees the identification, monitoring and control of key risks, including sustainability risks, within our operational risk profile, supported by ongoing activities and reporting of TD's combined governance, risk and control functions. • Chaired by the Group Head and CRO, and comprised of business segment CROs and Senior Executives representing the Bank's Business and Corporate Segments, meets monthly. • Provides oversight and acts as a senior executive forum for information sharing and discussion on governance and control of operational risk matters at TD, including those with E&S risk factors. • Promotes an effective operational risk management culture across the Bank.
Enterprise Reputational Risk Committee	• Oversees the management of reputational risk and provides a forum for the discussion, review and escalation for the governance and control of non-traditional risks. • Chaired by the CRO, comprised of members of the SET reporting to the CEO and meets monthly. • Serves as the most Senior Executive Committee for the review of reputational risk matters at TD. Its main accountability is to review and assess business and corporate initiatives and activities where significant reputational risk profiles, including E&S risks, have been identified and escalated. Additionally, requests for TD to endorse or support statements regarding public policy, including significant E&S commitments (Public Policy Statements), must be escalated to the Enterprise Reputational Risk Committee. • Serves as a platform where escalated initiatives and activities have received adequate Senior Management and subject-matter expert review for reputational risk implications prior to implementation.

Integrating Sustainability Governance and Strategy continued

Other Committees and Councils	Sustainability-Related Responsibilities
Combined U.S. Operations (CUSO) Sustainability Committee	• Accountable for overseeing sustainability-related programs in the U.S., Committee members provide guidance, advice and recommend further consultation or additional considerations, as appropriate to properly address objectives. • Provides senior executive oversight, strategic direction and guidance for sustainability-related programs in the U.S. • Oversees the CUSO E&S Risk profile and trends.
Enterprise Colleague Experience Council	• Gather insights from leaders across our lines of business to gain feedback on and identify opportunities to enrich the colleague experience.
Inclusion and Diversity Leadership Council	• Engages leaders across the Bank to strengthen talent development, enhance recruitment and build colleague capabilities.
ESG Disclosure Council	• Provides senior executive oversight on sustainability disclosures.
Sustainable Finance Executive Council	• A council consisting of executives across TD that mobilizes sustainable finance and aligns sustainable finance opportunities with TD's sustainability strategy. • Monitors, oversees and manages climate and social finance opportunities by endorsing actions and informing the SET ESG Forum.
Line of Business Governance Committees	• Each TD business line owns and manages its own segment-level Reputational Risk Committee and escalates items to the Enterprise Reputational Risk Committee. • Some lines of business have their own governance process for climate-related business and operations opportunities. For example, as part of AMCB, the ESG Program Executive Steering Committee provides direction and makes decisions related to the design and configuration of the elements of the E&S target operating model (TOM) and associated Implementation Plan. (See the Environmental section for more more information.) This Steering Committee also reviews the execution status of sustainability-related programs in the U.S. including workstreams and projects in place to implement the Climate Action Plan.

Integrating Sustainability Governance and Strategy continued

Centrally Driven Sustainability-Related Functions	Sustainability-Related Responsibilities
ESG Centre of Expertise	• Brings together the experience, expertise and talent of colleagues working on sustainability initiatives across the enterprise to coordinate and streamline efforts and provide thought leadership to support decision-making and inform the enterprise sustainability strategy. • Builds on and helps integrate the sustainability strategy and Climate Action Plan into our operations. • Uses a six-hub model to facilitate knowledge sharing and coordination in key areas: Leadership & Strategy, Education, Knowledge Management & Communications, Emerging Topics, Sustainable Finance, Reporting & Stakeholder Engagement, and Research, Analytics & Insights.
Sustainability and Corporate Citizenship (S&CC)	
TD Environment	• Leads development of the enterprise climate strategy, provides enterprise guidance, analysis and communication for Climate Action Plan elements, including metrics and targets, and champions their development and implementation within the enterprise. See the Environmental section for more information.
Social Strategy	• Leads the Bank's social strategy at the enterprise level in partnership with businesses and corporate functions across the organization. This team is focused on improving economic inclusion and the Bank's disclosures related to human rights. See the Social section for more information.
Enterprise Sustainable Finance	• Leads the development of the enterprise sustainable finance strategy and sustainable finance targets and works with businesses to identify sustainable finance activities in the focus areas of TD's sustainability strategy. See the Sustainable Finance section for more information.
Sustainability Reporting	• Leads the Bank's sustainability and climate reporting and public disclosures.
ESG Risk Management	
Environmental and Social Risk Management	• Establishes E&S risk frameworks, policies, processes, governance and reporting structures to help businesses and corporate functions identify, assess, mitigate, monitor and report on E&S risks, including climate-related risk.
ESG Credit Risk Management	• Leads the incorporation of ESG and climate-related risks into borrower- and portfolio-level credit risk assessments, where relevant.
Corporate Functions and Lines of Business	**Sustainability-Related Responsibilities**
Other corporate functions and lines of business across our enterprise	• Identifying, owning, reporting and managing E&S risks, including climate risk, within their respective areas (e.g., incorporating E&S risk assessments into governance processes). • Working with S&CC and ESG Risk Management to develop and track ESG-related objectives and metrics. • Supporting the Bank's social- and climate-related priorities by coordinating efforts to deliver ESG products, services and programs, for example through our Sustainable Finance Executive Council.

Sustainable Finance

Our Approach

As a large North American financial institution, we have a role to play in supporting the development of the sustainable economy. TD's Sustainable Finance Strategy, which is the foundation of our Enterprise Sustainability Framework, supports the growth of sustainable finance through the mobilization of capital, market participation, and the building of supporting infrastructure and capabilities.

The Sustainable Finance Executive Council (SFEC), consisting of executives from across TD, oversees the sustainable finance strategy[11,12] and the Bank's work on sustainable finance. For more information about the SFEC, please see the Senior Management Committees and Forums chart. In 2024, we continued to enhance our sustainable finance-related talent pipeline and build capabilities across the enterprise.

In March 2023, TD announced that it had established a $500 billion by 2030 Sustainable & Decarbonization Finance Target ("the Target"). During fiscal 2024, we contributed approximately $76.4 billion to the Target (cumulative amount to date is over $145.9 billion).[13] The Bank's sustainable finance strategy supports our efforts to meet the Target, which is a means to track certain eligible business activities of the Bank, including lending, financing, underwriting, advisory services, insurance and the Bank's own investments that fit within eligible categories,[14] as defined in the TD Sustainable & Decarbonization Finance Target Methodology ("the Methodology").

In 2024, TD Bank launched its Community Impact Plan (CIP). This plan will provide an estimated US$20 billion to support lending, banking access and other activities for the benefit of diverse and underserved communities. Given that the activities of the CIP are aligned with our sustainability priorities, TD has updated the Methodology to include these activities toward the Target. Activities that intend to satisfy Community Reinvestment Act (CRA) criteria are also eligible for inclusion towards the Target. The CIP is a three-year plan expected to conclude in 2027. Based on current estimates, we expect those activities to contribute approximately 6% of the Target.

TD's Sustainable Finance Strategy is grounded in the Bank's Strategy:

- **Anchored in our proven business model:** Focuses on diverse and scalable environmental and social opportunities aligned with our risk appetite.
- **Guided by our purpose:** Contributes toward a more inclusive and sustainable future for our customers, communities and colleagues.
- **Forward-focused:** Anticipates clients' needs to capture business opportunities today and in the future.

Sustainable Finance Strategy

Mobilization
Evolve our products and services to meet the needs of our clients

Engagement
Be an active participant in the sustainable finance market

Integration
Establish the tools, resources and processes to embed sustainable finance across the Bank

Resource Corner

- Sustainable Finance Data
- TD Sustainable & Decarbonization Finance Target Methodology
- TD Securities ESG Solutions group
- TDAM Sustainable Investment Report
- TDAM Sustainable Investing and ESG
- 2024 Principles for Sustainable Insurance – Annual Disclosure

Sustainable Finance continued

We regularly review our Methodology against developments in the market. TD recognizes the ongoing development of methodologies and guidance for sustainable finance targets, such as the Canadian Green and Transition Taxonomy. We considered a variety of available standards, guidelines and industry practices to inform the Methodology where possible, including, but not limited to, the International Capital Market Association (ICMA) Green Bond Principles, Social Bond Principles, Sustainability Bond Guidelines, and Sustainability-Linked Bond Principles; the Climate Bonds Taxonomy of the Climate Bonds Initiative; the Loan Market Association and Loan Syndications and Trading Association Sustainability-Linked Loan Principles; and the International Energy Agency's (IEA) Net Zero Emissions by 2050 Scenario. This Methodology was applied to progress made in fiscal year 2024 on the Sustainable & Decarbonization Finance Target and will be applied on a going-forward basis. The 2023 Methodology will continue to apply to prior fiscal periods, as described therein. Please see the TD Sustainable & Decarbonization Finance Target Methodology for further details on the Methodology and approach and the Environmental section for more information about TD's external engagement, including on sustainable finance.

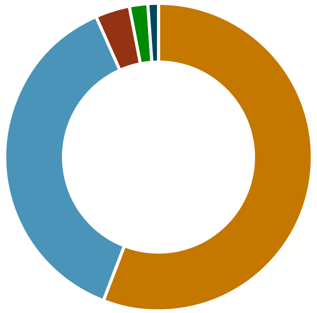
Target	Cumulative Result from 2023	2024 Result	2023 Result
$500 billion by 2030 supporting eligible[1] environmental, decarbonization and social activities through lending, financing, underwriting, advisory services, insurance and the Bank's own investments	$145.9 billion	$76.4 billion	$69.5 billion

1 For more information, see the TD Sustainable & Decarbonization Finance Target Methodology.

As our clients pursue their own net-zero transition plans, we expect new opportunities to arise in the decarbonization space, such as through technological innovations. Decisions to undertake particular business activities follow our regular business decision processes; once approved, TD reviews the transaction details and supporting information to confirm that the transaction is eligible for inclusion toward the Target. Our sustainability strategy supports clients across all sectors, including major clients in carbon-intensive sectors, in the transition to a low-carbon economy. We are committed to supporting our clients across sectors as they strive to meet the world's energy needs today and invest in a broad array of energy sources and opportunities to meet the demands of tomorrow.[15]

Sustainable Finance continued

Progress toward our $500 billion Sustainable & Decarbonization Finance Target



2024 Business Activities (in billions)

Commercial, Corporate and Retail Lending[1]	$42.8
Capital Markets[2]	$28.7
Advisory Services	$2.6
Treasury Investments[3]	$1.5
Other[4]	$0.8
Total	A **$76.4**

1 "Commercial, Corporate and Retail Lending" includes $33.1 billion in environmental, social, decarbonization lending and $9.7 billion in sustainability-linked lending; see our Methodology for more information on these categories.

2 "Capital Markets" includes $23.1 billion in Debt Capital Markets and $5.6 billion in Equity Capital Markets. "Debt Capital Markets" includes $10.3 billion in Green Bond Underwriting, $9.8 billion in Sustainability Bond Underwriting, $2.9 billion in Social Bond Underwriting and $0.1 billion in Sustainability-Linked Bond Underwriting; see our Methodology for more information on these categories.

3 "Treasury Investments" includes green, social and sustainability bond purchases held on the Bank's balance sheet. The figure shown above includes bond purchases made during fiscal 2024.

4 "Other" includes "Insurance," "Principal Investments" and "Tax Credit Investments."

Eligible Categories (in billions)	2024
Environment Total	$11.9
Renewable Energy	$2.5
Clean Transportation	$3.2
Environment Multi-Sector[1]	$3.5
Other Environment[2]	$2.7
Decarbonization Total	$0.8
Nuclear Energy[3]	$0.4
Decarbonization Multi-Sector[4]	$0.4
Social Total	$28.6
Access to Essential Services: Health Care	$13.6
Affordable and Community Housing[5]	$9.5
Social Multi-Sector[6]	$3.5
Other Social[7]	$2.0
Multi-Sector and Thematic Total[8]	**$35.1**
Total	A **$76.4**

1 "Environment Multi-Sector" includes activities that satisfy two or more eligible environmental inclusion categories. This includes business activities such as Green Bond Underwriting and Treasury Investments in green bonds.

2 "Other Environment" includes "Energy Efficiency," "Green Buildings," "Climate Resilience and Adaptation," "Environmentally Sustainable Management of Living Natural Resources and Land Use," "Circular Economy," "Sustainable Water and Wastewater Management" and "Pollution Prevention and Control" activities.

3 According to the IEA, nuclear energy has a role to play in the transition to a low-carbon economy. See our Methodology for information on the inclusion criteria as it relates to nuclear energy.

4 "Decarbonization Multi-Sector" includes activities that satisfy two or more eligible decarbonization inclusion categories.

5 "Affordable and Community Housing" progress includes housing supply activities that are also included toward the $12 billion by 2030 Affordable Housing Target.

6 "Social Multi-Sector" includes activities that satisfy two or more eligible social inclusion categories. This includes business activities such as social bond underwriting and Treasury Investments in social bonds.

7 "Other Social" includes "Employment Generation and Programs Designed to Prevent and/or Alleviate Unemployment Stemming from Socioeconomic Crises, Including Through the Potential Effect of SME Financing," "Affordable Basic Infrastructure," "Access to Essential Services: Education" and "Socioeconomic Advancement and Empowerment" activities.

8 "Multi-Sector and Thematic" includes activities that satisfy two or more of the eligible environmental, decarbonization or social categories, and Thematic Activities as defined in our Methodology and activities designed to qualify for credit under the Community Reinvestment Act and/or TD Bank, National Association (TDBNA) Community Impact Plan that do not directly align with the other categories.

Details on Our Target Progress

In 2024, TD's contribution toward the Target totaled $76.4 billion, up $6.9 billion from 2023. This increase is largely attributable to greater contributions from the social and multi-sector & thematic categories.[16]

The business activities eligible for inclusion toward the Sustainable & Decarbonization Finance Target can help support the transition to the low-carbon economy.

- In fiscal year 2024, approximately $2.5 billion in eligible renewable energy business activities supported the financing or refinancing of the construction, refurbishment, maintenance, or purchase or sale of renewable energy facilities. Based on our clients' estimates, and where information was available, this supported approximately 3,118 MW[17] in nameplate capacity.[18,19]
- Additionally, we calculated that during fiscal year 2024, approximately $9.5 billion in eligible affordable and community housing business activities helped finance or refinance the construction or refurbishment of affordable housing units. Based on our clients' estimates, and where information was available, this supported approximately 6,776 affordable housing units.[20,21,22]

Sustainable Finance continued

Sustainable Finance Highlights Across Our Business

TD Securities

The TD Securities ESG Solutions group supports client ESG coverage by providing advisory and financing solutions across Corporate and Investment Banking and Global Markets. This group collaborates with partners across TD Securities to support the implementation of public and private sector clients' ESG and decarbonization strategies. The group offers:

- Sustainable financing solutions, including support for structuring green, social, sustainability and sustainability-linked (GSSS) bonds, loans and other debt products. TD has been active in the sustainable finance markets for over a decade through issuing, underwriting and investing in GSSS bonds, loans and other debt instruments.[23]
- Advisory services and market perspectives, delivered through ESG-related due diligence and positioning in mergers and acquisitions and equity transactions, pre- and post-IPO ESG ratings assessments and ESG reporting guidance.
- Carbon market solutions, including advisory services regarding capital market transactions, compliance carbon market transactions, market hedging and voluntary carbon market access participation.

Case Study:

TD Securities – Advising Digital Infrastructure Clients on Sustainable Financing

With the rising demand for digital infrastructure, such as AI, cloud and data centres, there is heightened focus on companies' plans to scale sustainably, including how they manage material ESG factors such as energy and natural resource consumption. TD Securities has played an active role in supporting clients in the digital infrastructure sector as they look to embed sustainability considerations into their financing instruments.

In fiscal year 2024, TD Securities was the leading underwriter of sustainable digital infrastructure leveraged loans in North America, according to Bloomberg. TD Securities served as a Sustainability Structuring Agent and Lead Arranger on over $30 billion total notional value of green and sustainability-linked loans for digital infrastructure clients in fiscal year 2024. These credit facilities featured a sustainability component whereby loan proceeds were allocated to green assets and expenditures, or in the case of sustainability-linked loans, the facilities featured pricing adjustments based on the borrower's performance against sustainability targets related to metrics such as energy efficiency and water usage.

TD Asset Management

Sustainable Investing

- TD Asset Management Inc. (TDAM) is a leading asset manager in North America that directs approximately $423 billion in assets under management on behalf of retail and institutional investors as of October 31, 2024. TDAM offers a diversified suite of investment solutions to corporations, pension funds, endowments and foundations. In addition, TDAM manages assets on behalf of retail investors through affiliated and third-party dealers, and offers a broadly diversified suite of investment solutions, including mutual funds, exchange-traded funds, professionally managed portfolios and corporate class funds.
- TDAM's ESG approach is aligned with the six principles set out by the United Nations-supported Principles for Responsible Investment (UN PRI) and is grounded in three core activities: 1) ESG integration, 2) stewardship (engagement and proxy voting) and 3) thought leadership. TDAM has been a signatory to UN PRI since July 2008.
- TDAM's approach to sustainable investing aligns with its philosophy of serving its securityholders' investment goals and adhering to its fiduciary duty as an asset manager. For example, incorporating ESG considerations within the investment framework and for applicable investments is one way in which TDAM furthers its goal of seeking to provide strong risk-adjusted returns.
- See TDAM's Sustainable Investing Approach for more information on its approach to stewardship and ESG integration. Information about TDAM's ESG-focused funds can be found in its 2023 Sustainable Investment Report.
- As of October 31, 2024, 88% of active equity funds managed by TDAM were rated as in-line or better than their corresponding benchmark based on the MSCI ESG Quality Rating.[24]
- In 2024, TDAM had 455 ESG-focused engagements[25] with 202 companies (compared to 490 and 244, respectively, in 2023). These engagements covered topics such as climate change, human capital and executive compensation.
- TDAM's investment teams conducted thematic ESG-related research with a cross-sector focus. In 2024, TDAM authored a number of thought leadership pieces, including:
  - Assessing Climate Risk Through Stochastic Modeling
  - Challenges and Risks in Generative AI: Considerations for Investors

Sustainable Finance continued

TD Insurance

Extreme weather events continue to have an impact on jurisdictions where the TD Insurance group of companies ("TD Insurance") conducts business, directly affecting the communities it serves. In 2024, the Bank disclosed losses relating to catastrophe claims.[26] Quarterly results of catastrophe claims can be found on our investor relations website. TD Insurance plays an important role in helping customers with the right coverage for their risks. Details about TD Insurance's engagement and thought leadership can be found in the Environmental section of this report and in TD Insurance's Principles for Sustainable Insurance – Annual Disclosure.

Examples of TD Insurance's approach to sustainability include:

Enhanced Home Coverage: TD Insurance's Enhanced Home Coverage includes additional protection to cover the extra costs of buying products or materials with potential environmental benefits when making repairs. Customers can use this protection to install items such as LED lighting, high-efficiency furnaces or reclaimed wooden boards, up to an extra 10% over the amount of their claim (up to $50,000). In 2024, TD Insurance added resilient materials as an additional option when rebuilding after a claim.

Climate Resilience: TD Insurance continues to focus on promoting the resiliency of its customers and communities in the face of climate change and climate-related risks by providing information about adaptation measures, along with incentives for customers to rebuild strategically after a claim to mitigate future climate-related risks. See the Environmental section for more details.

Bumper Cover Recycling: TD Insurance continued its bumper cover recycling program at all eligible TD Insurance Auto Centres in Canada. In the 2024 fiscal year, 21,086 plastic bumper covers were transferred to be recycled (82.6% of total, up from 65.5% in 2023).

TD Treasury and Balance Sheet Management

Sustainable Bond Issuances

TD issued a US$500 million three-year green bond in fiscal year 2024, led by a syndicate of underwriters including minority-, women- and veteran-owned business enterprises.[30] This is TD's fifth sustainability-themed bond, bringing its total sustainability bond issuances to approximately $3.7 billion. Please see the 2024 TD Sustainable Financing Report for examples of projects funded through our green bonds.

Sustainable Financing Framework

Sustainable bonds are issued in accordance with TD's Sustainable Financing Framework. TD received a second-party opinion which demonstrates alignment with the International Capital Market Association principles and guidelines.

TD Bond Investments

We believe that holding a portion of our investment portfolio in ESG-oriented investments can help to finance projects designed with environmental, sustainable and inclusive economic goals. TD maintains a target to hold $15 to $20 billion in green, social, sustainability and pandemic bonds[31,32] in its Treasury Investment portfolio by the end of 2025, measured using an as-at approach.[33] This target was set in partnership between the Treasury and TD Environment teams, based on the Bank's approach to applying ESG principles to investment activities, and approved by senior leaders in Treasury.

As of October 31, 2024, these bond holdings amounted to approximately $23.9 billion[34] (approximately $22.3 billion as of October 31, 2023). The balance as of October 31, 2024 is higher than the prior year due to new purchases.

Case Study:

TD Insurance

Innovative activities and technologies are required to support the transition to a low-carbon economy[27] and the insurance industry has a role to play in facilitating this transition.[28] For example, the electrification of transportation modes is an important component of the low-carbon transition.[29] The Canadian federal government has committed to achieving 100% zero-emission passenger vehicle sales by 2035, underscoring the importance of electric vehicles (EVs) in the Canadian auto sector. TD Insurance offers a product catered to drivers of electric and hybrid-electric vehicles that includes premium discounts, roadside assistance when batteries deplete, replacement electric vehicle rentals, and Tesla-certified auto centres.

Governance

Anti-Money Laundering

Sustainability Implications of TD's Anti-Money Laundering Remediation Program

Money laundering is a serious global threat and AML programs are key for risk management, legal compliance and integrity for banks. As a major financial institution, and an integral part of the financial system, TD has a responsibility to protect the system and thwart criminal activity.

In October 2024, we reached a resolution with U.S. authorities and regulators regarding the failures of the Bank's U.S. *Bank Secrecy Act* (BSA)/AML program.

Enhancing our AML program, strengthening its oversight to meet our regulatory obligations, and implementing a refreshed strategy are top priorities for management, our new CEO, and the Board. TD has mobilized the required resources and technology, and work is well underway to build our future on a stronger foundation.

AML Program Remediation

Significant effort is underway to strengthen our risk and control environment and meet our obligations, both for our U.S. program and our Enterprise AML Program where applicable. This includes new leadership and talent, enhanced training for colleagues, data driven technology solutions, and improvements to transaction monitoring.

Further details of our remediation strategy and progress to date both in the U.S. and at the enterprise level are available in our 2024 Annual Report, pages 25-28. Progress made during the first quarter is also available in our Q1 2025 Report to Shareholders. As we make progress over this multi-year journey, additional information will be available through our quarterly updates to shareholders.

Corporate Governance Enhancements

TD's Board and management are committed to continued enhancement of the Bank's corporate governance practices, which contribute to the effective management of the Bank and to achieving the Bank's strategic and operational plans, goals and objectives. In 2024, as part of a strategic review, the Bank undertook a robust review and refreshment of its corporate governance policies, procedures and practices. The work resulted in enhancements to our policies, procedures and practices to align with evolving corporate governance policies and regulatory expectations. In addition, the Bank is committed to fulfilling the requirement to undertake an independent third-party review of the Bank's corporate governance program, underway, in accordance with the terms of the resolution.

In January 2025, we announced significant Board renewal developments, including the following:

- Five long tenured directors retiring (33% of current Board).
- Five new directors with expertise in global banking, governance, risk management and regulatory compliance have been identified to join the Board, four of which will stand for election at our upcoming AGM and a fifth to be appointed on or about August 25, 2025.
- Transition to new Board Chair by December 31, 2025, ensuring continuity and support through the Board renewal and CEO transition.
- New chairs for four of five Board committees.

A new Remediation Committee of the Board has also been established to oversee our AML resolution commitments.

Further information on these corporate governance developments, as well as activities carried out by our Board as it relates to oversight of our AML remediation work, is available in the 2025 Management Proxy Circular.

Executive Accountability and Compensation Adjustments

TD continues to be committed to fostering a strong culture of integrity and compliance through the organization. To achieve this, the Bank has undertaken initial steps consistent with the principles of accountability embedded in the Culture Framework.

TD has adjusted executive compensation to reflect the seriousness of the AML matter and the Bank's overall financial performance.

- **$30 million** in compensation reductions for 41 former and current executives in 2023 and 2024, including those with responsibility for front-line operations, control functions, and internal audit, as well as the former CEO and the Senior Executive Team (SET).
- Given the AML outcomes occurred during his tenure as CEO, former CEO, Mr. Bharat Masrani, received **no cash or equity incentive award** for fiscal 2024, a total compensation **reduction of 89%** from 2023.
- SET members' compensation was **reduced by at least 25%** to align with the Bank's performance.

In addition to compensation impacts, new leadership has been appointed for the global and U.S. AML teams with the expertise in law enforcement and AML remediation from other large financial institutions, to enhance the Bank's BSA/AML program and guide this critical work.

On February 1, 2025, and upon the appointment of Mr. Ray Chun as Group President and CEO, Mr. Masrani retired from the Bank and the Board of Directors.

Corporate Governance and Integrity

Our Approach

We design our corporate governance principles, policies and practices to focus on upholding our responsibilities to shareholders and creating long-term shareholder value. The Bank is committed to open and responsive communications with shareholders, stakeholders and the public. The Bank recognizes the importance of the engagement of Directors with shareholders on areas that are core to the Board's mandate. We have an independent Chair with a clear corporate governance leadership mandate and a Board that is responsible for fulfilling a number of duties.

These include:

- Approving the strategy and business objectives of the Bank and overseeing their execution.
- Overseeing the identification and monitoring of the top and emerging risks affecting the Bank's businesses.
- Holding the CEO and senior management accountable for setting the tone at the top for integrity and compliance culture throughout the Bank.

Our 2025 Management Proxy Circular provides an overview of TD's corporate governance structure, policies and practices and describes the core principles that guide our approach to governance. As noted in this circular, women comprise 43% (6 of 14) of all director nominees, and, assuming the election or re-election, as applicable, of all director nominees at the meeting, women chair three of the Bank's five board committees. For information on changes made to our corporate governance policies and practices, refer to Sustainability Implications of TD's Anti-Money Laundering Remediation Program in this report.

Our Commitment to Human Rights

At TD, we are committed to supporting and respecting the protection of human rights in all our operations across all our businesses. We understand the important role that we play in respecting the human rights of our colleagues, customers and the communities in which we operate. In 2024, we refreshed our Statement on Human Rights, which describes our current approach to addressing these critical objectives. You can identify our work in the area of human rights throughout this report by this icon:

Our Approach in Action

Promoting Responsible Conduct

Through various programs, TD is working to promote the responsible conduct of our employees and business activities.

Management of Conduct Risk: TD business lines and corporate functions are expected to establish, implement and maintain conduct risk management procedures and controls, as appropriate, in alignment with TD's policies and in compliance with the laws and regulations that apply in the jurisdictions in which we operate, and to align with TD's Shared Commitments, TD's Code of Conduct and Ethics, and TD's desired culture. Enterprise Conduct Risk Management provides guidance through policy and guidelines and, in collaboration with Global Compliance and key internal partners, governs employee conduct risk that may arise from the failure to comply with laws, regulatory rules and standards or with the TD Code of Conduct and Ethics. The management of conduct risk strengthens our compliance with TD's Shared Commitments and provides a framework for our senior management and the Board to oversee conduct risk.

Between Us, Employee Ombudsman Office: This office provides confidential, impartial and informal guidance on work-related concerns to all employees and reviews options for resolution. In 2024, this program, which is separate from the Conduct and Ethics Hotline, was accessed 1,242 times by employees (in line with last year's volume of 1,166).

Supplier Code of Conduct: TD's Strategic Sourcing Group strives for a responsible supplier network and seeks to build a diverse network with suppliers who share our values and demonstrate responsible practices while delivering high-quality goods and services. New or prospective suppliers that provide goods and services through the Bank's centralized Strategic Sourcing Group must register through our enterprise procurement system, which requires them to represent to TD that they operate in accordance with the expectations described in our Supplier Code of Conduct.

- **Code of Conduct and Ethics**
- **Summary of Respectful Workplace Policy**
- **Conduct and Ethics Hotline**
- **TD Bank Group Statement on Anti-Money Laundering (AML)/Anti-Terrorist Financing (ATF) and Sanctions**
- **TD Bank Group Statement on Anti-Corruption**
- **Sustainability Implications of TD's Anti-Money Laundering Remediation Program**

Resource Corner

- Corporate Governance and Integrity Data
- 2025 Management Proxy Circular
- Code of Conduct and Ethics for Employees and Directors
- Conduct and Ethics Hotline
- Proxy Access Policy
- Tax Governance and Taxes We Pay and Collect
- TD Bank Group Statement on Anti-Money Laundering (AML)/Anti-Terrorist Financing (ATF) and Sanctions
- TD Bank Group Statement on Anti-Corruption
- Public Policy and Political Contributions
- Summary of Respectful Workplace Policy
- TD Bank Group: Statement on Human Rights
- TD Modern Slavery and Human Trafficking Report
- TD's Approach to Equitable Pay

Corporate Governance and Integrity continued

Board Capabilities

The Board is composed of members with a broad spectrum of capabilities (e.g., skills, age, education, experience and expertise from a range of industry sectors, geographies and perspectives) that reflect the nature and scope of the Bank's business. All of the directors have significant expertise in executive leadership and corporate governance. For details about the Board Diversity Policy, please see TD's 2025 Management Proxy Circular.

Performance Highlights

93%

Independent Directors of the Board of Directors of TD Bank Group (a global bank, incorporated under the laws of Canada)[1]

For examples of how the TD Board of Directors is engaged on sustainability topics, please see the 2025 Management Proxy Circular.

1 In 2024, TD's Board of Directors had 15 members in total. Bharat Masrani was not independent because of his former role as Group President and Chief Executive Officer of the Bank. In 2023 and 2022, TD's Board of Directors had 16 members in total.

TD's Investment in Total Rewards

TD provides employees with a comprehensive total rewards package that includes a combination of base salary, variable compensation, benefits and wellness programs, and retirement and savings plans. The Bank's philosophy about compensation is to provide a competitive package that is tailored, as appropriate, to the different practices of the locations in which the Bank operates. In 2024, we spent $16.7 billion globally on salaries, incentive compensation and employee benefits.

For information about equitable pay, please see TD's Approach to Equitable Pay. Details on the ESG metrics, results and impact on the variable compensation pool can be found in our 2025 Management Proxy Circular.

Environmental and Social Risk Management

Our Approach

Defining Risk and Risk Appetite

Our process for defining risks involves understanding the risks that may arise from TD's strategy and operations. TD has established major risk categories and related subcategories to enable a consistent enterprise-wide approach to risk management. TD colleagues, including directors and executives, look to TD's Enterprise Risk Framework (ERF) as well as TD's Risk Appetite Statement (RAS) for a common understanding of how TD views risk and determines the type and amount of risk that it is willing to take to deliver on the Bank's strategy and to enhance shareholder value. Please see Sustainability at TD for more information about the ERF.

TD's Risk Appetite Statement

The Bank takes risks required to build its business, but only if those risks:

1. Fit our business strategy and can be understood and managed;
2. Do not expose the enterprise to any significant single-loss events; TD does not "bet the Bank" on any single acquisition, business or product; and
3. Do not risk harming the TD brand.

Defining Environmental and Social Risk

TD defines "environmental risk" as the risk of financial loss or other harm resulting from environmental factors, including, but not limited to, climate change, nature degradation, and biodiversity loss. Refer to the Environmental section for further details.

"Social risk" is the risk of financial loss or other harm resulting from social factors, including, but not limited to, adverse human rights impacts (e.g., discrimination, disregard for Indigenous Peoples' rights, modern slavery and human trafficking), the social impacts of climate change (e.g., poverty, health, and economic and physical displacement) and the health and well-being of employees (e.g., inclusion and diversity, pay equity, mental health, physical well-being, and workplace safety).

In alignment with the ERF, TD's Enterprise E&S Risk Framework governs the Bank's approach to oversight of environmental and social (E&S) risk management. Refer to the Environmental section for more information on the E&S Risk Framework and climate-related risk.

Environmental and Social Due Diligence

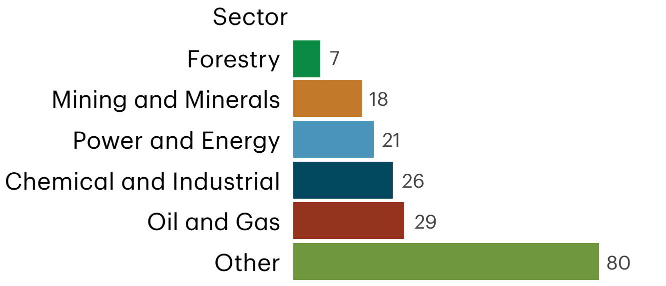
We manage E&S risk based on a life-cycle approach that continues throughout the client relationship. With respect to non-retail lending, we take a measured, client-focused and risk-based approach to E&S risk management. When a risk assessment indicates a heightened level of E&S risk, the Bank conducts enhanced due diligence that could include the use of tools such as physical risk identification, heatmaps, industry risk ratings, client engagement and questionnaires, financed emissions estimation and analytics systems, environmental site assessments, site visits, industry research, and media scans, as applicable.

Performance Highlights

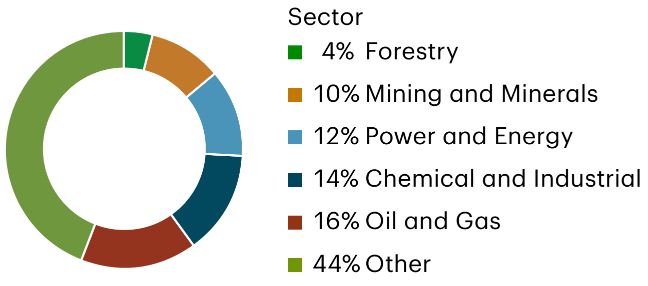
The Bank evaluates the results of risk assessments and enhanced due diligence and may escalate transactions for review by the ESG Risk Management team, business segment-level and enterprise-level reputational risk committee, according to established risk governance. TD makes decisions to conduct transactions based on the risks presented and the Bank's ability to manage those risks.

E&S Risk – Enhanced Due Diligence Reviews by Sector 2024

Number of Reviews Escalated to ESG Risk Management



Percentage of Total Reviews Escalated to ESG Risk Management



As a result of a periodic review of our policies, procedures and training programs relating to Indigenous Peoples and free, prior and informed consent (FPIC), we updated our applicable policy to clarify the enhanced due diligence process to be followed when FPIC considerations arise. We also provided training for our colleagues across relevant lines of business to raise awareness of the importance of FPIC considerations and our policy changes. Further details can be found in the FPIC Policy and Training Review.

Resource Corner

Risk Management Data

2024 Annual Report:
Managing Risk (p. 94-128)

2025 Management Proxy Circular:
Update from the Risk Committee (p. 137-139)

Data Security and Privacy

Our Approach

Maintaining our customers' trust and safeguarding their privacy, while protecting the Bank's systems and keeping information secure, are fundamental priorities for TD. We actively monitor and manage security and privacy risks, and enhance our ability to mitigate these risks through enterprise-wide programs, industry-accepted practices, and threat and vulnerability assessments and responses.

Enhancing Cybersecurity at TD

Governance and Policy

- Cybersecurity is a formal component of TD's overall risk management framework. Our Chief Information Security Officer oversees our cybersecurity program and provides updates to the Board of Directors ("the Board").
- TD's Technology Risk Management and Cybersecurity Policy, available internally to all TD colleagues, outlines the organizational controls we have in place to help protect information. Security measures include next-generation firewalls, data protection, behaviour analytics, strong authentication, and around-the-clock monitoring through our Fusion Centres (see next page) to help maintain the quality of TD's technology systems and help identify unusual customer account activity.
- TD has a cybersecurity strategy that is regularly reviewed and updated. The Board has Directors with experience in technology management and information security.
- See TD's Annual Report for more information about technology and cybersecurity risk.

Training and Culture

- Everyone at TD plays a role in helping to keep data secure and private and protecting the Bank from cyber threats. All colleagues are required to complete mandatory cyber, privacy and information security training that is refreshed and assigned annually. This proactive training program provides colleagues with knowledge about the types of cyber threats impacting the Bank. Additionally, executives and the Board receive relevant cyber, information and security training.
- Managing cybersecurity risks and improving cyber threat awareness across the organization are the responsibility of TD's business units and corporate functions, with the Bank's Operational Risk Management and Enterprise Risk Management Committees providing senior executive oversight, direction and guidance. Our businesses drive cyber risk management within their businesses, and our cyber leadership monitors the cyber threat landscape, our technology and cyber risk profile and emerging risks and roadmaps, in order to help keep our cybersecurity profile current.

Threat Monitoring

- TD has cyber intelligence, analytics, crisis management and operations teams dedicated to monitoring, detecting, understanding, analyzing and responding to threats, and assessing their likelihood and the impact they may have on our business operations, infrastructure and colleagues. See TD Fusion Centres on the next page.

Industry Frameworks

- We align our capabilities with the National Institute of Standards and Technology (NIST) Cybersecurity Framework.
- TD is working to adopt the Cyber Risk Institute's (CRI) Financial Services Profile to help enhance TD's maturity measures for industry-specific needs. The CRI is a not-for-profit coalition of financial institutions and trade associations aiming to protect the global economy by enhancing cybersecurity and resiliency through standardization.

Enhancing Privacy

Governance and Policy

- The Privacy Office, together with other risk and control partners, provides objective guidance and assesses TD departments' policies regarding privacy laws and regulations. It also provides risk-based oversight of compliance with our privacy program and the privacy laws and regulations applicable to TD.
- The VP and Global Chief Privacy Officer, in collaboration with other stakeholders within the Bank, oversees TD's privacy program. Privacy officers are engaged in the jurisdictions where the Bank operates.
- TD strives to have clear and accessible privacy commitments that inform our customers of the ways in which we help protect their privacy and the confidentiality of information, explain how we handle customer information, and outline individual rights and choices.

Resource Corner

- Data Security and Privacy Data
- How We Protect You (Security Measures)
- TD Privacy Policy
- TD U.S. Privacy Notice
- Europe and Asia-Pacific Privacy Notice
- TD Global Investment Solutions Privacy & Security
- How You Can Protect Yourself

Data Security and Privacy continued

Training and Culture

- All colleagues have a role in supporting TD's compliance with applicable privacy laws and regulations. TD's privacy training provides colleagues with the knowledge and skills they need to help protect customer and colleague personal information appropriately, to understand their privacy obligations and to conduct day-to-day business activities in a privacy-compliant manner.

Regulatory Frameworks

- The Privacy Office monitors new or amended privacy-related regulatory requirements and, where required, provides guidance on their applicability to TD's businesses. This includes consultations and proposed updates to Canadian, U.S., European and Asia-Pacific privacy laws.

Industry Best Practices

- The Privacy Office maintains relationships with applicable industry associations and participates in advocacy related to privacy law reform.

Customer Awareness

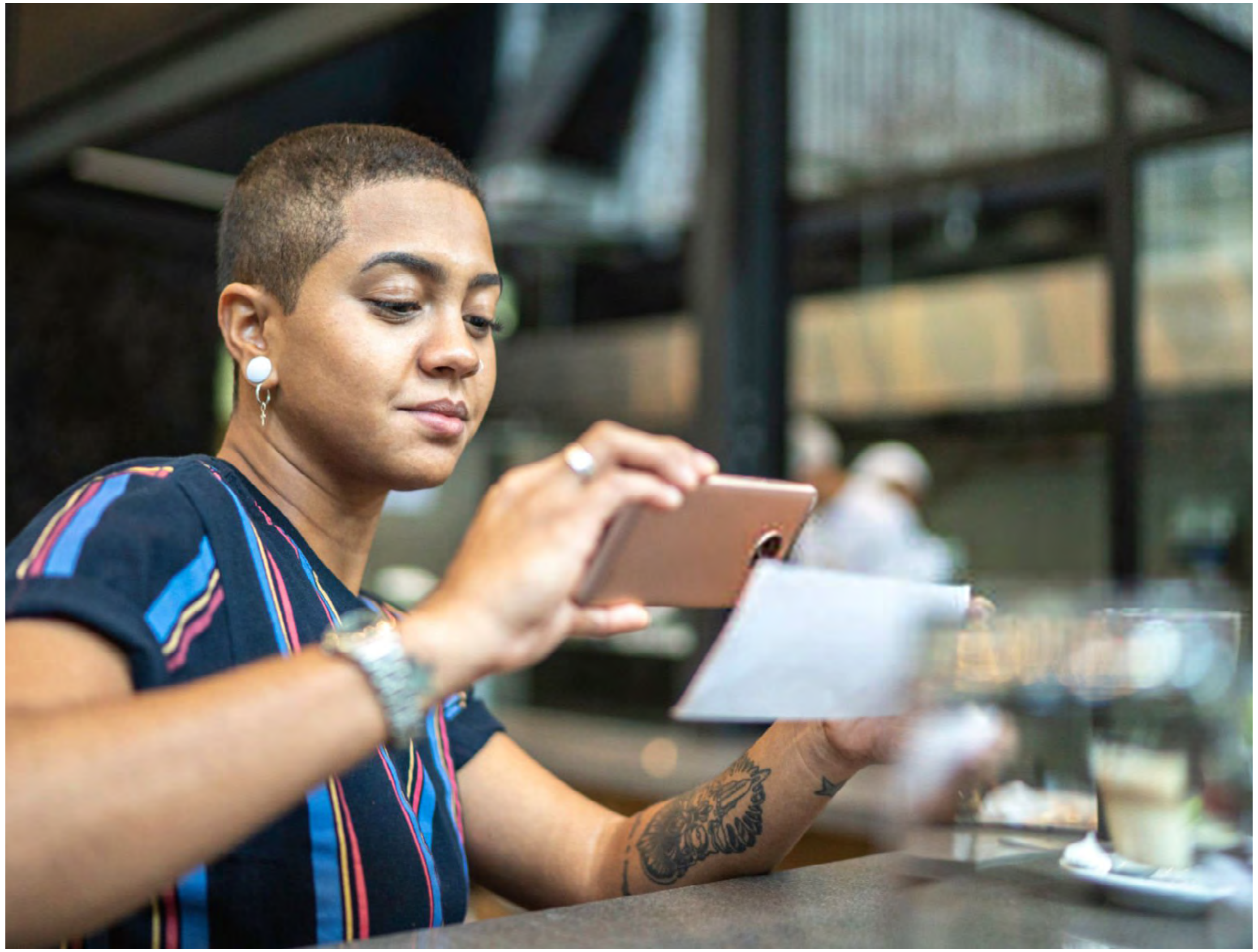
- TD strives to provide clear and accessible information to customers on how their information is handled (including by third parties). Where appropriate, we provide customers with choices that balance their expectations with legitimate business needs and the requirements of applicable privacy laws.
- We are focused on maintaining and investing in privacy and enhancing mechanisms for transparency and choice.

Our Approach in Action

Enhancing Data Security

TD Fusion Centres: TD's cybersecurity Fusion Centres, which use an always-on, 24/7 "follow-the-sun" approach (where work can be transitioned between colleagues in different time zones, as necessary), include teams dedicated to the physical and information security of the Bank and its customers, and to protecting the Bank from potential fraud and other threats.

Cybersecurity Connections and Attracting Diverse Talent: To develop diverse cyber talent and strengthen our talent pipeline, we worked with the Executive Women's Forum (EWF). EWF is a leadership and learning community that aims to help advance the careers of women in the areas of information security, information technology risk management and privacy. With a growing focus on areas such as machine learning and artificial intelligence, EWF helps empower women to build expertise in emerging technologies and drive innovation. TD received an Executive Women's Forum Award for our Benefactor support of female leadership for the past five years.



Customer Experience

Our Approach

At TD, we are focused on continuing to adapt the Bank's processes to help meet and exceed evolving customer expectations and preferences while creating value and providing trusted advice. TD strives to offer seamless and personalized customer interactions across our channels, providing our customers with banking solutions how and when they work best for them.

One of the key measurements TD uses is its Legendary Experience Index (LEI), which measures customer experience and drives insights to help us improve that experience in the moments that matter most to customers. TD continues to invest in research, technology infrastructure, digital tools and platforms, artificial intelligence (AI) and other new technologies and solutions with a goal of anticipating and/or exceeding market and customer needs.

Our Approach in Action

Assessing, Measuring and Delivering the Experience

We leverage a customer-centric experience platform to contact selected customers within 24 to 48 hours of their interaction with a retail channel (branch/store, phone or digital). We also contact selected customers weekly to monthly for TD Wealth Advice, U.S. Wealth and Commercial Banking and Canadian Commercial Banking businesses to seek feedback about their experiences with TD and to assess how well we are delivering on our brand promise. LEI results are shared in a timely manner within TD to help improve performance, and customer feedback and LEI results are inputs into variable compensation decisions for a majority of Bank colleagues. In 2024, over one million customers across North America provided feedback through this survey measurement program.

We also aim to improve our efficiency by using data, behavioural analysis and AI responsibly to generate and deliver timely insights about the customer experience to internal TD stakeholders. We remain focused on deepening our understanding of customers' experiences by conducting customer journey mapping, competitive benchmarking, and a cross-business relationship survey, and by using other data sources (e.g., Google reviews, social media listening, etc.) to create a holistic view of the customer experience. In 2024, we implemented the Digital Experience Analytics (DXA) platform. DXA enables TD to capture and measure customer experience as customers interact with TD digital properties by providing quantitative and qualitative insights that help us to better understand the "why" behind customer behaviours so we can address frictions and improve the customer experience.

Resolving Customer Complaints

Our goal is to provide high-quality service and trusted advice to customers; however, when complaints arise, our focus is on resolving the issue at the first point of contact with empathy and thoughtful solutions.

Resource Corner

Customer Experience Data
To Our Customers
Problem Resolution Process
Codes of Conduct and Public Commitments
Senior Customer Complaints Office (SCCO)

Canada

In Canada, if a customer is not satisfied with the resolution at the first point of contact, they can escalate the matter to TD Customer Cares for further review. If the complaint remains unresolved, the customer can then escalate it to the Senior Customer Complaints Office (SCCO). Complaints escalated to the SCCO are often more complex in nature than those complaints addressed at first point of contact. In 2024, the top SCCO complaint themes were consistent with those of the prior year; they related to possible scams (e.g., investment, employment and wire scams) and home and auto insurance claims (e.g., disputes over settlements and declined claims).[35] We launched an Enterprise Customer Complaints Initiative in 2023, which continues to focus on leveraging customer feedback and complaints data trends to identify the root causes of complaints in order to address the top opportunities, prevent future complaints and help improve the overall complaints experience.

United States

In the United States, the Customer Advocacy team is responsible for complaint management and maintains a cross-functional framework for customers, business lines and channels. The primary drivers of complaints in 2024 were customer service, credit bureau reporting and fees. The Exceptional Pride to Inspire Legendary Customer Experiences, or "EPICx" program, launched in 2023, continued to identify top sources of complaints and, working with compliance, anti-money laundering and other risk and control functions across the U.S. retail segment, implement solutions to help improve the customer experience. The program exceeded the fiscal year U.S. scorecard target of implementing 100 solutions that helped reduce customer irritants. EPICx is complemented by the Complaint Action and Oversight teams, which work to create an end-to-end, holistic approach to leverage complaint data and other sources of customer feedback. Complaint Working Groups also provide individual business lines with support, including detailed feedback reporting, data trends and root cause analysis.

Customer Experience continued

Performance Highlights

Engaging Our Employees

Target	2024 Result	2025 Target[1]
Deliver Legendary Customer Experience – Legendary Experience Index (TD Composite Score)[2] (72.61 for 2024)	75.63	75.15

1 As LEI programs continue to evolve, we have embraced the best practices of updating our methodology annually to incorporate new changes and ensure that LEI remains current. As a result, year-over-year comparisons are not advisable.

2 LEI is calculated by a third party based on independent customer experience surveys shared regularly with customers of the following segments: TD Canada Trust, TD Bank, TD Wealth, TD Insurance and TD Business Bank. The surveys ask customers to rate their recent experiences with TD on a 10-point scale to indicate how exceptional they found the service (weighted at 70%) and how likely they would be to do additional business with TD in the future based on that experience (weighted at 30%). The percentage of the top-two box responses (scores of 9 or 10) for each question is weighted and summed to calculate the LEI score for each program. The results of each program are aggregated to form the Segment Composite LEI score, which is then further combined across segments – based on their contribution to net income after tax over the past four fiscal years – to determine the overall TD Bank Group Composite LEI score.

What We Did in 2024

Driving Customer Experience Through Innovation

- TD Direct Investing introduced partial shares, where investors can buy and sell a fraction of their favourite stocks and exchange traded funds (ETFs). Partial shares offer Canadian investors the flexibility to invest in companies they believe in without needing to purchase the full share price.
- TD developed a generative artificial intelligence (GenAI) virtual assistant designed to help contact centre colleagues retrieve policies and procedures related to customers' day-to-day banking inquiries in seconds and resolve them in a timely manner.
- TD introduced TD Innovation Partners, a full-service team with extensive experience working with companies in the innovation economy that provides customized banking and financing solutions for technology and innovation companies at all stages.

Challenge: Working toward the ethical and responsible use of artificial intelligence in financial services.

Response: The trust that our customers place in us is central to our innovation philosophy, no matter which technologies we are exploring. The financial services industry continues to see a rise in the adoption of artificial intelligence (AI) technology; however, industry standards related to trustworthy AI are still in development. AI is a transformative technology that can prompt both excitement and apprehension in the population at large. Generative AI (GenAI) can create new content such as text or images, based on the data on which it was trained. This has the potential to drive new value for companies by improving efficiency and fostering innovation; however, GenAI, where used, also amplifies risk related to fairness and accuracy, for example.

At TD, we are working to leverage AI technology responsibly to help develop new approaches, where appropriate, that support our colleagues in their work, as well as support our ability to deliver personalized digital experiences to customers.

- Through AI-related governance such as privacy practices, model risk management, and compliance with applicable laws and regulations we are working to **protect the Bank**, its customers and the communities it serves. While industry standards related to trustworthy AI are still in development and AI-specific regulations are emerging, our governance seeks to address various aspects of trust, including transparency, privacy, bias/fairness and robustness. Additionally, TD adheres to existing laws, rules and regulations that are applicable to the development and usage of AI.
- We are also working to **adapt the Bank** by building our AI-related capabilities to remain forward-focused and help shape the future of banking in the digital age. Layer 6 is TD's AI centre of excellence working to inform and drive AI and GenAI within the Bank. We register patents regularly and publish insights to demonstrate our growing capabilities to the market. In 2024, 22 patents filed were inventions related to trustworthy AI, helping TD to ensure that its AI models align with the Bank's values while enhancing the customer experience and mitigating risk. TD ranks in the top 10 banks globally of AI maturity based on the Evident AI index.[36]
- We are engaging with external stakeholders, such as the U.S. National Institute of Standards and Technology's (NIST) Artificial intelligence Safety Institute Consortium, to help shape the AI ecosystem and influence emerging industry standards. TD is also a founding sponsor of the Vector Institute, which supports AI-related research.

Product and Service Responsibility

Our Approach

At TD we know it's important to do right by our customers. We are committed to providing financial products and services to all customers and in the communities we serve with transparency and clear and simple information.

Promoting Responsible Retail Sales Practices

- We have checks and balances in place across our businesses. Examples include our governance and oversight infrastructure, conduct risk committees, conduct risk reporting which incorporates our sales monitoring programs, conduct and ethics concerns policy, complaint escalation process for colleagues, HR investigations, customer complaints handling and reporting, and training programs for colleagues that support adherence to our corporate values and selling practices. Colleagues who fail to comply with TD's Code of Conduct and Ethics may be subject to disciplinary action, up to and including termination.
- Colleagues who interact with customers receive training annually on understanding and assessing customer needs, and regulatory compliance obligations including those related to anti-money laundering policies, anti-bribery and anti-corruption, the Financial Consumer Protection Framework and privacy requirements. In addition, when relevant to their roles, colleagues are trained and required to use tools in their conversations with customers, which may prompt colleagues to offer a product assessment to help identify which product is appropriate based on the customer's circumstances including their financial needs. We also strive to use plain language when communicating with customers to make our documentation easier to read, understand and use.
- Our Performance Management Framework reinforces reward and recognition for colleagues who demonstrate TD's Shared Commitments and deliver on the needs of customers.
- Our employee incentive and reward programs support TD's values and incorporate features aligned with desired behavioural outcomes. This includes a variety of factors, such as customer experience and team and individual performance, with an ability to adjust compensation pools and individual decisions based on employee conduct.
- In 2024, the Corporate Governance Committee (CGC) of TD's Board of Directors received updates about the conduct risk program from the SVP, Data, Technology, Cybersecurity, Fraud, Insider and Conduct Risk. The CGC, which oversees the Bank's conduct risk program, provided regular reporting on the program to the Board of Directors during fiscal 2024.

Accessibility at TD

- In consultation with customers, colleagues and community members with disabilities, TD published an Accessibility Plan in 2023 that details how we work to identify, remove and prevent barriers to accessibility.
- We published a Progress Report on the Accessibility Plan in 2024 that is available on our Accessibility website. An executive summary of the plan is available in American Sign Language (ASL) and Quebec Sign Language (LSQ).

Protecting Our Customers

Canada

The Financial Consumer Protection Framework aims to promote responsible conduct across Canadian banks and protect financial retail banking customers. It emphasizes transparency to empower customers to make informed decisions and includes provisions for fair and equitable practices. These provisions cover areas such as requirements for cancelling agreements, access to basic banking services and complaints processes. See our Public Accountability Statement for information about access to banking and how we support the financial needs of seniors through implementation of the Seniors Code.

United States

TD Bank's Fair & Responsible Banking Policy supports our commitment to treating all individuals fairly and equitably in offering and providing banking products and services, to mitigate risk to the consumer, to prevent discriminatory practices and unfair, deceptive or abusive acts or practices (UDAAP), and to maintain compliance with applicable federal and state laws and regulations. Our intent is to be informative and forthright about our products and services and to comply with federal and state laws and regulations governing fair lending and the prevention of UDAAP. TD Bank maintains a cross-functional framework for customers, business lines and channels that enables us to identify and address customer issues and continue to enhance our legendary customer experience.

Resource Corner

Product and Service Responsibility Data

To Our Customers

Codes of Conduct and Public Commitments

Prohibited Conduct Rules for Banks – What You Need to Know

How We Protect You (Security Measures)

Accessibility at TD: Meeting Customer Needs

Our Privacy Commitments

2024 Public Accountability Statement – Seniors Code (p. 16)

Social

TD Pathways to Economic Inclusion

Systemic risks, such as inequality and lack of financial and economic inclusion, can destabilize economies, affecting both the Bank's performance and the communities it serves. Inequality poses risks to our business strategy and to our stakeholders. As segments of society fall behind financially, their ability to participate in the economy is diminished, which can lead to decreased demand for financial products, rising default rates and a weakened overall economy. By prioritizing financial and economic inclusion and developing solutions that address these disparities we can help mitigate these risks and create new opportunities for our customers, communities and colleagues.

TD Pathways to Economic Inclusion, our social framework announced in our 2022 ESG Report, builds on our long-standing work to help improve financial and economic inclusion for our customers, communities and colleagues, by unifying and focusing our efforts on three areas: employment access, financial access and housing access.

Additionally, we understand that in order to deliver investments and solutions that help address these risks, we must employ and empower TD leaders who have diverse backgrounds and lived experience. In 2024, we advanced and launched a number of initiatives to help improve economic inclusion, which are featured throughout this section of the report. On this page we outline select 2024 highlights.

TD Pathways to Economic Inclusion

Employment Access

Building a diverse, inclusive and skilled workforce at TD and beyond.

- CA US Worked with organizations to grow our presence as an employer within Black and visible minority communities, including attending and hosting career events, panel discussions and workshops.
- CA Welcomed the first and second cohorts of recipients of the TD Scholarship for Indigenous Peoples, administered by AFOA Canada.
- CA US Delivered learning experiences that touched 95,000+ colleagues. See the section on upskilling the TD workforce.

Financial Access

Empowering individuals and business to build financial health and resilience.

- CA Introduced TD's Business Accelerator Loan Program, a financing option supported by a guarantee from Business Development Canada that helps eligible businesses manage their cash flow and access to capital for day-to-day operations.
- US Launched TD Early Pay, which allows customers to receive their eligible direct deposits up to two days earlier than previously permitted.
- CA TD and MPOWER Financing announced a collaboration to help simplify the banking experience for international students pursuing higher education in Canada.

Housing Access

Enhancing housing access and resilience across a range of housing needs.

- US Provided debt and equity financing to build Shamrock Drive, a two-phased 236-unit development for families and seniors in Charlotte, NC and Clifton Place, a new 195-unit affordable housing project in Cambridge, MA.
- CA Made proactive calls to approximately 21,000 households through TD Helps to discuss the impact of interest rate increases and offer financial advice.
- US Held first-ever Housing Summit at Howard University in Washington, D.C. in April 2024 to discuss today's affordable housing crisis, common needs, challenges and viable, collaborative solutions.

TD Pathways to Economic Inclusion continued

We recognize that there are many challenges and uncertainties related to economic inclusion; however, we continue to make progress based on the data and information we have today and remain committed to being open and flexible in our approach.

2024 Performance Highlights[1]	
Employment Access	[A] 42.7% Women in roles titled Vice President and above[1,2,3,4]
	25.7% Black, Indigenous and minority representation in roles titled Vice President and above[1,5,6]
Financial Access	US$0.9 billion in small business loans[7] to businesses with gross annual revenue <US$1 million and/or small businesses located in low- and moderate-income[8] geographies in the U.S.[9,10]
	$3.8 billion in loans and other credit facilities through TD Small Business Banking (cumulative from 2023)[11]
	502,389 participants reached through TD-led and supported financial education initiatives in Canada and the U.S.[12]
Housing Access	$5.9 billion in affordable housing financing in Canada and the U.S. (cumulative from 2023)[13]
	US$4.2 billion in home lending to low- and moderate-income and/or minority[14] borrowers and geographies in the U.S.[10,15,16]

1 All nomination, hiring and other employment decisions are made on a non-discriminatory basis, consistent with applicable laws.

2 All talent decisions are part of the Bank's talent management standards and policies, requiring decisions on talent development, promotions and employment decisions to be based on capability and hiring the most qualified talent into every role. Specifically, when making senior management appointments, the Bank considers all characteristics, skills and experiences that contribute to the candidate's capabilities.

3 This metric applies to women in Senior Management (Vice President and above) in TD's Canadian businesses. An aspirational goal of 45% by 2025 for Canada was communicated in 2021.

4 Board and executive officer gender diversity information included here is required to be disclosed in our management proxy circular pursuant to requirements under applicable Canadian securities laws. Please see the 2025 Management Proxy Circular for additional information.

5 "Minority" means non-Caucasian in race or non-white in colour, other than an Indigenous person. Data is voluntarily disclosed by colleagues and therefore may not be reflective of the actual workforce.

6 The aspirational goal of 25% by 2025 for North America was communicated in 2021 and has been achieved.

7 Small business loans are defined consistent with the Community Reinvestment Act (CRA) regulations in effect at the time of loan origination.

8 As defined in CRA regulations, low-income community means there is a median family income of less than 50% of the area median income. A moderate-income community means that the median family income is at least 50% and less than 80% of the area median income.

9 This metric represents the cumulative amount of new financing and refinancing activities over three years, from January 1, 2024, to December 31, 2026. Results are reported based on calendar year. A portion of this metric is also eligible for the $500 billion Sustainable & Decarbonization Finance Target. Please see the TD Sustainable & Decarbonization Finance Target Methodology for details on the activities eligible for inclusion toward that Target.

10 This metric is a part of our US$20 billion Community Impact Plan.

11 Includes loans and other credit facilities (all Small Business Banking credit products such as loans, business line of credit, business overdraft protection and loans with government or Crown Corporation guarantees) to businesses where the credit amount is approximately $1.5 million or less. The metric represents the cumulative amount of new financing and refinancing activities over eight years, from November 1, 2022 to October 31, 2030. Progress on this metric does not contribute to the Sustainable & Decarbonization Finance Target, and there are differences in inclusion criteria and associated measurement between this metric and the Sustainable & Decarbonization Finance Target.

12 Participants include customers and community members who take part in or receive information through sessions or programs in Canada and/or the U.S. that aim to improve their financial knowledge. "TD-led" initiatives include activities facilitated or delivered directly by TD. "TD-supported" initiatives include programs facilitated by or with charitable organizations that are both partially and fully funded by TD. Due to data and practical limitations, participants may be counted toward this metric where they attend only part of a session or program. In addition, the number of participants reported may not reflect unique participants, as participants might engage with multiple programs. In 2024, we updated our methodology to ensure all applicable financial education activities are being captured, leading to additional in-scope TD-led financial education platforms being captured this year towards the financial education metric. Prior to 2021, TD had a target for TD-supported financial education, which has now been broadened and recalibrated to reflect our current approach and ambition.

13 Includes the activities outlined in the "Affordable and Community Housing" category of the Sustainable & Decarbonization Finance Target, with the exception of residential real estate purchases. Please see the TD Sustainable & Decarbonization Finance Target Methodology for details. This affordable housing financing metric covers key business activities of the Bank, including lending, financing, underwriting and advisory services. The metric represents the cumulative amount of new financing and refinancing activities over eight years, from November 1, 2022 to October 31, 2030. Progress toward this metric is also counted toward the Sustainable & Decarbonization Finance Target and is reported for activities in both Canada and the U.S.

14 The term "minority," for the purpose of this metric, means Black or African American, Hispanic, Asian, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander.

15 TD Bank's ability to achieve lending and investment targets within the CIP are subject to changes in economic conditions, regulatory requirements, and TD Bank's obligation to maintain safe and sound banking practices. Market conditions, including but not limited to sustained inflation, elevated interest rates, and economic recession, may negatively impact TD Bank's ability to meet its targets. Accordingly, all items outlined within the CIP are subject to change. Any modifications to these voluntary targets will be discussed in advance with the National Community Reinvestment Coalition and other community stakeholders.

16 Includes, within TD Bank N.A.'s facility-based assessment areas, TD-originated residential mortgage loans to minority borrowers, borrowers residing in majority-minority census tracts, LMI borrowers, and borrowers residing in LMI census tracts, and TD-purchased residential mortgage loans to LMI borrowers and borrowers residing in LMI census tracts. The target represents the cumulative amount of TD-originated residential mortgage loans and TD-purchased residential mortgage loans over three years, from January 1, 2024 to December 31, 2026. Results are reported based on calendar year. A portion of the metric is eligible for the Sustainable & Decarbonization Finance Target. Please see the TD Sustainable & Decarbonization Finance Target Methodology for details on the activities eligible for inclusion toward that Target.

Employment Access

Our Approach

TD's unique and inclusive culture is a key contributor to the Bank's performance, and our ability to serve customers, clients and communities.

Our goal is to attract, retain and develop the best talent, offer an inclusive workplace, and remove barriers to progress to empower them to achieve their full potential. These efforts support our continued competitiveness and performance as we work to create long-term shareholder value.

Through the TD Pathways to Economic Inclusion's employment access pillar, we provided entry points to meaningful careers, training and development, and work experiences to support long-term success and growth. In 2024, TD's efforts helped bring down barriers and support attraction and retention of top talent. Our work also extended outside the Bank, where our business and philanthropic efforts supported training and skills development across the community.

Our Colleague Promise

The TD Colleague Promise embodies our goal of offering access to fulfilling careers and represents our commitment to providing an enriching experience for current and future colleagues, grounded in the pillars of Impact, Growth and a Culture of Care. This promise reflects how we strive to deliver on a core element of our purpose: to enrich the lives of our colleagues, which, in turn, helps empower our colleagues to deliver legendary customer experiences and make a meaningful difference in the communities we serve.

Resource Corner

Employment Access Data
Code of Conduct and Ethics
Responsible Sourcing
Summary of Benefit Programs
TD's Approach to Job Transitions
TD's Approach to Equitable Pay
Summary of North American Health and Safety Policy
TD and Indigenous Communities in Canada – 2023 Report
TD Careers
Developing Leaders

Colleague **Promise**

Impact

Make a meaningful difference to our business performance, our customers' lives and our communities.

Growth

Build your skills and gain new perspectives to succeed today and tomorrow in a rapidly changing world.

Culture of Care

Experience a caring culture where colleagues feel included, appreciated and supported.

Employment Access continued

Impact

Through the variety of roles available across TD, innovation programs,[37] talent pipeline practices and the TD Ready Commitment Network (our community engagement hub), TD colleagues have the opportunity to make a positive impact on the lives of their customers and fellow colleagues, and the communities where they live and work.

What We Did in 2024 – Impact

iD8 – A Colleague Ideation Program

TD launched iD8, an internal ideation program, in 2019. The program encourages colleagues to share innovative ideas about how we can improve the customer and colleague experience. The iD8 program helps TD drive a culture of innovation and produce solutions that help us to be the Better Bank. We review 100% of the ideas submitted through iD8 and have received 97,800 ideas since the program began in 2019. More than 10,000 of these submitted ideas have now been implemented.

In 2024, we implemented an idea about improving the colleague and customer experience for customers disputing a debit card transaction. Previously, customers were required to visit a TD Branch or call the Contact Centre to initiate a claim; however, with the TD Mobile App enhancement, customers can now submit a fraud claim using their TD Mobile App, eliminating the need to visit a Branch or call Contact Centre. Additionally, this enhancement reduces call volumes to the Contact Centre and Fraud Loss Prevention by approximately 135,000 calls, creating capacity and cost savings of approximately $1.25 million annually.

TD's patents reflect our commitment to colleague-led innovation. More than 1,000 colleagues across the organization contributed to a 40% increase in TD patents over the past three years. Patent filings have increased 110% since 2020, reflecting over 2,500 patent filings. Innovation programs like iD8 and patents provide opportunities for our colleagues to play a role in making an impact.

TD Ready Commitment Network

Our colleagues are enthusiastic about getting involved and making a positive impact in their communities. In 2024, more than 7,500 colleagues in our TD Ready Commitment Network logged approximately 176,000 hours of volunteer time[38] to help their communities. We launched a Non-Profit Board Leadership Program in 2023, designed by Volunteer Ottawa, which engaged hundreds of employees across the Bank to learn about the benefits of board service as a way to support non-profits in their communities. For more information about the impact our colleagues are having in their communities, see the 2024 TD Ready Commitment Year in Review Newsletter.

Additional examples of the meaningful difference our colleagues are making through their roles at TD are featured throughout this report. See the sections on:

- Delivering Legendary Customer Experience Through Innovation for information about how colleagues in the areas of technology and innovation are having a positive impact on the customer experience.
- Sustainable Finance and Environmental for details about how colleagues across the enterprise are working to support clients in their transitions to a low-carbon economy.
- Financial Access for information about how our teams provide specialized expertise and advice for members of those diverse communities.

Employment Access continued

Growth

We are committed to providing ongoing development and growth opportunities that support our colleagues across the Bank in achieving their career goals.

Developing Our Colleagues

As part of our emphasis on helping our colleagues grow in their careers, we have development programs that are anchored in the skills and capabilities needed to grow and thrive at TD and that are designed for the unique needs of our colleagues and the environment in which we operate. We continue to develop programs and platforms to upskill our workforce and assist employees as they transition into new roles and as the banking industry evolves. For example, we offer learning programs that help colleagues build their business judgement and acumen and learn how to manage through change. Our learning and development programs support continuous growth for our colleagues, which empowers them to have a meaningful impact on our customers, communities and fellow colleagues.

Building and Developing Our Leaders

Our leadership programs are designed to cultivate skills and foster a culture of continuous improvement. They equip participants with tools to enhance their decision-making, communication and team-building abilities. These programs aim to empower individuals to take initiative and drive innovation, and also help strengthen our leadership pipeline. Highlights of our leadership programs include:

- Our Talent Review Program, refreshed in 2024, focuses on the assessment and development of senior talent, as well as succession planning for senior roles within the organization.
- Path to Leadership, our people manager program, focuses on helping new people managers learn to lead at TD and strengthen their capabilities.
- Leadership programs, available to people managers across the enterprise, on topics such as coaching, diagnosing performance and providing feedback, inclusive leadership, conflict resolution, and how to build high-performing teams.

Building Diverse and Empowered High Performing Teams

TD strives to have the best talent to serve our customers, clients and communities. Our talent development and recruitment activities support our ability to build a highly engaged and competitive workforce from across the communities where we live and work.

To build a diverse, empowered, high-performing organization, leaders at the Bank are expected to nurture an inclusive organization, where all colleagues belong, are supported, and have the full opportunity to thrive and contribute to TD's success.

Cherishing, empowering, and celebrating our diverse workforce and the lived experiences of our colleagues are core to the TD culture. As part of this strategy, TD developed programming and initiatives, available to all colleagues. The Bank supports experiences and events across a number of demographic groups.

See Integrating Sustainability Governance and Strategy for information about TD's Inclusion and Diversity Leadership Council.

Employment Access continued

What We Did in 2024 — Growth

Upskilling the TD Workforce

Colleagues across the Bank engage in learning programs through multiple platforms in order to build the skills and capabilities they need to be effective in their current roles, prepare for future roles and excel at new ways of working. In 2024:

- TD delivered learning experiences through more than 560 programs that reached 25 lines of business and corporate functions and touched 95,000+ colleagues. Approximately 47% of training supports revenue-generating lines of business, about 30% supports colleagues in corporate functions, and about 23% supports training across the enterprise. TD's internal learning platforms have over 32,000 learning assets that are available to all colleagues.
- TD Thrive, one of our online learning platforms, is a key component of our learning strategy that reached 75.3% of TD colleagues in 2024. Since its launch in 2018, TD Thrive has provided more than 80,700 TD colleagues with self-directed learning opportunities aligned to their career interests and skill development aspirations.
- We delivered training to help upskill colleagues who were new to agile roles, and help them learn how to work under a new working model. We delivered this training to approximately 4,600 colleagues. It included more than 900 modules, totalling approximately 65,000 hours of learning.

Colleague Retention and Redeployment

We focus on developing our colleagues and providing them with support and the opportunity to grow their careers as a means to engage and retain talent. In 2024, we continued to build upon our career mobility strategy through the following investments:

- An enterprise approach to supporting career mobility – first, Career Solutions, an internal website that offers tools and resources to support colleagues with their growth and development, and second, Career Transitions, a team that helps colleagues impacted by job loss with job search support. This dual approach has played a critical role in supporting our business and talent strategy, and enabling internal mobility, and the retention of key skills and experiences within the organization. Feedback from colleagues about this approach has been positive, and the support provided is evidence of TD's culture of care.
- Enhanced growth and development practices by further integrating colleagues' career development conversations into the quarterly performance check-in process. We developed new tools to help our colleagues and leaders continue to have conversations about career development on an ongoing basis. Integrating career and performance conversations has helped increase colleague engagement in career development planning.

Supporting Our Colleagues

Veterans: TD has been a member of the Military Spouse Employment Partnership since 2022. In 2024, we launched our first Veterans Mentoring Program with over 60 colleagues participating as mentors or mentees. In addition, TD Bank welcomed its first intern through the Department of Defense's SkillBridge, a program offering service members the opportunity to gain civilian work experience through specific industry training, apprenticeships, or internships during the last 180 days of military service.

People with Disabilities: The TD Enterprise Accessibility Office launched the TD Accessibility Employee Consulting Group for Canadian colleagues. As a part of this group, colleagues can choose to participate in focus groups and product testing, and provide feedback on the colleague experience, with the objective of designing products and services for our colleagues and customers that aim to address accessibility needs.

2SLGBTQ+ Colleagues: In 2024, we launched our second cohort of the Forever Proud Mentorship program. Open to colleagues across the Bank who are early in their careers, this program provides structured learning and mentorship on topics such as navigating career progression, meeting goals at work and building confidence to bring their whole self to work.

Women: TD Bank introduced a leadership training program to U.S. colleagues called Connected Leadership Academy, developed by McKinsey and LeanIn. The program supports women colleagues, but is open to all U.S. colleagues. It equips participants with critical leadership skills such as adaptability and resilience, problem solving and developing business strategies. Participants in the program are nominated by their leaders and human resources.

Employment Access continued

Culture of Care

We strive to create a Culture of Care that is focused on well-being and supports the diverse nature of our colleagues' needs so they can thrive, strengthen their social connections and feel secure.

We believe in a holistic approach to healthy, active and balanced living and provide opportunities for colleagues to assess, manage and improve their entire well-being. We strive to foster a culture of care by providing comprehensive benefit plans, opportunities for career growth and meaningful work, and a workplace that is responsive to the needs of our colleagues. For example, if aligned with business needs, colleagues can take advantage of our flexible, hybrid work model, allowing them to balance on-site work and work-from-home days.

We provide initiatives such as the Well-being Ambassador Program, a network of trusted representatives within our businesses across our footprint. Ambassadors connect colleagues with tips, tools and resources to support their well-being. Every other month, the Well-being Ambassador Program spotlights an important well-being topic and related resources focused on one of the four pillars of well-being: physically thriving, mentally and emotionally flourishing, socially connected and financially secure. Our North American Health and Safety Policy establishes the framework TD employs to provide a healthy and safe workplace and environment for colleagues.

What We Did in 2024 — Culture of Care

Across all well-being pillars, we bolstered well-being communications sent to our colleagues by using new internal social media channels to engage colleagues in conversations about their well-being. We also shared messages from leaders and stories from colleagues to help create safe spaces for colleagues to talk about their own well-being.

Physical Well-being: Recognizing the unique needs related to women's health and the importance of creating a safe environment for women to talk about their health, we launched a Women's Health Hub on our well-being online community. The hub offers resources and information about TD benefits and stories from leaders on their experience with menopause. We also hosted information events and peer support circles through the Women at TD employee resource group.

Financial Well-being: We launched the Financial Health Hub in Canada with resources and tools to support colleagues in managing their financial well-being. We also continued to use TD's Well-being Ambassador network to provide tips and resources focused on how to create a positive cash flow.

Mental/Emotional Well-being: We hosted a global Mental Health Awareness Month campaign on the Power of Belonging including tips, webinars, activities and colleague stories. In the U.S., we launched a new resilience and stress management app for colleagues called meQuilibrium. See TD's Approach to Mental Health in the Workplace for more information.

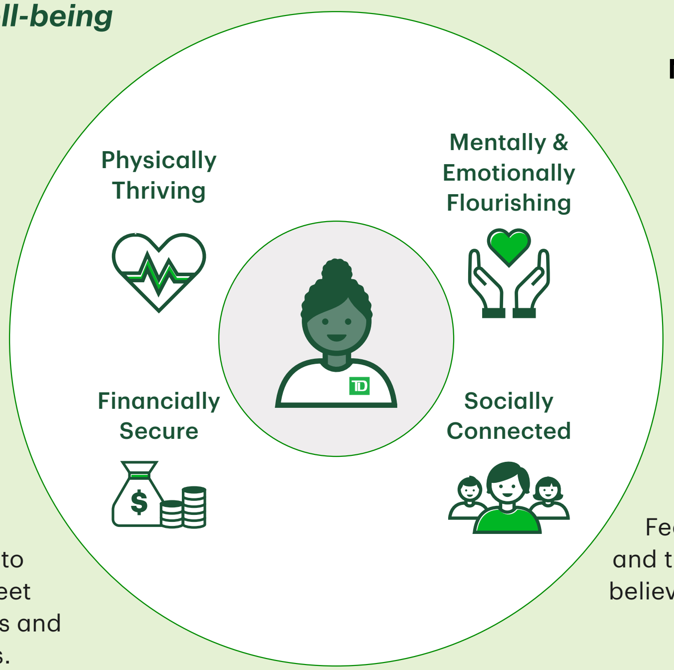
TD's Approach to Well-being

Physically Thriving

Understanding and managing one's health, practising illness prevention and feeling your best at home and at work.

Mentally & Emotionally Flourishing

The ability to realize your own potential, cope with normal stresses and be productive at home and at work.



Financially Secure

Having the financial knowledge and resources to manage commitments, meet goals, protect against risks and cope with financial shocks.

Socially Connected

Feeling connected to people and the community as a whole, believing in your own self-worth and usefulness to society.

Social Well-being: We promoted the well-being benefits of connecting with nature to colleagues across the enterprise and provided tips to colleagues on how to grow their connection with nature. Well-being Ambassadors encouraged their teams to share photos and stories of how they thrive in nature.

For information about how we reward and recognize our colleagues, please see TD's Approach to Equitable Pay.

Employment Access continued

Employee Relations

As part of our Culture of Care, our colleagues can safely raise their concerns directly with TD. We focus on strengthening the employer-employee relationship and improving colleague engagement, satisfaction and retention. The Employee Complaint Resolution Process provides colleagues with various channels to report their concerns, including an anonymous option, and facilitates the reporting of their concerns to the right point of contact so that they are addressed without delay, objectively and without fear of retaliation. TD is committed to protecting individuals from reprisal in any form. Our HR Advice and Employee Relations group maintains work standards, policies and practices consistent with TD's commitment to the overall employee experience and the Bank's business objectives, as well as legal and regulatory requirements.

Engaging Our Colleagues

Our colleague experience measurement is holistic and includes engagement, inclusion, well-being, leadership effectiveness, work enablement (i.e., providing the tools and resources colleagues need to do their jobs), and the TD culture. We measure colleague feedback through our annual Pulse survey and take action on all aspects of our colleagues' experience. We strive to create an environment that provides colleagues with opportunities to have a positive impact through their roles, grow their careers, and work in an environment that fosters a culture of care. Colleagues consistently note that they are proud to work for TD, feel as though they belong, and work in a supportive environment. In 2024, we continued our regular colleague surveys, which incorporated questions about culture and well-being to help us identify new trends in the colleague experience.

Addressing Barriers to Employment to Attract, Retain and Develop the Best Talent

We know that a diverse workforce with a range of experience, backgrounds and abilities allows us to better serve customers, clients and communities and makes our business stronger. We work with community organizations and student groups to attract and develop diverse talent and help reduce barriers to employment.

What We Did in 2024

Indigenous Peoples: We announced the TD Scholarship for Indigenous Peoples in Canada in 2022, administered by AFOA Canada, which offers 25 scholarships to eligible students. We welcomed the first and second cohort of 25 students in 2022 and 2023, and opened applications for the third cohort in 2024.

Black Communities and Visible Minority/Minority Communities: We worked with organizations to grow our presence within the Black and visible minority communities, including attending and hosting career events, panel discussions and workshops. In Canada, we worked with the Canadian Association of Urban Financial Professionals, Ascend, ACCES Employment, Black Professionals in Technology and Skills for Change. In the U.S., we attended the inclusion-focused Diversitech and participated in ALPFA (Association of Latino Professionals for America) and in the 2024 HBCU (historically Black colleges and universities) Philanthropy Symposium. Also in the U.S., we worked with the National Urban League business executive exchange program to bring TD executives into HBCU classrooms to share their experiences, support career readiness and network with students.

Performance Highlights

Target	2024 Result	2025 Target[1]
Provide a great place to work – Overall Employee Engagement (85% for 2024)[1,2]	84%	85%
Provide an inclusive place to work (84% for 2024)[2]	85%	84%

1 This represents Overall Employee Engagement as measured using the TD Pulse Survey, which asks full-time employees (excluding contractors and individuals on short-term leave) to rate their level of commitment and connection to TD and their role along three dimensions (intention to stay, pride in working at TD and job satisfaction) on a scale of one to five: Strongly Disagree (1), Disagree (2), Neither Agree Nor Disagree (3), Agree (4) and Strongly Agree (5). The percentages represent the average proportion of overall respondents who either agreed (4) or strongly agreed (5) with the first three statements shown in the Pulse Survey Results table (found in the Employment Access section of the 2024 Sustainability Performance Data Pack & Indices). In 2024, the TD Pulse Survey response rate was 85%.

2 Target is based on achieving results that are within the 75th percentile of a global benchmark (a three-year rolling benchmark), which is updated annually and consists of over 900 companies and 27 million responses, spanning geographies and industries.

Employment Access continued

Our Supply Chain

As part of our approach to adapting our business and managing risk, TD aims to promote economic inclusion across our supply chains. In support of this, TD works to on-board qualified suppliers from our communities to meet TD's various needs. While TD's supplier list primarily includes large corporations, the Bank's Supplier Diversity Program has helped us attract a broader list of suppliers in 2024.

What We Did in 2024

- Continued to support and amplify awareness of the Refugee Entrepreneur Supplier Diversity Certification Program, which was introduced in 2022 by the Canadian Aboriginal and Minority Supplier Council and the Tent Partnership for Refugees. TD is paying the certification fees for refugee-owned businesses for the first three years of the program, ending October 31, 2025.
- Provided ongoing guidance and support to diverse suppliers through mentorship, sponsorship and education.
- Promoted supplier diversity and directed revenue to a wide range of broker-dealers in TD's U.S. senior dollar debt issuances.

Financial Access

Our Approach

Through the financial access pillar of TD Pathways to Economic Inclusion, we seek to improve access to banking through financial education and advice and by enhancing or developing products, services and processes to remove barriers and help build financial health and resilience.

To help provide a comprehensive approach to serving customers from diverse communities, we have teams in Canada dedicated to Indigenous Banking, Black Customer Experience, Women in Enterprise and the 2SLGBTQ+ community that work closely with internal business partners. In the U.S., TD Bank has community Business Development Officers in New York and Philadelphia that provide services to enhance financial access for Black and minority communities and the 2SLGBTQ+ community. In addition, we celebrate national recognition months of importance to our customers, communities and colleagues. For example, during Black Business Month in the U.S., TD Bank celebrated Black-owned businesses by hosting activities to support Black entrepreneurship and the Black business community. In the U.S. and Canada, we aim to reduce barriers to financial services, including for vulnerable populations and individuals from minority communities.

Resource Corner

- Financial Access Data
- TD Advice
- Small Business Resource Center – United States
- Small Business Resources and Tools – Canada
- Women in Business Website
- TD Wealth for Women Website
- TD and Indigenous Communities in Canada – 2023 Report
- Black Customer Experience
- Black Entrepreneurs
- 2SLGBTQ+ Entrepreneurs
- Accessibility at TD: Meeting Customer Needs
- Banking for Newcomers to Canada

For 2025, we are setting a target of reaching 500,000 participants through TD-led and supported financial education initiatives in Canada and the U.S.[39] Beyond this target, our goal is to provide high-quality service and trusted advice to meet customer financial needs and expectations, which often includes providing information to help customers build their financial knowledge. This target reflects and drives our efforts to provide dedicated financial education sessions, tools and programs to our customers and communities. We also focus on improving the financial well-being of our colleagues by providing tools and resources to help them manage commitments, meet goals, protect against risks and cope with financial shocks.

Performance Highlights

Target	2024 Result	2023 Result
US$2.8 billion in small business loans[1] to businesses with gross annual revenue ≤US$1 million and/or small businesses located in low- and moderate-income[2] geographies in the U.S. from 2024 to 2026 (cumulative from 2024)[3,4]	$0.9 billion	—[5]
$12 billion in loans and other credit facilities through TD Small Business Banking from 2023 to 2030 (cumulative from 2023)[6]	$3.8 billion	$1.5 billion
Reach 500,000 participants through TD-led and supported financial education initiatives in Canada and the U.S. in 2024[7]	502,389	n/a[8]

1 Small business loans are defined consistent with the Community Reinvestment Act (CRA) regulations in effect at the time of loan origination.
2 As defined in CRA regulations, low-income community means there is a median family income of less than 50% of the area median income. A moderate-income community means that the median family income is at least 50% and less than 80% of the area median income.
3 This target represents the cumulative amount of new financing and refinancing activities over three years, from January 1, 2024 to December 31, 2026. Results are reported based on calendar year. A portion of this target is also eligible for the $500 billion Sustainable & Decarbonization Finance Target. Please see the TD Sustainable & Decarbonization Finance Target Methodology for details on the activities eligible for inclusion toward that Target.
4 This target is part of our US$20 billion Community Impact Plan.
5 The first year that this data was disclosed was in 2024.
6 Includes loans and other credit facilities (all Small Business Banking credit products such as loans, business line of credit, business overdraft protection and loans with government or Crown Corporation guarantees) to businesses where the credit amount is approximately $1.5 million or less. The target represents the cumulative amount of new financing and refinancing activities over eight years, from November 1, 2022 to October 31, 2030. Progress toward this target does not contribute to the Sustainable & Decarbonization Finance Target, and there are differences in inclusion criteria and associated measurement between this target and the Sustainable & Decarbonization Finance Target.
7 Participants include customers and community members who take part in or receive information through sessions or programs in Canada and/or the U.S. that aim to improve their financial knowledge. "TD-led" initiatives include activities facilitated or delivered directly by TD. "TD-supported" initiatives include programs facilitated by or with charitable organizations that are both partially and fully funded by TD. Due to data and practical limitations, participants may be counted toward this target where they attend only part of a session or program. In addition, the number of participants reported may not reflect unique participants, as participants might engage with multiple programs. In 2024, we updated our methodology to ensure all applicable financial education activities are being captured, leading to additional in-scope TD-led financial education platforms being captured this year towards the financial education target. Prior to 2021, TD had a target for TD-supported financial education, which has now been broadened and recalibrated to reflect our current approach and ambition.
8 The first year that this data was disclosed was in fiscal year 2024. This target was set in fiscal year 2023 for reporting in fiscal year 2024.

Financial Access continued

What We Did in 2024

Financial Health and Education for Customers and Small Businesses

United States

- We continued to offer financial education for families and small businesses in 2024. For example, we expanded the TD Security Awareness for Everyone (SAFE) program to entrepreneurs, including small business owners, helping them learn how to protect themselves from fraud. Delivered alongside local law enforcement and community partners, TD SAFE aims to help community members, particularly vulnerable populations such as senior citizens and students.
- To help our customers build financial literacy, TD store and phone channel colleagues are equipped with a suite of financial education-focused relay messages to share with customers. Relay messages, delivered upon customer request via SMS text, are a timely way to provide financial tools and resources to our customers. In 2024, we provided information about mortgages and the home buying process and protecting against identity theft.
- TD Bank's community-centered stores provide traditional banking services, and also empower and support communities by promoting financial health and education. These stores engage with local organizations, including educational non-profits and organizations that support community revitalization and small businesses. Colleagues who work in community-centered stores receive training focused on community outreach, financial education and understanding our products and services. In 2024, working closely with local non-profits, we opened two new community-centered stores in Washington D.C. and Philadelphia, adding to our previous locations in Jacksonville, Philadelphia and Charlotte.

Canada

- We focused on meeting our customers' financial education needs by providing them with digital content. For example, we partnered with and were featured three times in "The Peak," an online business, finance and events newsletter targeted toward Millennials and Gen Z, to provide content focused on the benefits of registered savings plans.
- We also launched a quarterly newsletter for existing mortgage customers called HomeTalk. It offers customers advice, addresses frequently asked questions and provides articles about current economic conditions and key considerations for upcoming renewal conversations, as examples.

Financial Access continued

Supporting the Financial Needs of Newcomers to Canada

At TD, we want to help newcomers feel confident about banking in Canada. We offer products and services tailored to newcomers as well as relevant financial education materials. Across our TD branch network in Canada, TD personal banking colleagues assist their communities in over 50 languages, and our telephone support colleagues assist customers in more than 200 languages. We also offer financial literacy materials in over 10 languages across our in-person and digital channels to help newcomers transition to banking in Canada, and to support them in finding products that help meet their needs. For example, our "just arrived in Canada" webpage offers information introducing the Canadian banking system and associated key terms.

TD continues to build strategic partnerships to support newcomers, including expanding our relationship with CanadaVisa, a Canadian immigration information platform. Through CanadaVisa, TD provides newcomers with advice and education about diverse financial topics such as how to build good credit, what to know before buying a home and tips for first-time investors in multiple formats across a variety of channels. We also launched referral programs with both HDFC (India's largest private bank) and ApplyBoard (an online study abroad platform that aims to increase newcomers' awareness of TD before arriving in Canada). New in 2024, TD and MPOWER Financing, a fintech firm specializing in international student financing, announced a collaboration to support the banking needs of international students pursuing higher education in Canada. As part of this collaboration, TD is MPOWER's preferred bank for the thousands of students pursuing degrees at the universities MPOWER supports through its no-cosigner international student loan program in Canada.

To help meet the specific banking needs of newcomers to Canada, we offer tailored products and services such as the TD New to Canada Banking Package, the TD International Student Banking Package, Helping Newcomers Establish Credit in Canada and the TD International Student GIC Program.

In addition to offering newcomers to Canada access to financial services and education, TD also takes part in professional development opportunities for those new to Canada. For example, TD has a long-standing working relationship with ACCES Employment in supporting newcomers to Canada. Through ACCES Employment's Empowering Women program, TD has supported women new to Canada who are seeking employment since 2016. According to ACCES, the program helps women become successful in their careers by providing customized workshops, coaching and mentorship. TD supports program participants with interview preparation, job search mentorship, knowledge sharing at events, and employment opportunities.

For more information about how we work to support workforce skills development and develop high-performing teams, please see Employment Access.

Access to Financial Services

Providing all individuals with fair, convenient and equitable access to our products and services is a priority at TD. We do this across our footprint by offering affordable product options to customers, providing accessible features in our branches and ATMs and providing access to phone and digital banking. In addition, we open personal accounts regardless of a person's employment status or whether they are experiencing or have experienced bankruptcy at any time, subject to conditions. We also work to support the unique financial needs of our senior customers (please see our Public Accountability Statement to learn more). We are committed to providing customers with clear, transparent information about our products and services.

United States

TD Bank launched TD Complete Checking, a new product that aims to simplify the checking experience, and TD Early Pay, which allows customers to receive their eligible direct deposits up to two days earlier than previously permitted. The new product and feature reflect TD's commitment to evolving and delivering products and services that provide our customers with value, flexibility and control, and help them to manage their financial goals.

Canada

In 2024, to help increase access to financial services for customers from Indigenous communities, TD continued to support Indigenous communities with off-site (remote) account opening to enable access to basic banking. In addition, TD hosted community events, small-group interactions and financial literacy sessions to support the financial needs of Indigenous communities.

Financial Access continued

Spotlight on Small Business

In Canada and the U.S., TD helps small businesses grow by providing lending services and financial solutions to help meet their needs and through the relationships we build with the customers and communities we serve. We also offer tools and resources specific to small businesses, available through the TD Small Business Resource Center in the United States and the Small Business Tools and Resources site in Canada. See the Awards and Recognition page for examples of how our support for small businesses has been recognized this year.

Canada

In 2024, TD launched the Business Accelerator Loan Program (BALP), a financing option supported by a guarantee from Business Development Bank of Canada (BDC) that helps us increase access to financing for eligible small- and medium-sized enterprises across Canada. In addition, TD launched TD eCommerce Solutions in 2024, a highly customizable eCommerce platform for Canadian small businesses to sell their products and services online and accept payments.

U.S.

TD Bank launched Tap to Pay on iPhone for small and micro business owners across the U.S. in 2024. This feature means business owners can accept all types of in-person, contactless payments using their iPhone. Business owners can also use the Tap to Pay on iPhone as a complementary solution to their storefront point-of-sale systems, allowing them to accept payments on the move (e.g., as a vendor at a local market or in a food truck).

Products and Services for Diverse Communities

In this section, we highlight some of the ways we are working to support customers and small businesses with our product and service offerings and through the relationships we build with the customers and communities we serve.

Black Customers: 2024 was the first full year of our Black Entrepreneur Credit Access Program, launched in 2023 as part of our Black Customer Experience Strategy. This program helps provide more equitable access to credit for Black entrepreneurs in Canada, who may disproportionately face hurdles securing funding for their businesses, helping to foster economic inclusion. The program also provides dedicated support and resources through specialized small business account managers and a team of Business Development Managers across Canada dedicated to serving the Black community. We offer support for applicants, including those who do not qualify for funding or are declined. Customers who do not qualify are encouraged to work with our specialized Account and Small Business Managers to obtain additional resources.

In the U.S., TD Bank celebrated Black Business Month in August with a campaign and activities to support Black entrepreneurship and the Black business community. Throughout the month, we offered education to our colleagues about how to better serve Black-owned businesses and engage with diverse business audiences and potential business banking customers.

2SLGBTQ+ Customers: We have Business Development Managers in Canada and Business Development Officers in New York and Philadelphia dedicated to the 2SLGBTQ+ community and diverse communities who engage with these communities on a regular basis. They work with internal business partners to help provide a comprehensive approach to serving 2SLGBTQ+ customers' financial needs. Beyond the workplace, our Regional Managers in Canada support and volunteer with local grassroots organizations to form meaningful connections and develop a deeper understanding of the 2SLGBTQ+ community. As part of our ongoing work to enhance our systems, processes and training to reflect diverse gender identities and expressions, TD Bank U.S. customers and Canadian retail and business banking customers can add their pronouns and preferred or chosen name to their profiles on EasyWeb and our mobile applications. In the U.S., this includes customers' ability to display their chosen first names on debit and credit cards.

Indigenous Peoples: We offer a wide range of products and services to Indigenous communities through our Canadian branch locations, which include five branches on-reserve. Our fifth on-reserve branch, Buffalo Run, opened in 2023 in the community of the Tsuut'ina Nation and is exclusively staffed by members of Indigenous communities. We also provide telephone banking services in Cree and Inuktitut languages. For more information, see our TD and Indigenous Communities in Canada – 2023 Report.

Housing Access

Our Approach

Through the housing access pillar of TD Pathways to Economic Inclusion, we focus on providing tools and advice to help people access and remain in homes that meet their needs, supporting organizations that increase access to secure housing and provide related supports, and contributing to the supply and refurbishment of affordable housing through our financing and philanthropy.

Resource Corner

Housing Access Data
Housing for Everyone Competition

Our Approach in Action

Canada

In Canada, TD's National Real Estate Group (NREG), together with TD Securities, the Commercial Mortgage Group (CMG), Commercial Banking and the Indigenous Banking Group, have a mandate to take a targeted approach to supporting affordable housing:

- TD Securities works with public issuers, real estate arms of pension funds, and private equity firms to assess equity and debt capital solutions to support affordable housing strategies, and participates in social housing programs as well as the Canada Mortgage and Housing Corporation (CMHC) mortgage loan insurance (MLI) Select program by funding pooled loans.
- CMG works with borrowers in Commercial Banking and Corporate Banking, TD stakeholders and brokers to provide ongoing, long-term financing, including for affordable housing projects.
- NREG finances larger construction projects, which may include an affordable housing component (e.g., projects in which a small number of units are presold to government entities). NREG participates in the CMHC MLI Select program (and, before that, CMHC's MLI Flex program).
- Working collaboratively with Business Bankers, Retail, Wealth, Wholesale businesses and Indigenous communities, the Indigenous Banking Group uses a comprehensive and creative approach to provide financial advice and support to help meet the unique needs of Indigenous Peoples, businesses, organizations and communities through long-term financing, philanthropy, and information sharing.

United States

In the United States, TD Bank's Real Estate Secured Lending (RESL) line of business, in collaboration with Community Development, Commercial Banking, and the Community Capital Group (CCG), aims to make affordable housing loans and investments that support low- and moderate-income (LMI) families and neighborhoods.

- RESL offers residential loan products designed to be flexible to support the needs of first-time homebuyers, LMI individuals, and minority communities. Its affordable mortgage suite includes both TD Bank proprietary and government-sponsored products. Examples include TD Right Step Mortgage®, TD Home Access Mortgage, Fannie Mae HomeReady Mortgage, and Federal Housing Administration and Veterans Administration mortgages.
- To better serve our customers, RESL works to engage the communities within TD Bank's footprint. For example, community mortgage loan officers conduct financial education and first-time homebuyer seminars in LMI and minority markets. In addition, TD Bank's Home Lending Group mortgage loan officers, who work on-site at our retail stores, provide localized, face-to-face support. This helps expand our outreach across communities while creating a home lending process that allows borrowers to seek assistance in the way that suits their needs. As part of our ongoing strategy to support housing access in our communities, RESL continues to purchase Community Reinvestment Act-eligible mortgages from non-banks and other lenders across our footprint each year, providing substantial liquidity in support of LMI lending.
- Commercial Banking has ongoing relationships with affordable housing developers and pursues the financing of large-scale affordable housing projects, including those associated with low-income housing tax credits, through a combination of investments and loans. In addition, Commercial Banking provides higher-value loans to state housing finance authorities, which are government agencies that provide funding for affordable housing programs and the construction of affordable rental housing. Commercial Banking also extends loans to non-profit organizations, which promote affordable housing in their communities by making loans, rehabilitating properties, and providing financial literacy education.
- CCG makes equity, loan fund, and tax credit investments that support affordable housing, including Low-Income Housing Tax Credits that support large-scale affordable housing projects.

Housing Access continued

Performance Highlights

Target	2024 Result	2023 Result
$12 billion in affordable housing financing in Canada and the U.S. from 2023 to 2030 (cumulative from 2023)[1]	$5.9 billion	$1.97 billion
US$10 billion in home lending to low- and moderate-income and/or minority[2] borrowers and geographies in the U.S. from 2024 to 2026 (cumulative from 2024)[3,4]	$4.2 billion	—[5]

1 Includes the activities outlined in the "Affordable and Community Housing" category of the Sustainable & Decarbonization Finance Target, with the exception of residential real estate purchases. Please see the TD Sustainable & Decarbonization Finance Target Methodology for details. This $12 billion affordable housing financing target covers key business activities of the Bank, including lending, financing, underwriting and advisory services. The target represents the cumulative amount of new financing and refinancing activities over eight years, from November 1, 2022 to October 31, 2030. Progress toward this target is also counted toward the Sustainable & Decarbonization Finance Target and is reported for activities in both Canada and the U.S.

2 The term "minority," for the purpose of this target, means Black or African American, Hispanic, Asian, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander.

3 TD Bank's ability to achieve lending and investment targets within the CIP are subject to changes in economic conditions, regulatory requirements, and TD Bank's obligation to maintain safe and sound banking practices. Market conditions, including but not limited to sustained inflation, elevated interest rates, and economic recession, may negatively impact TD Bank's ability to meet its targets.

4 Includes, within the TD Bank N.A.'s facility-based assessment areas, TD-originated residential mortgage loans to minority borrowers, borrowers residing in majority-minority census tracts, LMI borrowers, and borrowers residing in LMI census tracts, and TD-purchased residential mortgage loans to LMI borrowers and borrowers residing in LMI census tracts. The target represents the cumulative amount of TD-originated mortgage loans and TD-purchased residential mortgage loans over three years, from January 1, 2024, to December 31, 2026. Results are reported based on calendar year. A portion of the target is eligible for the Sustainable & Decarbonization Finance Target. Please see the TD Sustainable & Decarbonization Finance Target Methodology for details on the activities eligible for inclusion toward that Target.

5 The first year that this data was disclosed was in 2024.

Housing Access continued

What We Did in 2024

Canada

- Through TD Helps, we have assisted customers in Canada facing financial hardship. In 2024, TD Helps made proactive calls to approximately 21,000 households to discuss the impact of interest rate increases and offer financial advice, and we supported 2,840 households through mortgage refinancing, payment deferrals, amortization extensions and interest-only payments.
- TD continued to support housing access with programs aimed at helping to keep existing homeowners in their homes. For variable rate mortgage holders, we sent communications when rate changes occurred, explaining the impact of increasing interest rates and the options available to customers should they wish to make changes.
- TD continued to onboard communities to its First Nation Home Loan Program in 2024. This loan program was introduced in 2021 and provides financing to First Nations members to purchase, renovate or construct single-family homes on First Nations' lands and settled lands.
- In March 2024, TD announced that the Native Women's Shelter of Montreal received one of 10 $1 million grants for its Miyoskamin, second-stage housing program, as part of the 2023 TD Ready Challenge. Miyoskamin is a supportive housing program located in downtown Tiohtià:ke/Montreal providing 23 subsidized apartments for women from Indigenous communities and their children. In addition to housing, Miyoskamin offers individual healing plans supplemented by educational, vocational and cultural programming, as well as an on-site Community Social Pediatric Centre called Saralikitaaq.

United States

- In the United States, TD Bank designed TD Home Access Mortgage, a special purpose credit program, offered in several majority-minority neighborhoods across its footprint to increase homeownership opportunities in Black and Hispanic communities. The product provides eligible borrowers a $10,000 lender credit that does not require repayment, which can be used toward closing costs on a home purchase. TD Bank also offers TD Right Step Mortgage®, which provides flexible financing options for LMI borrowers. Both of these proprietary products complement our suite of affordable mortgage products, intended to support more customers and communities across our footprint.
- TD Bank continues outreach and education to hundreds of realtors in majority-minority markets, including Philadelphia, through the TD Realtor Lunch & Learns. These sessions provide realtors the opportunity to improve their knowledge and understanding of TD's product offerings, including our affordable mortgage options. These sessions also deepen existing relationships and spark new connections between realtors who work with LMI and minority customers and our mortgage loan officers.
- TD Bank continues to serve the lending and homebuyer education needs of minority borrowers through our mortgage loan officers in the U.S.
- TD recognizes that purchasing a home is just the first step in the homeownership process. Maintaining the home requires planning and financial outlay. To support the communities we serve, TD expanded awareness of our home equity offerings in Black and Hispanic neighborhoods through direct-to-consumer marketing, and also provided home equity loans down to US$10,000.
- TD Bank held its inaugural Housing Summit at Howard University in Washington, D.C. in April 2024. The summit brought together affordable housing non-governmental organizations, economists, lenders, academics and other affordable housing professionals to discuss today's affordable housing crisis and common needs, challenges, and viable solutions, focusing on the ways they can work together.

Project Spotlights

TD Bank provided debt and equity financing to build Shamrock Drive, a two-phased, 236-unit development for families and seniors located adjacent to the Aldersgate United Methodist Retirement Community in Charlotte, North Carolina. The development's 136 units will be 100% affordable[40] for those who earn 30% to 80% of Area Median Income, and 100 units will be targeted for middle-income seniors. The Aldersgate community offers seniors an array of services and a continuum of care much needed in the City of Charlotte. The project is being developed by North Carolina-based Laurel Street, a minority- and women-owned real estate development company.

TD Bank provided debt and equity financing to Clifton Place, a new 195-unit affordable[41] housing project in Cambridge, Massachusetts. The Clifton Place project is first of a multi-phase redevelopment of the Jefferson Park, a public housing complex originally constructed in the 1950s that was functionally obsolescent and needed significant improvements. The redevelopment will add units while also providing green space, will connect to the neighborhood street grid, and will facilitate a more efficient, safer traffic pattern than currently exists on the site. All buildings will have solar installations when complete and meet Passive House energy efficiency standards.

Environmental

Overview

A healthy natural environment is foundational to the well-being of our communities and the people who live within them. Disruptions in the natural environment can pose challenges to every aspect of our lives, from access to basic necessities to the operation of natural, social and man-made infrastructures, including the stability of the global economy.

As such, environmental and social (E&S) risk, including climate risk, is recognized as one of the Bank's top risks. While there are a number of environmental issues facing the world today, climate change has the potential to disrupt the lives of our customers, the services within our communities and the business operations of our clients. In response, we work to address climate-related risks and strategically seize opportunities associated with the transition to a net-zero economy by embedding climate considerations across our lines of business and operations. Managing and protecting the Bank from risks related to climate change and adapting to its impacts are important for our operations and to help maintain the Bank's long-term stability and success. Equally important is adapting our business to the evolving realities of climate change, which also helps us meet the needs of our customers, clients, communities and colleagues.

This section details our progress on our Climate Action Plan, including how we are working toward our target of net-zero greenhouse gas (GHG) emissions from our operations and financing activities by 2050. It also outlines how we are helping to build resiliency to climate impacts and capture opportunities in the growing low-carbon economy.

Nature and Biodiversity

The resources that nature and biodiversity provide are foundational to the health of our economy and society. While governments have a responsibility to address environmental issues such as biodiversity loss, the financial sector has an important and complementary role to play.[42] There is growing awareness of the link between climate change and biodiversity loss, and, given that these issues mutually reinforce each other, society cannot address climate change without also addressing nature and biodiversity loss.[43]

At TD, we are early in our journey of understanding, identifying and managing nature-related risks and opportunities and the corresponding actions needed to help protect and adapt the Bank.[44] Please refer to our 2023 Sustainability Report and 2023 Climate Action Report for information about our pilots on nature-related dependencies and nature risk identification.[45] We continue to monitor developments in this evolving space to inform our approach, including the release of the Taskforce on Nature-related Financial Disclosures (TNFD) guidance, Canada's 2030 National Biodiversity Strategy and upcoming research from the International Sustainability Standards Board (ISSB) on risks and opportunities associated with biodiversity, ecosystems and ecosystem services.

TD Climate Action Plan

Our Climate Action Plan and the current iteration of our transition plan continue to evolve based on industry standards and regulatory requirements. These plans are evolving beyond their initial focus of achieving net-zero GHG emissions in our operations and financing by 2050, to a broader plan of adapting our business to help ensure TD remains resilient in the low-carbon economy.[46] We believe that progress toward our Climate Action Plan will be supported by our continued efforts to protect and adapt the Bank to the changes brought about by climate change.

Our Climate Action Plan articulates our approach to achieving net-zero GHG emissions:

- **Pillar 1: Decarbonizing Our Operations** focuses on Scope 1 and 2 emissions reductions across our premises. Scope 3 non-financed emissions categories and associated actions are also reported under this pillar for transparency. For more information, see Pillar 1: Decarbonizing Our Operations.
- **Pillar 2: Addressing Financed Emissions Attributed to TD** by working with our clients to help them reduce GHG emissions from their operations while identifying and managing climate-related risks. To monitor the progress of Scope 3 financed emission reductions, we report on the footprint annually and have set targets for the Energy, Power Generation, Automotive Manufacturing and Aviation sectors. For more information, see Pillar 2: Addressing Financed Emissions Attributed to TD.

Our Climate Action Plan also includes transition enablers that help create the conditions for progress towards net zero and adapting our business to a low-carbon economy.

Our five transition enablers include:

- **Governance and Oversight:** Continuing to enhance existing climate-related governance capabilities and structures to make progress against our transition activities and support strong management oversight. For more information, see the Integrating Sustainability Governance and Strategy section.
- **Climate Risk Management:** Having the appropriate climate risk processes in place to identify, assess and manage climate risks and enhance opportunities for the Bank.
- **Capital Flows and Processes:** Facilitating investments and business activities within our enterprise that support decarbonization opportunities and meet the needs of our clients.
- **Internal Capability Building:** Building internal capacity to develop the required sustainability and climate-related internal expertise, tools and infrastructure, including talent, data and financial planning.
- **External Engagement:** Engaging with various stakeholders, such as governments, regulators, industry bodies and standard-setters, to better understand risks and adapt to evolving market conditions as we transition to the low-carbon economy.

TD Climate Action Plan continued

TD Climate Action Plan Visualized

Goal: Achieve net-zero greenhouse gas emissions in operations and financing by 2050

Net-Zero Pillars

1 Decarbonizing Our Operations

Our approach to achieving our Scope 1 and 2 reduction target through efficiency gains across our premises[1]

2 Addressing Financed Emissions Attributed to TD

Our approach to estimating, assessing and working to support our clients as they manage their greenhouse gas emissions and paths to decarbonize

Transition Enablers: Creating the conditions for net-zero progress[2,3]

Governance and Oversight

- Board and Management
- Strategy and Planning
- Monitoring

Climate Risk Management

- Risk Identification, Assessment and Management
- Scenario Analysis

Capital Flows and Processes

- Climate-Related Opportunities (e.g., products and services, new markets)
- Carbon Markets
- Client Engagement

Internal Capability Building

- Technology/Systems
- Data/Analytics
- People (skills, culture, talent pipeline)
- Financial Planning

External Engagement

- Government/Regulators
- Industry Groups
- Thought Leadership
- Community Support and the Transition to Net Zero

1 Scope 3 non-financed emissions categories and associated actions are also reported under this pillar for transparency.
2 Enablers may support progress across one or more pillars.
3 Enablers help create the conditions for progress, but do not directly drive emissions reductions.

TD Climate Action Plan continued

Progress on Our Climate Action Plan

Progress in Recent Years

2020

- Launched TD's Climate Action Plan and our 2050 net-zero goal.
- Initiated E&S Target Operating Model to build capabilities to meet our net-zero GHG emissions goal.

2021

- Set interim target to achieve a 25% reduction in Scope 1 and 2 operational GHG emissions by 2025 (relative to a 2019 baseline).

2022

- Announced our first interim financed emissions targets for the Energy and Power Generation sectors.

2023

- Set interim targets for the Automotive Manufacturing and Aviation sectors.
- Set and performed better than in-year target for engaging clients responsible for 50% of our financed emissions in the Energy and Power Generation sectors.[47]
- Expanded the scope of our climate risk heatmap, including an acute physical risk assessment for our own real estate operations.

Progress in 2024

We continue to work toward the interim and 2050 targets we have set, which are part of our broader efforts to manage climate-related risks and capture opportunities for the Bank. Highlights in 2024 included:

Net Zero Pillars

1 — Pillar 1: Decarbonizing Our Operations

- Achieved a 29% reduction in our Scope 1 and 2 operational emissions relative to 2019 baseline.[48]

2 — Pillar 2: Addressing Financed Emissions Attributed to TD

- Observed continued progress on our financed emissions interim targets in 2022 relative to our 2019 baseline: 16% decrease for the Energy sector, 10% decrease for the Power Generation sector, 2% decrease for the Automotive Manufacturing sector and 2% decrease for the Aviation sector.
- Continued efforts to improve data sources and target-setting methodologies, including for the Agriculture and Real Estate sectors, leading to an increase in the data quality score for the residential real estate footprint.
- Enhanced footprint reporting by adding Financed Emissions Lending Intensity (FELI) estimations at the portfolio and sector level, providing a view of the emissions intensity of TD's financing to carbon-intensive industries.

Transition Enablers

- Onboarded third-party vendors with expertise in climate risk analytics to support building out our analytical capabilities for quantifying the financial impact of climate risks.
- Started embedding the Physical Climate Risk Identification Framework into the Climate Credit Risk Dashboard, which provides additional climate risk insights into our credit portfolios.
- Achieved our client engagement target, having engaged with clients who emit over 75% of the attributed financed emissions to TD in each of the Energy, Power Generation and combined Automotive Manufacturing and Aviation components of the Transportation sector.
- Created a new team to lead the Enterprise Transition Program, which is working to guide TD in implementing and evolving our transition plan.
- Through the Canadian Bankers Association (CBA), participated in the consultation for the Canadian Sustainability Standards Board's (CSSB) draft Disclosure Standards, which aim to provide a standard for the disclosure of sustainability-related information in Canada, based on the International Financial Reporting Standards (IFRS).
- Through the CBA, engaged with peer banks and the Office of the Superintendent of Financial Institutions (OSFI) in Canada on the implementation of OSFI's Guideline B-15: Climate Risk Management.

While we continue to make progress, we recognize that there are a number of challenges on the path to net zero. For more information, see the Challenges sections in Pillar 1: Decarbonizing Our Operations and Pillar 2: Addressing Financed Emissions Attributed to TD.

TD Climate Action Plan continued

Time Horizons

We understand that the effects of climate-related risks and opportunities may occur over longer time horizons than those generally used in our strategic planning and decision-making practices.

We have defined short-, medium- and long-term in relation to strategic decision-making planning horizons, considering both the time horizons of potential climate-related risks and opportunities, and our action plans to meet our climate goals.

- **2024:** Current year achievements
- **Short-term (1–3 years):** Action-oriented: risks and opportunities TD is mitigating or seizing
- **Medium-term (3–5 years):** Action-oriented: planning for risks and opportunities on the horizon and aligning with our long-term goals
- **Long-term (5+ years):** Consideration of long-term climate perspective in TD's strategy

Below, we outline the plans and capabilities TD envisions building over the short-, medium-, and long-term to progress toward its net-zero GHG emissions goal, supported by our five transition enablers.

		Description	2024	Short-term (1–3 years)	Medium-term (3–5 years)	Long-term (5+ years)
Net Zero Pillars	Pillar 1: Decarbonizing Our Operations	**Net Zero:** Work towards our existing 2025 Scope 1 and 2 Target: Ongoing efficiency gains across our premises				
		Targets: Develop new 2030 Scopre 1 and 2 Target				
	Pillar 2: Addressing Financed Emissions Attributed to TD	**Net Zero:** Work towards Interim 2030 Financed Emissions Targets: Estimating our progress and supporting our clients on their decarbonization journeys				
		Targets: Review Interim 2030 Financed Emissions Targets and update as necessary				
		Evolving our methodologies: Continue to enhance our Financed Emissions methodologies by considering additional asset classes, sectors, and clients' scopes, as well as improving data qualtiy and sources				
		Monitoring and Reporting: Identify opportunities for additional interim KPIs to monitor our progress against our net-zero goals				
Transition Enablers	Governance and Oversight	**Transition Program:** Enterprise Transition Program structure and governance to be developed based on assessment of existing sustainability governance structures to be strengthened and modified, as necessary				
		Board of Directors Oversight: Continue to elevate material and strategic sustainability strategy and initiatives to the Board of Directors				
	Climate Risk Management	**Scenario Analysis:** Continue to develop Climate Scenario Analysis capabilities (continually develop and test of our capabilities)				
		Risk Management: Continued maturity of our planning for and assessment of medium and longer term risks				

■ Work underway to develop/mature a capability or reach a target/goal ■ Ongoing refinement or business-as-usual efforts following maturation

TD Climate Action Plan continued

		Description	2024	Short-term (1-3 years)	Medium-term (3-5 years)	Long-term (5+ years)
Transition Enablers	Capital Flows and Processes	**Medium- to long-term climate-related opportunities:** Maturity of our identification and assessment of medium- and long-term climate-related opporunities, such as considering the use of scenario analysis in identifying climate-related opportunities through our products and services offerings				
		Climate-related opportunities process: Continue to align our process to identify, assess, prioritize and monitor climate-related opportunities, including product and services, with the enterprise's strategy and decision-making processes				
		Targets: Work towards $500 billion by 2030 Sustainable & Decarbonization Finance Target				
		Carbon removal credits: Support development of carbon removal technologies by purchasing high-quality verified emissions reduction and/or nature-based credits and technology-based removals in the near-term with the aim of helping to create demand				
		Client engagment: Within the sectors for which we have set FE targets, engage with our clients on climate-related matters to identify commercial opportunities and assess and support them with their transition plans				
	Internal Capability Building	**Technology:** Continued investment in climate data infrastructure to centralize financial and climate data for various analytical needs				
		Controls: Continue to evolve internal controls for climate processes and procedures, including data/reporting, to be commensurate with financial reporting				
		Roles: Ensure appropriate staff and resource levels for transition activities across the enterprise				
		Remuneration: Continue to assess and modify incentive programs across the enterprise to align with sustainability objectives				
		Monitoring and reporting: Develop recurring reporting packages for the enterprise and lines of business with decision useful data to track and incentivize progress				
		Training and Engagement: Continue to invest in knowlege, skill development and Engagement among TD colleagues related to climate, nature and biodiversity				
	External Engagement	**Advocacy:** Develop and enhance our advocacy approach and continue to advocate, consult, and engage with government, regulators, and standard-setters				
		Philanthropy: Continue to support important climate-related initiatives within the communities we serve				
		Lines of business external engagement: For example, TD Insurance working with industry peers on the Insurance Bureau of Canada (IBC) to support technical development of a National Flood Program that will provide insurance to Canadians at the highest risk of flood				

Work underway to develop/mature a capability or reach a target/goal

Ongoing refinement or business-as-usual efforts following maturation

Net-Zero Pillars

Pillar 1: Decarbonizing Our Operations

In 2020, TD became the first of Canada's domestic systemically important banks (D-SIB) to set a net-zero greenhouse gas (GHG) emissions goal for 2050 associated with its operations and financing activities, in line with the associated principles of the Paris Agreement. As part of this goal, we also set an interim 2025 target to achieve a 25% reduction in our gross absolute location-based Scope 1 and 2 GHG emissions relative to a 2019 baseline. We continue to pursue activities that reduce our operational emissions in order to make progress toward this target. We believe that pursuing activities that address all of our non-financed emissions can help adapt our business to become more resilient to the impacts of climate change.

Footprint

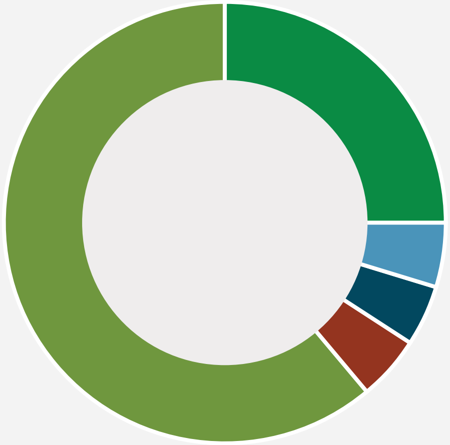
Our footprint encompasses our Scope 1 and Scope 2 emissions, as well as other Scope 3 non-financed GHG emissions.[49] The figures presented in this section are absolute gross GHG emissions.[50] For details on our approach to calculating non-financed emissions, please refer to Our Approach to Calculating Non-Financed GHG Emissions.

Scope 1 and 2 GHG Emissions

Our Scope 1 and 2 GHG emissions are attributed based on the organizational boundary set for our company, which includes our owned and leased buildings. The chart below summarizes the sources of our Scope 1 and 2 GHG emissions and shows that more than half of these emissions are derived from the generation of the electricity we purchase.

2024 Location-Based[51] Scope 1 and 2 GHG Emissions: Breakdown by Emissions Source (tCO_2e)

- **25%** Scope 1 Stationary Combustion **28,825**
- **5%** Scope 1 Refrigerants **5,254**
- **4%** Scope 1 Mobile Combustion **5,214**
- **5%** Scope 2 Steam and Chilled Water **5,350**
- **61%** Scope 2 Purchased Electricity **70,829**



Net-Zero Pillars

Pillar 1: Decarbonizing Our Operations continued

The chart below outlines the year-over-year evolution of our Scope 1 and 2 GHG emissions, our base year results and associated intensity metrics. For additional information on our progress, refer to the Scope 1 and 2 Target section.

Scope 1 and 2 GHG Emissions: Breakdown by Approach, Scope and Intensity Metrics[1]

Scope 1 and 2 (Location-Based)[2]	Units	2024	2023	2022	2019[3]
Scope 1[4]	tCO_2e	39,292	40,346	43,707	52,628
Scope 2[5]	tCO_2e	76,179	76,970	79,615	110,221
Total Scope 1 and 2	tCO_2e	A 115,472	A 117,317	A 123,322	A 162,849
Facility GHG Emissions Intensity	$kgCO_2e$ per square foot	5.1	5.3	5.3	6.7
Revenue GHG Emissions Intensity	tCO_2e per millions in revenue	2.0	2.3	2.4	3.8
Scope 1 and 2 (Market-Based)[2]					
Scope 1[4]	tCO_2e	39,292	40,346	43,707	52,628
Scope 2[5,6]	tCO_2e	5,350	6,930	6,977	8,100
Total Scope 1 and 2	tCO_2e	A 44,642	A 47,276	A 50,684	A 60,728
Facility GHG Emissions Intensity	$kgCO_2e$ per square foot	2.0	2.1	2.2	2.5
Revenue GHG Emissions Intensity	tCO_2e per millions in revenue	0.8	0.9	1.0	1.4

1 See Our Approach to Calculating Non-Financed GHG Emissions for details on our organizational boundary, reporting period, and other key details related to our footprint. Totals may not add up due to rounding.
2 In accordance with the GHG Protocol's Scope 2 Guidance, TD reports both location-based and market-based Scope 2 GHG emissions figures. The location-based approach accounts for emissions from the electricity physically delivered to a company (i.e., it reflects the average emissions intensity of grids on which energy consumption occurs). The market-based approach represents Scope 2 emissions based on how an organization buys its energy (i.e., it derives emission factors from contractual instruments, such as green power contracts, or renewable energy certificates). Totals may not add up due to rounding.
3 In 2023, we restated our 2019, 2020, 2021 and 2022 Scope 1 and 2 results to incorporate data from Cowen, Inc. This entity was acquired by TD in 2023. The acquisition resulted in an uplift of 3,544 tCO_2e to our 2019 location-based Scope 1 and 2 emissions. For details on this restatement, please see our 2023 Sustainability Report.
4 TD's Scope 1 GHG emissions include direct emissions from heating and cooling, leased aircraft and corporate fleet.
5 TD's Scope 2 GHG emissions include indirect emissions from electricity, heating and cooling.
6 Market-based Scope 2 emissions reflect the purchase of renewable energy certificates (RECs) to account for our global electricity consumption. The remaining emissions in market-based Scope 2 are attributed to steam and chilled water.

Scope 3 Non-Financed GHG Emissions[52]

TD reports on the following Scope 3 non-financed GHG emissions categories:[53,54]

- **Category 1: Purchased goods and services –** upstream GHG emissions from the production of tangible (i.e., goods) or intangible (i.e., services) products purchased or acquired by TD.
- **Category 2: Capital goods –** upstream GHG emissions from the production of capital goods (fixed assets such as equipment, machinery, buildings, facilities and vehicles).
- **Category 3: Fuel- and energy-related activities –** GHG emissions related to the production of fuels and energy purchased and consumed by TD that are not included in Scope 1 or 2.
- **Category 6: Business travel –** GHG emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties (e.g., aircraft, trains, etc.).
- **Category 8: Upstream leased assets –** GHG emissions from the operation of assets leased by TD in the reporting year and not included in Scope 1 or 2.
- **Category 13: Downstream leased assets –** includes GHG emissions from the operation of assets that are owned by TD and leased to other entities that are not included in Scope 1 or 2.

The chart below outlines the year-over-year evolution of our Scope 3 non-financed GHG emissions, our base year results and associated intensity metrics.

Category	Unit	2024[1]	2023	2022	2019
Purchased Goods and Services	tCO_2e	1,144,923	1,053,692	1,058,672	627,428
Capital Goods	tCO_2e	104,032	71,736	74,060	156,813
Fuel- and Energy-Related Activities	tCO_2e	22,231	22,882	24,515	32,166
Business Travel[2,3]	tCO_2e	A 28,807	A 28,147	A 12,092	A 17,154
Upstream Leased Assets[4]	tCO_2e	A 391	–	–	–
Downstream Leased Assets[5]	tCO_2e	A 412	A 474	A 990	A 848

1 In 2024, the percentage of emissions calculated using data obtained from suppliers or value chain partners was as follows: Purchased Goods and Services – 0%; Capital Goods – 0%; Fuel- and Energy-Related Activities – 100%; Business Travel – 86%; Upstream Leased Assets – 100%; and Downstream Leased Assets – 100%.
2 Business travel includes emissions from commercial air travel, chartered jets, rail travel, car rentals and personal vehicles used for business travel. For commercial air travel and rail travel, the activity data comprises distance travelled. For chartered jets, the activity data comprises fuel consumed. For car rentals, the activity data comprises distance travelled and fuel consumed. For personal vehicles, the activity data comprises mileage claims reimbursed to TD employees.
3 We have restated our 2023 business travel emissions following corrections in the raw data. The restatement decreases our originally reported 2023 business travel emissions by 9,752 tCO_2e.
4 Upstream leased assets include emissions from spaces leased by TD that are subleased to a third party. Activity data comprises direct energy data (e.g., kWh of electricity consumed). The first year this data was disclosed was fiscal year 2024.
5 Downstream leased assets include emissions from spaces owned by TD that are leased to a third party. Activity data comprises direct energy data (e.g., kWh of electricity consumed).

Net-Zero Pillars

Pillar 1: Decarbonizing Our Operations continued

Our Approach to Calculating Non-Financed GHG Emissions

Reporting Standards

Our non-financed GHG emissions inventory is prepared in accordance with the Greenhouse Gas Protocol (GHG Protocol): A Corporate Accounting and Reporting Standard, the GHG Protocol Scope 2 Guidance, and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard.

Organizational Boundary

The scope of our non-financed GHG emissions inventory encompasses all of TD's wholly owned operations and activities. TD uses the operational control method to determine the organizational boundary for its GHG inventory.

Reporting Period

All GHG emissions data reflects one complete year of data. TD's fiscal year spans from November 1 to October 31; however, the reporting period for certain GHG emissions sources may not align with TD's fiscal year due to availability or timeliness of data. The reporting period for TD's real estate data spans August 1 to July 31, while the reporting period for other data sources is aligned with the fiscal year.

GHG Restatements

In line with the GHG Protocol, recalculations of base year and prior years' GHG inventories are undertaken when one or more events result in a significant change to GHG emissions. Although we apply quantitative thresholds, we also consider qualitative factors when concluding whether recalculations are required to be performed, which are described in the footnotes as applicable.

Data Sources, GHG Types and Global Warming Potential[55]

We rely on primary activity data (e.g., invoices and meter readings) to calculate our non-financed GHG emissions where possible, and secondary data (e.g., estimation techniques described below) where primary data is not available. TD reports on all GHGs identified by the Kyoto Protocol that are applicable to our operations, including carbon dioxide, methane, nitrous oxide and hydrofluorocarbons (HFCs).
We use global warming potential values from the Intergovernmental Panel on Climate Change (IPCC)[56] Fourth Assessment Report.

Use of Estimation Techniques

In preparing our GHG inventory, some data sources were incomplete or unavailable, such as utility usage data for specific real estate locations and travel data for particular periods. For example, where required, we used estimation techniques to approximate utility usage using data from locations in a similar geography, with similar end-uses and building systems, or travel data from similar time periods, to approximate actual usage. For example, refrigerants are used in HVAC systems to cool buildings. During operation, losses of refrigerants from HVAC systems are expected to occur. To quantify fugitive emissions, TD estimates the quantity of refrigerant loss based on industry averages.

GHG Emission Factors

For our 2024 non-financed GHG emissions inventory, the GHG emission factors were selected from various sources to better accommodate the data available and to provide a closer approximation of the related GHG emissions. The Bank used emissions factors from the following sources:

- **Natural gas, diesel, propane, heating oil, chilled water and steam –** Ministry of Environment and Climate Change Canada (2024) and U.S. Environmental Protection Agency (2024).
- **Electricity –** Ministry of Environment and Climate Change Canada (2024), the U.S. Environmental Protection Agency Emissions & Generation Resource Integrated Database (2024), U.K. Department for Environment, Food & Rural Affairs (2024), AIB (2023), Carbon Footprint (2024) and IEA (2013).
- **Automobile travel (fleet) –** Ministry of Environment and Climate Change Canada (2024) and U.S. Environmental Protection Agency (2024).
- **Air and rail –** U.K. Department for Environment, Food & Rural Affairs (2024) and U.S. Environmental Protection Agency (2024).
- **Upstream and downstream leased assets –** Canadian National Inventory Report Part 3 Annex 13 (2024), U.S. EPA eGRID2022 (2024), Canadian National Inventory Report Part 2 Annex 6 (2024), U.S. EPA GHG Emission Factors Hub (2024).

Net-Zero Pillars

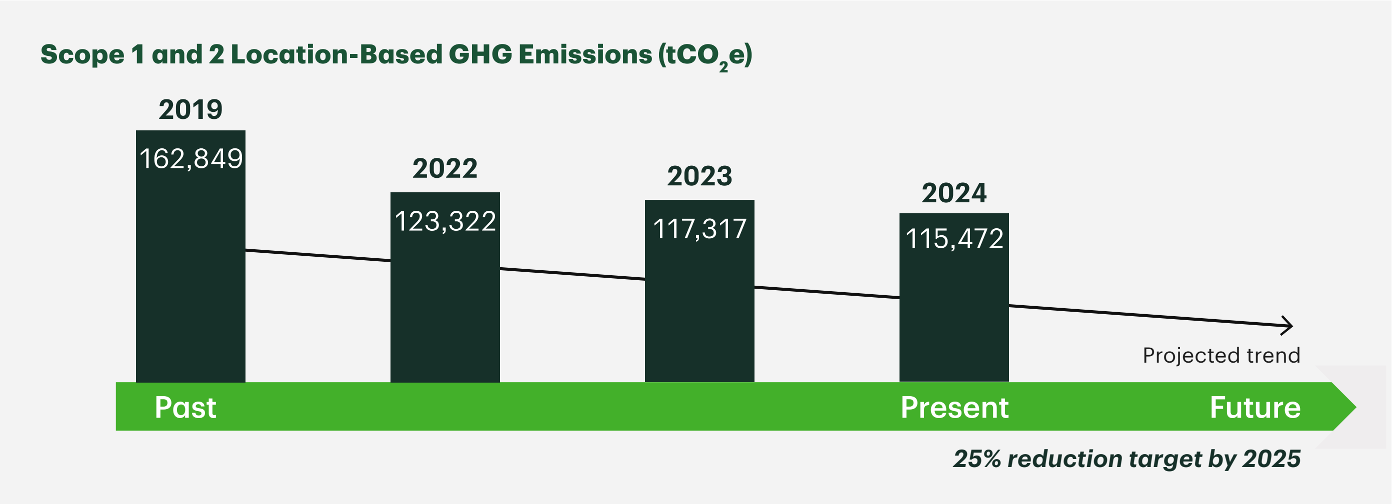
Pillar 1: Decarbonizing Our Operations continued

Target

Scope 1 and 2 Target

In 2021, we announced our interim target to achieve an absolute reduction in our location-based Scope 1 and 2 GHG emissions of 25% by 2025, relative to a 2019 baseline.[57] This interim target is aligned with a science-based 1.5°C pathway and was set using the Science-Based Targets Initiative (SBTi) Absolute Contraction Approach, which allows for equal annual decreases in absolute GHG emissions to reach net zero by 2050.[58] This interim target is a gross absolute reduction target, meaning the target can only be achieved through absolute emissions reductions. We do not use carbon credits or renewable energy certificates to achieve our interim target.

As of the end of 2024, we have reduced our location-based Scope 1 and 2 GHG emissions by 29% compared to our 2019 baseline year. Although this reduction goes beyond our targeted reduction threshold of 25% by 2025, operational emissions have the potential to rebound in some emissions categories, for example, emissions related to work-from-home policies or mobile fuel combustion. On a year-over-year basis, TD's location-based Scope 1 and 2 GHG emissions declined by 1.6% to 115,472 tonnes of CO_2e in 2024 compared to 2023. TD remains focused on reducing our operational GHG emissions by implementing resource efficiency measures to continue to meet our targeted Scope 1 and 2 emissions reductions by 2025.

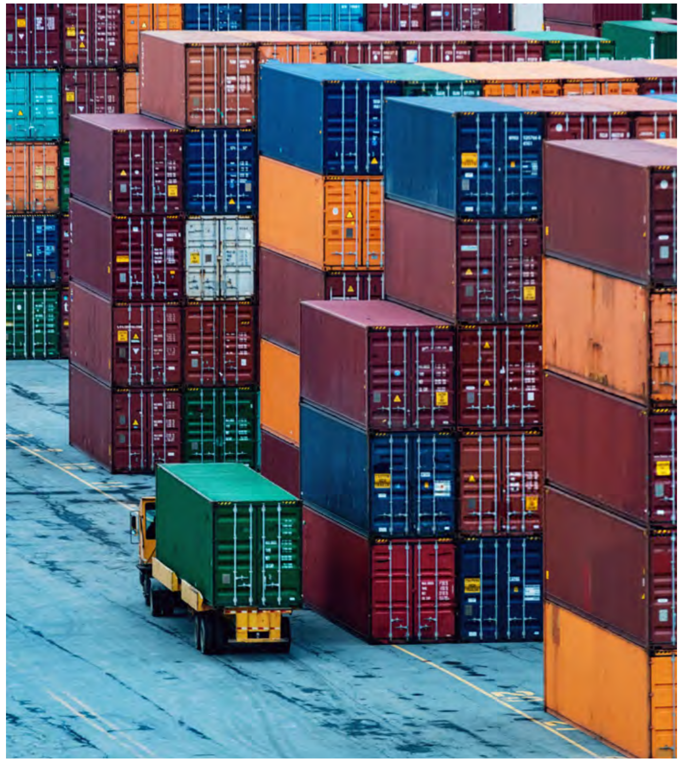


Addressing Non-Financed Emissions

Efficiency Gains

We continue to make progress on our Scope 1 and 2 operational emissions target through several ongoing initiatives:

- **Incorporating green building design standards into new and existing locations:** The Bank has over 280 LEED-certified locations (Leadership in Energy and Environmental Design) that promote energy efficiency, reduced water consumption, and renewable power sources.
- **Piloting hybrid heat pumps:** The Bank is piloting hybrid heat pumps in several locations when replacing end-of-life-mechanical units. TD has completed over 20 installations in Canadian retail locations, where the utility emissions grid is more favourable when converting from gas to electricity usage.
- **Expanding our Smart Retail Controls program:** This program was introduced in 2018 to provide real-time visibility, remote monitoring and performance assessment for multiple retail locations in Canada and the U.S. It enables us to remotely monitor energy consumption, optimize equipment operation, and control temperature at approximately 1,400 locations. This initiative has resulted in over 7,000 tonnes of annual CO_2e savings in the 2024 reporting period.
- **Integrating solar energy across North America:** We have equipped a number of branches and stores across Canada and the U.S. with on-site solar panels. We currently have over 150 locations with on-site solar systems, which generated over 2.3 million kWh of energy in the 2024 reporting period.[59]



Engaging on Supply Chain Emissions

Emissions from TD's purchased goods and services are a significant contributor to our carbon footprint, and we recognize that there are opportunities for TD to support decarbonization across our supply chain and in our procurement practices. We encourage our suppliers to complete the CDP Climate Change Questionnaire, which includes varying pieces of data such as emissions.

Net-Zero Pillars

Pillar 1: Decarbonizing Our Operations continued

Carbon Credits

Our priority is to first reduce GHG emissions to the greatest extent possible. Over time, we expect to voluntarily address residual emissions through investments in high-quality Carbon Dioxide Removal (CDR) technologies. This approach follows the Science Based Targets Initiative's (SBTi) principles of mitigation hierarchy as well as other net-zero frameworks, which recommend that organizations establish milestones for the use of CDR credits and shift toward permanent carbon removal solutions over time.[60] This approach also adheres to the IPCC, which states that achieving net zero in line with a 1.5ºC pathway requires the large-scale deployment of CDR technologies for remaining emissions that cannot be further reduced.

To achieve global emissions reduction goals in line with the Paris Agreement, by some estimates, roughly six billion tonnes of carbon dioxide equivalent (CO_2e) will need to be removed annually by 2050, with this figure being higher if substantial emissions reductions cannot be achieved.[61,62,63]

As a means of supporting the development of carbon reduction projects and carbon markets, TD continues to voluntarily purchase carbon credits to compensate for market-based Scope 1 and 2 operational emissions and Scope 3 Business Travel emissions, a practice we started in 2010. These credits are not used to meet our Scope 1 and 2 reduction target.[64]

What are Carbon Credits?

Carbon credits generally represent one metric tonne of CO_2e that has been avoided, reduced or removed, relative to business-as-usual, by an eligible project following a prescribed methodology or protocol.

Carbon credits can be classified as either reduction/avoidance or removals, or a combination of both.

- **Reduction/avoidance credits** are generated by projects that reduce or avoid GHG emissions that would otherwise have been emitted to the atmosphere (e.g., energy efficiency projects).
- **Removal credits** are generated by projects (e.g., direct air carbon capture, forest carbon sequestration projects, enhanced ocean alkalinity) that remove GHGs from the atmosphere, such as green materials, geological or marine sinks, etc.

Carbon Credits and Renewable Energy Certificates Retirement Schedule

TD retired 73,450 independently verified carbon reduction and removal credits, equivalent to TD's 2024 market-based Scope 1 and 2 emissions and Scope 3 Category 6: Business Travel emissions (see the sections below for further details on those emissions).[65] TD also retired 401,964 renewable energy certificates (RECs), equivalent to TD's 2024 non-renewable energy consumption, which is accounted for when calculating our market-based Scope 2 emissions. For more information, see the Carbon Credits and Renewable Energy Certificates Retirement Schedule in the 2024 Sustainability Performance Data Pack & Indices.

Our Enterprise Guidance for Carbon Credit and Energy Attribute Certificate (EACs) Purchasing, which applies to new purchases of carbon instruments by TD as of fiscal 2024, is informed by recent developments of increasing standards of quality in these areas and sets out principles and minimum criteria designed to support the business and scientific integrity of the carbon instruments that TD purchases.[66] We intend to periodically review and, where appropriate, update this internal guidance based on relevant developments.

Challenges

Landlord Data Quality and Availability

Challenges related to the quality and consistency of landlord utility data remain a concern for the Bank as we progress toward our 2025 (and beyond) Scope 1 and 2 operational emissions target. TD Enterprise Real Estate collects this information from major landlords for GHG inventory reporting; however, data integrity and quality control measures of landlords cannot be seen or audited. To help overcome this challenge, where possible and alongside other factors, TD Enterprise Real Estate aims to focus investments in leased and owned locations where sub- or direct-metered data is available to validate the impact of emissions-related capital investments.

External Landscape

Our inability to influence external factors (e.g., electricity grid improvements and weather events) continues to impact our progress to achieve our Scope 1 and 2 operational emissions target. To mitigate this challenge, TD continuously monitors external developments and remains flexible about the decarbonization initiatives it employs, which could include pathway progress, and has the ability to pivot strategies accordingly. These initiatives may include real estate portfolio, design, capital retrofit plan, location closures and mergers, return-to-office plans and fleet electrification.

For information on how we are working to further support renewable energy and carbon removals, see Carbon Credits – Our Journey.

Net-Zero Pillars

Pillar 2: Addressing Financed Emissions Attributed to TD

Throughout this section, we use the term financed emissions to refer to our clients' Scope 1 and 2 emissions, and in some sectors, their Scope 3 emissions, attributed to the Bank based on the proportion of the Bank's lending to or investing in the client company. Financed emissions are calculated in accordance with the guidance from the Partnership for Carbon Accounting Financials (PCAF) wherever possible.

Financed emissions help protect the Bank by providing a measure of the transition risk associated with our lending and investment portfolios, while also helping to adapt the Bank's business activities in the face of climate change. For example, understanding our clients' GHG emissions profile helps us to support their decarbonization efforts by providing financial products and services and advice, and also enables us to identify potential areas of climate-related risks. Importantly, we use financed emissions as an indicator of our clients' progress on decarbonizing their operations, and as a proxy for overall progress towards net zero in the transition to a low-carbon economy.

As data and methodologies continue to improve, we have made significant progress in understanding the emissions footprint attributed to the clients we finance. In addition, we have determined target reductions in financed emissions by 2030 for four sectors (Energy, Power Generation, Automotive Manufacturing and Aviation) using sectoral emissions reduction pathways in alignment with the 1.5°C trajectory recommended by the Paris Agreement. While these targets represent the required emissions reductions at the sector portfolio level, achieving them depends, in part, on the decarbonization efforts of our clients within the portfolio. Given the two-year lag in financed emissions reporting, for 2022, these four sectoral financed emissions targets cover a majority of financed emissions, 75% of TD's non-retail financed emissions and 70% of TD's combined retail and non-retail financed emissions calculated to date.[67]

While financed emissions is a useful metric for measuring progress, there are limitations when it is used alone due to the volatility of the metric's underlying variables. For example, trends in financed emissions are significantly influenced by market volatility and changes in company valuations (e.g., Enterprise Value Including Cash (EVIC)), rather than changes in actual emissions levels. For more information, see the Challenges section.

Due to these limitations, we continue to explore additional metrics to provide a more complete picture of our progress. We are also working with industry groups and policymakers to support broader decarbonization efforts. For example, we participated in the PCAF Inventory Fluctuations Working Group to support methodology changes, such as smoothing approaches, to help reduce volatility in financed emissions estimates. This is part of our ongoing work to better understand the real-world impact of our financing activities.

We aim to support our clients, including those in carbon-intensive sectors, by offering our products and services, which can support their efforts to reduce their emissions, as well as their transition plans, as they adapt their businesses for a low-carbon economy. While this may result in a near-term increase in financed emissions, we believe this is a necessary step for us on the path to net zero – strong collaboration between our clients, government and the broader industry along with advancing technology to help deliver solutions for decarbonizing the economy.

Ongoing Enhancements to Financed Emissions Estimations

In 2024, we continued to refine the financed emissions methodology for our footprint and target estimations in order to improve data accuracy and precision. These improvements are also reflected in our 2019 target baselines, as well as comparative years, in order to report progress on our footprint and targets. For example, we revised the vendor data prioritization used to estimate Physical Emissions Intensity (PEI) for Power Generation clients to incorporate more company-reported data when available. In addition, our third-party data providers continue to restate historic company emissions and production data, which we include in our estimations. We worked closely with our data providers to understand the cause of these adjustments, and intend to continue to support data improvements through future engagements.

We anticipate that future updates to the International Energy Agency (IEA) Net Zero Emissions scenarios and improvements in data coverage, quality and availability may enable us to further improve the accuracy of footprint and interim target estimations. As a result, we may review and update our targets or disclose restatements. For more information, please see the Caution Regarding Forward-Looking Statements.

TD's GHG Emissions Footprint (Scope 1, 2 and 3)

TD's Scope 1 and 2 GHG emissions arise from our operations, and despite being a small fraction of the overall emissions footprint, represent the emissions over which TD has a significant level of influence. Scope 3 financed emissions reflect our clients' emissions (Scope 1, 2 and in some cases, 3) and rely on engagement with our clients and other stakeholders, as well as industry collaborations, to facilitate decarbonization outcomes.

- Scope 1, 2 and 3 Emissions (excluding Financed Emissions) **1%**
- Scope 3 Financed Emissions **99%**

Net-Zero Pillars

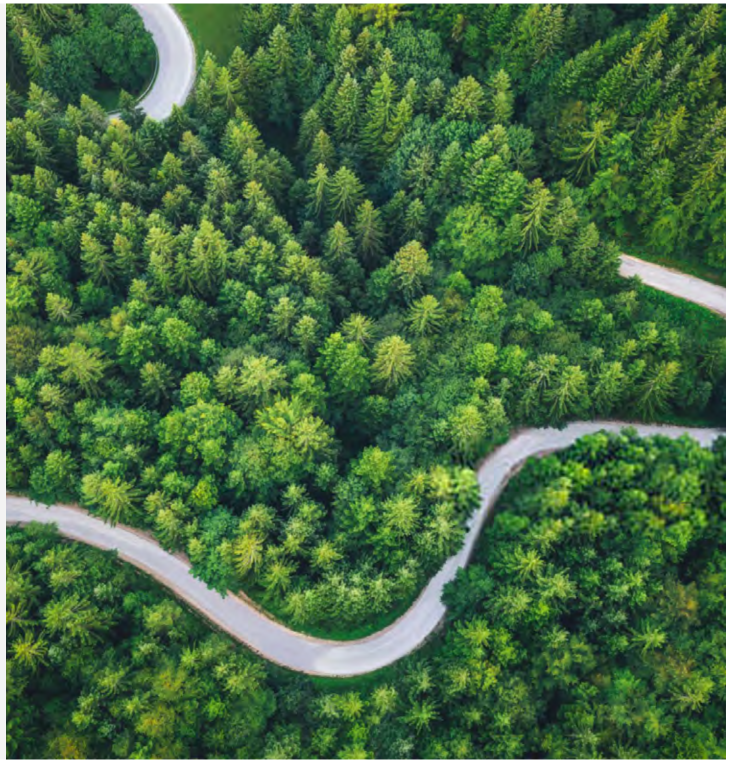
Pillar 2: Addressing Financed Emissions Attributed to TD continued

Footprint

TD's financed emissions footprint reflects our clients' GHG emissions that are attributed to the Bank based on our lending and investments, expressed in megatons of carbon dioxide equivalent ($MtCO_2e$). We report attributed emissions on an absolute basis for on-balance sheet investments and lending exposures. We also report attributed emissions on an absolute committed lending basis for business loans.

Data Availability

We aim to use the most recent data available. To calculate the footprint for non-retail business loans and investments, we used external sources, including S&P Global Trucost 2019–2022 emissions data, as 2023 and 2024 data was not available. For this reason, we report fiscal year-end 2019–2022 results for the Agriculture, Automotive, Aviation, Energy, Industrials, Power and Utilities, Real Estate Investment Trusts (REITs) and Shipping asset classes. To calculate the footprint for retail loans, 2023 emissions data was available at the time of our calculation. For this reason, we report fiscal year-end 2019–2023 results for the Consumer Auto Loans and Residential Mortgages asset classes.



We estimate and publish the emissions footprint in accordance with PCAF guidance, and disclose it on an asset class and sector basis. For each sector, we aim to provide an estimate that includes most parts of the value chain, even if client-reported data is not available, by using PCAF emission factors and/or our third-party data provider estimates (see the Data Quality section for more information). We also disclose information about the quality of data underpinning financed emissions calculations. Taken together, these measures help us understand the financed emissions concentrations across sectors and asset classes.

We measure the financed emissions attributed to the Bank using the following formula developed as an internationally recognized methodology by PCAF. This formula is widely accepted and used by systemically important financial institutions.

Financed Emissions

$$\sum \frac{\text{Financing to client}}{\text{Company EVIC}} \text{ X } \text{Company emissions}$$

This year, we have included a measurement of the footprint using the Financed Emissions Lending Intensity (FELI) metric. FELI is a useful metric that enables us to monitor decarbonization progress through the lens of emissions per dollar lent/dollar invested.

Financed Emissions Lending Intensity (FELI)

$$\frac{\sum \left(\frac{\text{Financing to client}}{\text{Company EVIC}^{1}} \text{ X Company emissions} \right)^{*}}{\text{Total sector financing}} = \sum \left(\frac{\text{Company emissions}}{\text{Company EVIC}^{1}} \text{ X } \frac{\text{Financing to client}}{\text{Total sector financing}} \right)$$

*The numerator represents absolute financed emissions.

1 For public companies, EVIC is leveraged. For private companies or companies where EVIC is not readily available, debt and equity are used. For all other clients, other fallback methodologies are used in accordance with PCAF guidance.

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Asset Classes Disclosed

The financed emissions footprint includes asset classes noted in the left-hand column in the table below. We intend to continue to refine financed emissions footprint calculations as PCAF guidance and the data landscape evolve. This may result in restatements of previously disclosed data or changes to future disclosures as we work to enhance the accuracy and precision of the emissions footprint. Asset classes under consideration for future disclosures are noted in the right-hand column of the table below.

Partnership for Carbon Accounting Financials (PCAF) Asset Classes[1]	
Asset Classes Included in TD's Financed Emissions Footprint	Asset Classes Under Consideration for Future Reports
Listed Equity and Corporate Bonds[2]	Sovereign Debt[6]
Business Loans and Unlisted Equity*[3]	Faciliated Emissions (from Capital Market Activity)*
Mortgages	Insurance – Emissions
Motor Vehicles Loans	
Commercial Real Estate[4]	
Project Finance*[5]	

* These asset classes are included in the scope of TD's four interim financed emission targets.

1 These reflect asset classes for which PCAF has published a methodology. Additional asset classes exist (e.g., Asset-backed Securities, Derivatives) for which PCAF has yet to release a methodology.

2 For Listed Equity and Corporate Bonds, the financed emissions footprint estimation currently only includes on-balance sheet Corporate Bonds. The financed emissions for the Listed Equity portion of this asset class have yet to be estimated due to challenges with data availability and will be under consideration for future reports.

3 For Business Loans and Unlisted Equity, the financed emissions footprint estimation currently only includes on-balance sheet Business Loans. The financed emissions for the Unlisted Equity portion of this asset class have yet to be estimated due to challenges with data availability and will be under consideration for future reports.

4 For Commercial Real Estate, financed emissions attributed to TD have yet to be estimated in accordance with the PCAF methodology due to internal challenges mining the required data. TD has calculated the attributed financed emissions from our lending to Real Estate Investment Trusts (REITs) using PCAF's Business Loans and Unlisted Equity methodology as the majority of TD's lending to REITs are general-purpose business loans.

5 For Project Finance, financed emissions attributed to TD have yet to be estimated in accordance with the PCAF Project Finance methodology. TD's portfolio of lending exposures for Project Finance is insignificant compared to our general-purpose business lending exposures. As a result, the financed emissions attributed to TD are estimated in accordance with PCAF's Business Loans and Unlisted Equity methodology.

6 The financed emissions footprint reflects estimation efforts primarily on industry-aligned carbon-intensive sectors. For Sovereign Debt, TD has not yet estimated the financed emissions attributed to the Bank in accordance with the PCAF methodology.

Net-Zero Pillars

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Detailed Results by Sector and PCAF Asset Class (Investments and Drawn Lending Basis for Business Loans)[1,2,3,4,5,6,7,8,9,10,11,12,13,14,15]

2019–2023

	Business Loans, Investments[4]								Retail Loans		
Sector[2]	**Agriculture**	**Automotive**	**Aviation**	**Energy**	**Industrials**	**Power and Utilities**	**CRE REITs[3]**	**Shipping**	**Consumer Auto[7]**	**Residential Mortgages[8]**	**Total[11,12]**
Financing Exposure (MM CAD $)											
2019	8,300	12,130	8,233	11,794	3,817	4,808	14,280	3,335	56,999	233,535	357,230
2020	8,853	10,583	7,621	11,042	3,550	4,805	15,031	3,735	59,545	249,986	374,750
2021	9,453	8,462	5,821	7,613	3,380	6,809	14,679	3,858	58,343	265,766	384,184
2022	10,432	12,601	4,950	10,695	4,132	7,706	20,581	4,588	62,861	291,161	429,707
2023	–	–	–	–	–	–	–	–	69,213	317,477	386,690
% YOY[13]	10%	49%	-15%	40%	22%	13%	40%	19%	10%	9%	12%

Financed Emissions ($MtCO_2e$)	Agriculture		Automotive		Aviation		Energy		Industrials		Power and Utilities		CRE REITs		Shipping		Consumer Auto		Residential Mortgages		Total	
Scope[5]	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3
2019	[A] 8.5	–	[A] 0.6	[A] 0.7	[A] 5.5	–	[A] 2.7	[A] 31.0	[A] 0.6	[A] 0.9	[A] 1.4	–	[A] 0.2	–	[A] 0.2	–	[A] 6.6	–	[A] 2.5	–	28.8	32.6
2020	[A] 9.3	–	[A] 0.5	[A] 0.8	[A] 4.5	–	[A] 2.8	[A] 27.8	[A] 0.5	[A] 1.0	[A] 1.1	–	[A] 0.2	–	[A] 0.2	–	[A] 5.8	–	[A] 2.4	–	27.2	29.6
2021	[A] 10.5	–	[A] 0.4	[A] 0.5	[A] 3.6	–	[A] 1.6	[A] 17.1	[A] 0.3	[A] 1.0	[A] 1.0	–	[A] 0.2	–	[A] 0.2	–	[A] 5.8	–	[A] 2.2	–	25.9	18.6
2022	[A] 9.7	–	[A] 0.5	[A] 0.5	[A] 2.5	–	[A] 1.7	[A] 20.6	[A] 0.4	[A] 1.5	[A] 1.2	–	[A] 0.2	–	[A] 0.3	–	[A] 5.5	–	[A] 2.1	–	24.1	22.6
2023	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	[A] 5.4	–	[A] 2.1	–	7.5	–
% YOY[13]	-8%		24%		-32%		19%		44%		13%		30%		11%		-1%		1%		5%	

Financed Emissions Lending Intensity (gCO_2 per CAD $ Lent)	Agriculture	Automotive	Aviation	Energy	Industrials	Power and Utilities	CRE REITs	Shipping	Consumer Auto	Residential Mortgages	Total
2019	1,022	108	672	2,853	384	289	11	58	116	11	172
2020	1,054	124	589	2,768	424	236	11	55	97	9	152
2021	1,115	102	619	2,455	393	153	13	63	100	8	116
2022	930	85	498	2,085	462	153	12	59	87	7	109
2023	–	–	–	–	–	–	–	–	78	7	19
% YOY[13]	-17%	-17%	-20%	-15%	18%	0%	-7%	-7%	-10%	-7%	-6%

Net-Zero Pillars

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Detailed Results by Sector and PCAF Asset Class (Investments and Drawn Lending Basis for Business Loans)[1,2,3,4,5,6,7,8,9,10,11,12,13,14,15] continued

1 Exposures included within the financed emissions footprint differ from gross credit risk exposures disclosed in the quarterly Supplemental Regulatory Disclosure, which is used in the Climate Risk Heatmaps included in the Climate Risk Management section of the Sustainability Report. This is because TD uses industry-aligned sector classifications for financed emissions, whereas gross credit risk exposures are based upon Basel Pillar 3 sector classifications. Furthermore, for financed emissions, to better reflect emissions impacts, some exposures are manually reclassified between sectors where appropriate (e.g., government utilities and power generation facilities have been moved into “Power and Utilities” from “Government services”).

2 Due to capacity constraints, focus was primarily placed on financed emission footprint estimation for industry-aligned carbon-intensive sectors; as such, all sectors defined by PCAF are not currently disclosed. For our fiscal 2025 reporting, we plan to revisit and update sector mapping and inclusion, in an effort to disclose in accordance with forthcoming OSFI regulations and PCAF guidance. The current priority sectors for financed emissions calculation and target-setting are “Agriculture, Aluminum, Cement, Coal, Commercial & Residential Real Estate, Iron & Steel, Oil & Gas, Power Generation, and Transport.” TD uses the North American Industry Classification System (NAICS) to classify portfolio exposures for these sectors. Given the significance (high or low) of some of these sectors to the financed emissions attributed to TD, we have combined Cement, Aluminum, Iron & Steel, and other Metals & Mining under “Industrials” and have combined Oil & Gas and Coal under “Energy.” Conversely, we have separated “Transport” into “Automotive,” “Shipping” and “Aviation.”

3 For Commercial Real Estate, financed emissions attributed to TD have yet to be estimated in accordance with the PCAF methodology due to internal challenges mining the required data. TD has calculated the attributed financed emissions from our lending to Real Estate Investment Trusts (REITs) using PCAF’s Business Loans and Unlisted Equity methodology, as the majority of TD’s lending to REITs are general-purpose business loans.

4 For Project Finance, financed emissions attributed to TD have yet to be estimated in accordance with the PCAF Project Finance methodology. TD’s portfolio of lending exposures for Project Finance is insignificant compared to our general-purpose business lending exposures. As a result, the financed emissions attributed to TD are estimated in accordance with PCAF’s Business Loans and Unlisted Equity methodology.

5 The financed emissions footprint does not include clients’ Scope 3 emissions for all sectors due to a lack of data availability and quality. Consideration will be given in the future to include Scope 3 emissions for additional sectors as data availability and quality improve. Similarly, for sectors where we do calculate clients’ Scope 3 emissions, we are unable to do so for all components of the value chain. Specifically, in the Automotive sector, the calculated clients’ Scope 3 emissions only include Scope 3 downstream emissions associated with manufacturers of light-duty vehicles. In the Industrials sector, the calculated clients’ Scope 3 emissions do not include Cement. In the Energy sector, the clients’ Scope 3 emissions only include downstream emissions.

6 Results are based on Exiobase v3.7 with base year 2015, which reflects PCAF’s version prior to March 2023. The Exiobase data has been treated for inflation up to 2018 and converted to USD using a 2018 exchange rate. Given we are using the previous database, the two-year time-lagged results do not yet reflect inflation to 2022. After our initial assessment, we discerned that inflation adjustments to 2022 did not have a significant impact on the footprint estimation.

7 Consumer auto loans (i.e., motor vehicle loans) include indirect loans executed through TD’s Auto Finance group. This footprint does not include personal loans secured by automobiles. The 2022 and 2023 footprints are based on the latest average distance travelled by Canadian households in each province in 2021, which was the latest data published by Natural Resources Canada as of October 31, 2024. Consumer auto loans emissions will be restated in future reports, when more recent data is made available.

8 Excludes home equity lines of credit (HELOC) exposures in accordance with PCAF guidance.

9 In line with our recurring practice, financed emissions for certain sectors are being restated to reflect retroactive enhancements to the source data, as more clients report their emissions or estimation methodologies improve. As required by PCAF standards, we are currently developing a restatement standard to ensure consistency in the approach for restating emissions disclosures.

10 To date, TD has not addressed the occurrence of double or multiple counting of Scope 3 financed emissions in the footprint and progress to target estimations, despite being aware that estimations include instances of multiple counting. For example, the clients’ Scope 3 Category 11 emissions, from use of sold products, would be counted for both the Energy sector and the Automotive sector and the Scope 3 emissions associated with automobiles combusting gasoline would thus overlap and be included/counted more than once.

11 Totals may not add up due to rounding.

12 Please note for the “Total” column, 2023 financed emissions for non-retail sectors are not reported. However, 2023 financed emissions for retail sectors (Consumer Auto Loans and Residential Mortgages) are reported.

13 Percentage year over year (% YoY) row shows a comparison of 2023 versus 2022 for retail sectors (Consumer Auto Loans and Residential Mortgages), 2022 versus 2021 for non-retail sectors. Furthermore, the % YoY row for the “Total” column shows a comparison of 2022 versus 2021 for all the carbon-intensive sectors (retail and non-retail).

14 To calculate the financed emissions, the most recent external data available for the applicable period is used.

15 For lending exposures, as defined by PCAF, Cowen does not have any exposures in-scope. For investments, as defined by PCAF, Cowen’s non-trading investments are in-scope; however, they are currently not reflected in the footprint as the exposures are insignificant. TD will continue to monitor these exposures and assess future inclusion in the footprint calculations.

Net-Zero Pillars

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Detailed Results by Sector and PCAF Asset Class (Investments and Committed Lending Basis for Business Loans)[1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16]

2019–2023

Financing Exposure (MM CAD $)

	Business Loans, Investments[4]								Retail Loans		
Sector[2]	Agriculture	Automotive	Aviation	Energy	Industrials	Power and Utilities	CRE REITs[3]	Shipping	Consumer Auto[7]	Residential Mortgages[8]	Total[12,13]
2019	9,416	22,594	11,241	33,971	9,515	21,009	21,888	4,728	56,999	233,535	424,896
2020	10,249	23,226	10,669	36,402	9,909	23,456	23,712	5,721	59,545	249,986	452,875
2021	10,775	21,985	9,372	29,085	9,977	24,840	23,894	7,644	58,343	265,766	461,682
2022	12,099	26,400	8,602	35,273	11,794	26,918	35,691	7,236	62,861	291,161	518,036
2023	–	–	–	–	–	–	–	–	69,213	317,477	386,690
% YoY[14]	12%	20%	-8%	21%	18%	8%	49%	-5%	10%	9%	12%

Financed Emissions ($MtCO_2e$)

Sector[2]	Agriculture		Automotive		Aviation		Energy		Industrials		Power and Utilities		CRE REITs[3]		Shipping		Consumer Auto[7]		Residential Mortgages[8]		Total[12,13]	
Scope[5]	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3
2019	[A] 8.7	–	[A] 1.0	[A] 6.3	[A] 5.8	–	[A] 7.6	[A] 85.9	[A] 1.3	[A] 7.8	[A] 7.6	–	[A] 0.2	–	[A] 0.3	–	[A] 6.6	–	[A] 2.5	–	41.7	99.9
2020	[A] 9.9	–	[A] 0.9	[A] 5.7	[A] 4.7	–	[A] 9.7	[A] 101.7	[A] 1.1	[A] 7.9	[A] 7.0	–	[A] 0.2	–	[A] 0.3	–	[A] 5.8	–	[A] 2.4	–	42.0	115.3
2021	[A] 10.8	–	[A] 0.8	[A] 4.9	[A] 3.9	–	[A] 6.5	[A] 67.6	[A] 1.0	[A] 6.4	[A] 6.6	–	[A] 0.3	–	[A] 0.4	–	[A] 5.8	–	[A] 2.2	–	38.4	78.9
2022	[A] 10.0	–	[A] 0.9	[A] 5.8	[A] 2.7	–	[A] 6.4	[A] 68.9	[A] 1.1	[A] 7.4	[A] 6.4	–	[A] 0.4	–	[A] 0.4	–	[A] 5.5	–	[A] 2.1	–	36.0	82.0
2023	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	[A] 5.4	–	[A] 2.1	–	7.5	–
% YoY[14]	-8%		19%		-30%		2%		15%		-3%		38%		4%		-1%		1%		1%	

Financed Emissions Lending Intensity (gCO_2 per CAD $ Lent)

Sector[2]	Agriculture	Automotive	Aviation	Energy	Industrials	Power and Utilities	CRE REITs[3]	Shipping	Consumer Auto[7]	Residential Mortgages[8]	Total[12,13]
2019	929	321	519	2,751	954	363	11	60	116	11	333
2020	966	287	440	3,060	904	298	10	52	97	9	347
2021	1,007	258	417	2,551	739	267	11	55	100	8	254
2022	827	255	316	2,136	716	238	10	60	87	7	228
2023	–	–	–	–	–	–	–	–	78	7	19
% YoY[14]	-18%	-1%	-24%	-16%	-3%	-11%	-8%	10%	-10%	-7%	-10%

Net-Zero Pillars

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Detailed Results by Sector and PCAF Asset Class (Investments and Committed Lending Basis for Business Loans)[1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16] continued

1 Exposures included within the financed emissions footprint differ from gross credit risk exposures disclosed in the quarterly Supplemental Regulatory Disclosure, which is used in the Climate Risk Heatmaps included in the Climate Risk Management section of the Sustainability Report. This is because TD uses industry-aligned sector classifications for financed emissions, whereas gross credit risk exposures are based upon Basel Pillar 3 sector classifications. Furthermore, for financed emissions, to better reflect emissions impacts, some exposures are manually reclassified between sectors where appropriate (e.g., government utilities and power generation facilities have been moved into "Power and Utilities" from "Government services").

2 Due to capacity constraints, focus was primarily placed on financed emission footprint estimation for industry-aligned carbon-intensive sectors; as such, all sectors defined by PCAF are not currently disclosed. For our fiscal 2025 reporting, we plan to revisit and update sector mapping and inclusion, in an effort to disclose in accordance with forthcoming OSFI regulations and PCAF guidance. The current priority sectors for financed emissions calculation and target-setting are "Agriculture, Aluminum, Cement, Coal, Commercial & Residential Real Estate, Iron & Steel, Oil & Gas, Power Generation, and Transport." TD uses the North American Industry Classification System (NAICS) to classify portfolio exposures for these sectors. Given the significance (high or low) of some of these sectors to the financed emissions attributed to TD, we have combined Cement, Aluminum, Iron & Steel, and other Metals & Mining under "Industrials" and have combined Oil & Gas and Coal under "Energy." Conversely, we have separated "Transport" into "Automotive," "Shipping" and "Aviation."

3 For Commercial Real Estate, financed emissions attributed to TD have yet to be estimated in accordance with the PCAF methodology due to internal challenges mining the required data. TD has calculated the attributed financed emissions from our lending to Real Estate Investment Trusts (REITs) using PCAF's Business Loans and Unlisted Equity methodology, as the majority of TD's lending to REITs are general-purpose business loans.

4 For Project Finance, financed emissions attributed to TD have yet to be estimated in accordance with the PCAF Project Finance methodology. TD's portfolio of lending exposures for Project Finance is insignificant compared to our general-purpose business lending exposures. As a result, the financed emissions attributed to TD are estimated in accordance with PCAF's Business Loans and Unlisted Equity methodology.

5 The financed emissions footprint does not include clients' Scope 3 emissions for all sectors due to a lack of data availability and quality. Consideration will be given in the future to include Scope 3 emissions for additional sectors as data availability and quality improve. Similarly, for sectors where we do calculate clients' Scope 3 emissions, we are unable to do so for all components of the value chain. Specifically, in the Automotive sector, the calculated clients' Scope 3 emissions only include Scope 3 downstream emissions associated with manufacturers of light-duty vehicles. In the Industrials sector, the calculated clients' Scope 3 emissions do not include Cement. In the Energy sector, the clients' Scope 3 emissions only include downstream emissions.

6 Results are based on Exiobase v3.7 with base year 2015, which reflects PCAF's version prior to March 2023. The Exiobase data has been treated for inflation up to 2018 and converted to USD using a 2018 exchange rate. Given we are using the previous database, the two-year time-lagged results do not yet reflect inflation to 2022. After our initial assessment, we discerned that inflation adjustments to 2022 did not have a significant impact on the footprint estimation.

7 Consumer auto loans (i.e., motor vehicle loans) include indirect loans executed through TD's Auto Finance group. This footprint does not include personal loans secured by automobiles. The 2022 and 2023 footprints are based on the latest average distance travelled by Canadian households in each province in 2021, which was the latest data published by Natural Resources Canada as of October 31, 2024. Consumer auto loans emissions will be restated in future reports, when more recent data is made available.

8 Excludes home equity lines of credit (HELOC) exposures in accordance with PCAF guidance.

9 In line with our recurring practice, financed emissions for certain sectors are being restated to reflect retroactive enhancements to the source data, as more clients report their emissions or estimation methodologies improve. As required by PCAF standards, we are currently developing a restatement standard to ensure consistency in the approach for restating emissions disclosures.

10 To date, TD has not addressed the occurrence of double or multiple counting of Scope 3 financed emissions in the footprint and progress to target estimations, despite being aware that estimations include instances of multiple counting. For example, the clients' Scope 3 Category 11 emissions, from use of sold products, would be counted for both the Energy sector and the Automotive sector and the Scope 3 emissions associated with automobiles combusting gasoline would thus overlap and be included/counted more than once.

11 The footprint, on an absolute committed lending basis for business loans includes off-balance sheet arrangements (e.g., letters of credit, letters of guarantee and undrawn commitments), and is therefore based on internal criteria, instead of PCAF, which prescribes the drawn lending basis for business loans.

12 Totals may not add up due to rounding.

13 Please note for the "Total" column, 2023 financed emissions for non-retail sectors are not reported. However, 2023 financed emissions for retail sectors (Consumer Auto Loans and Residential Mortgages) are reported.

14 Percentage year over year (% YoY) row shows a comparison of 2023 versus 2022 for retail sectors (Consumer Auto Loans and Residential Mortgages), 2022 versus 2021 for non-retail sectors. Furthermore, the % YoY row for the "Total" column shows a comparison of 2022 versus 2021 for all the carbon-intensive sectors (retail and non-retail).

15 To calculate the financed emissions, the most recent external data available for the applicable period is used.

16 For lending exposures, as defined by PCAF, Cowen does not have any exposures in-scope. For investments, as defined by PCAF, Cowen's non-trading investments are in-scope; however, they are currently not reflected in the footprint as the exposures are insignificant. TD will continue to monitor these exposures and assess future inclusion in the footprint calculations.

Net-Zero Pillars

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Key Insights

While we report lending exposures on both a committed and drawn basis, the insights below focus on committed lending, as it most accurately reflects our decisions in extending credit to our clients.

Total:

- From 2021 to 2022, total financing to carbon-intensive sectors increased year over year, as did net client emissions; however, total financed emissions remained relatively flat (+1%). This is due to a year-over year increase in company values (i.e. EVIC), which flattened growth in financed emissions driven by increased financing and client emissions. The outsized influence of EVIC on the results is a known challenge with the financed emissions metric (see the Challenges section for more information).
- Since 2019, our financing to carbon-intensive sectors and our clients' emissions have increased; however, financed emissions decreased by 17% primarily driven by increases in clients' EVIC. This reflects the challenges with the financed emissions metric to track real-world decarbonization progress (see the Challenges section for more information).
- The FELI metric provides a more nuanced story of progress on financed emission reductions. In 2022, financed emissions decreased by 10% year-over-year on a per dollar lent/invested basis and decreased by 32% between 2019 and 2022. While these results indicate encouraging progress on decarbonization efforts of our clients, they are subject to the same EVIC volatility challenges but positively reflect growth in TD's lending to less emissions-intensive sectors and asset classes. These results indicate our ability to continue to grow our business while progressing toward net zero through achieving emissions efficiency in our lending practices.
- We are encouraged by trends in specific sectors where financed emissions have decreased and our financing has shifted to lower intensity sub-sectors (e.g., Aviation). However, there are other sectors we are mindful of, where further action is needed (e.g., Energy and Shipping). We understand that in the sectors where further action is needed, the results stem from the global rebound of economic activity and corresponding emissions increases in 2022 post-COVID-19,[68] and we know that we need to continue our efforts toward our net-zero goal.

Agriculture:

- From 2021 to 2022, estimated financed emissions from the Agriculture portfolio declined 8% despite a 12% increase in financing to this sector. This was driven by financing shifts toward sub-sectors that are less emissions-intensive as reflected in the reduced financed emissions footprint and FELI. Data quality in the Agriculture sector is poor due to limited emissions reporting from clients, so we rely almost entirely on sub-sector average emissions factors from the PCAF database.
- In 2024, we continued to monitor the data availability and coverage in the Agriculture sector. We explored potential emissions accounting and target-setting methodologies in the Canadian context for Agriculture in conjunction with RMI, resulting in the publishing of a report on the topic.[69] However, we continue to encounter significant data challenges that prevent us from setting targets in this sector that we can meaningfully track.
- Despite not being able to set an interim financed emissions target for the Agriculture sector, we worked to prepare our colleagues to support their clients' sustainable agriculture efforts. In 2024, we provided training to our business bankers on sustainable agriculture practices, which covered potential emissions reductions benefits. Other topics included implementation considerations such as upfront costs, barriers to implementation and potential technology changes that could help make clients' farms more resilient to climate change and, in some cases, potentially drive long-term cost savings.

Automotive:

- From 2021 to 2022, attributed financed emissions from the Corporate Automotive portfolio increased 19% in line with a 20% increase in financing to this sector on a committed lending basis.
- From 2022 to 2023, our consumer automotive lending continued to benefit from the strong progress of registered EV sales in the U.S., resulting in our attributed financed emissions footprint declining 2% despite a 10% growth in the loan book. This shift towards financing EV sales drove the reduction in the financed emissions footprint as well as the reduction in our FELI, which declined 10% between 2022 and 2023.

Aviation:

- Portfolio exposure to this sector has steadily declined since 2019. From 2021 to 2022, portfolio exposure declined by 8% and financing shifted from operations to manufacturing (a less emissions-intensive sector), leading to a reduction of 30% in attributed financed emissions from the Aviation portfolio. This shift to lower intensity clients is also evident in the reduction of our FELI year over year by 24%.

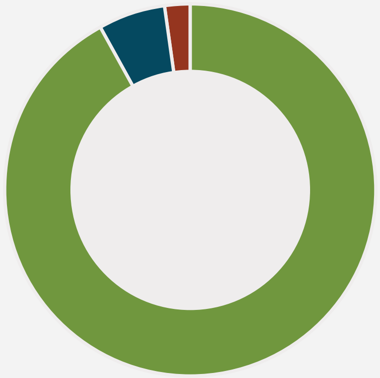
Energy:

- Similar to the performance of our Total portfolio, from 2021 to 2022, while our financing to the Energy sector increased year over year by 21%, financed emissions increased by only 2%. This is due to increased EVIC values, which offset any growth in financed emissions that would have been driven by increased financing and client emissions. We also saw our FELI decrease by 16% year over year, not only due to EVIC, but also due to increased financing to lower intensity clients.

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Financed Emissions Breakdown ($MtCO_2e$)

The majority of financed emissions attributed to TD arise from non-retail lending, followed by retail lending (i.e., residential mortgages and consumer auto loans). Investments contribute to the smallest portion of financed emissions attributed to TD.



- **92%** Non-Retail Emissions **108.4**
- **6%** Retail Emissions **7.6**
- **2%** Investment Emissions **2.0**

Industrials:

- From 2021 to 2022, attributed financed emissions from the Industrials portfolio increased, in line with an 18% growth in financing, primarily to the metals and mining sector.
- In 2024, we chose not to set financed emissions targets in the iron and steel, metals and mining, cement and aluminum sectors (collectively, Industrials sector) due to the small size of TD's portfolio in these sectors and the relatively small estimated amount of financed emissions stemming from these sectors (as noted in the table above). We believe that the targets in the Energy and Power Generation sectors help cover, in part, the need for decarbonization in the Industrials sector.

Power and Utilities:

- From 2021 to 2022, client emissions reductions and increases in client EVICs drove a 3% reduction in attributed financed emissions from the Power and Utilities portfolio despite an 8% increase in sector financing. We also saw an 11% decline in our FELI year over year, as our financing to lower intensity clients increased, including those generating renewable electricity.

Real Estate:

- **Commercial Real Estate (CRE):** We disclose financed emissions results for the portion of our commercial real estate exposure in Real Estate Investment Trusts (REITs). From 2021 to 2022, financing to REITs increased 49% on a committed basis, which is the primary driver of the 38% increase in the sector's financed emissions footprint. The composition of our financing to REITs in 2023 had a lower carbon intensity than 2022 as is evident by the 8% reduction in our FELI. We continue to work to improve our ability to estimate and report financed emissions for secured financing.
- **Residential Real Estate:** Our residential mortgage lending continues to grow, with a 9% increase in the portfolio balance from 2022 to 2023. However due to changes in our Real Estate Secured Lending (RESL) portfolio composition, this resulted in a negligible growth in the financed emissions footprint. This shift in our RESL portfolio composition is also evident in the 7% reduction in our FELI year over year. In 2023, our data quality score in the residential real estate sector increased as we improved our internal calculations and leveraged external databases to access more square footage data. We continue to explore relationships that could improve the quality of attributed emissions estimates and enable us to better monitor decarbonization progress within the portfolio.
- We continue to monitor and evaluate the data availability and coverage in the Real Estate sector, where we continue to encounter data challenges that prevent us from setting targets that we can meaningfully track against. For example:
  - **Commercial Real Estate:** We are working to improve data availability in order to footprint the secured commercial real estate portfolio, and are looking for methodologies to help estimate the emissions of underlying portfolio properties in this sector.
  - **Real Estate Secured Lending:** While we have made progress on our data coverage of square footage in Canada, we still rely on province- or state-wide averages to calculate this footprint. We continue to look for methodologies to help address the lack of accurate estimates and data for emissions from underlying residences.

Shipping:

- From 2021 to 2022, attributed financed emissions from the Shipping portfolio increased 4% despite a 5% reduction in portfolio financing, primarily due to an organic shift in our financing from rail to trucking, which is more carbon-intensive. This small shift in financing to a more carbon-intensive sub-sector or type of shipping drove the 10% increase in our FELI year over year.

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Data Quality

In accordance with PCAF guidance, data quality scores are reported for each sector and asset class on a scale of 1 to 5, with 1 being the highest-quality data (e.g., reported and audited emissions data) and 5 relying on estimation methodologies (e.g., economic intensity factors).[70] We use the most current data available for the applicable reporting years, at the time we calculate financed emissions, in accordance with PCAF guidance.[71]

Key Insights

- In general, data quality is better for larger public companies than for smaller public companies and private companies. As seen on the next page, we also observed better data quality for Scope 1 and 2 emissions compared to Scope 3 emissions, as Scope 3 emissions are reported by fewer companies.
- As seen on the next page, our data quality has improved for the Energy and Power and Utilities sectors due to an increased number of clients reporting their emissions as well as for the Retail sector due to improved methodologies.
- We continue to experience data challenges in the Agriculture sector, in which the majority of our clients are small, private commercial businesses with limited emissions data available, as well as in the Commercial Real Estate sector, for which we continue to work on our internal data systems to access relevant emissions data.

Net-Zero Pillars

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Data Quality and Coverage by Sector and PCAF Asset Class (Investments and Committed Lending Basis for Business Loans)[1,2,3,4,5,6,7,8,9,10,11,12,13]

2019–2023

	Business Loans, Investments[4]																Retail Loans			
Sector[2]	**Agriculture**		**Automotive**		**Aviation**		**Energy**		**Industrials**		**Power and Utilities**		**CRE REITs[3]**		**Shipping**		**Consumer Auto[7]**		**Residential Mortgages[8]**	
PCAF Data Quality Score (1–5)																				
Scope[5]	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3
2019	A 4.8	–	A 3.8	A 2.2	A 4.4	–	A 3.2	A 3.6	A 3.6	A 4.1	A 3.2	–	A 3.8	–	A 4.5	–	A 2.2	–	A 4.5	–
2020	A 4.8	–	A 3.7	A 2.2	A 4.3	–	A 2.9	A 3.5	A 3.5	A 4.0	A 3.1	–	A 3.5	–	A 4.3	–	A 2.2	–	A 4.5	–
2021	A 4.8	–	A 3.6	A 2.1	A 4.2	–	A 2.9	A 3.2	A 3.4	A 3.9	A 2.9	–	A 3.3	–	A 3.7	–	A 2.2	–	A 4.4	–
2022	A 4.7	–	A 3.7	A 2.1	A 4.1	–	A 2.8	A 3.3	A 3.3	A 3.7	A 3.0	–	A 3.6	–	A 4.1	–	A 2.2	–	A 4.4	–
2023	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	A 2.2	–	A 4.3	–
Percentage of TD Exposure Covered in Financed Emissions Measurements[11]																				
2019	94%		100%		100%		100%		100%		100%		25%		100%		100%		100%	
2020	99%		98%		100%		100%		93%		100%		28%		94%		100%		100%	
2021	100%		100%		100%		100%		98%		100%		28%		98%		100%		100%	
2022	100%		100%		100%		100%		100%		100%		34%		99%		100%		100%	
2023	–		–		–		–		–		–		–		–		100%		100%	
Percentage of Covered Exposure with Company-Reported Data (Business Loans, Investments Only)																				
Scope[5]	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3	1–2	3
2019	3%	–	33%	93%	10%	–	53%	24%	37%	12%	47%	–	30%	–	15%	–	–	–	–	–
2020	5%	–	40%	92%	14%	–	63%	28%	46%	10%	51%	–	43%	–	19%	–	–	–	–	–
2021	4%	–	44%	96%	19%	–	67%	45%	48%	4%	60%	–	52%	–	36%	–	–	–	–	–
2022	9%	–	43%	96%	27%	–	71%	42%	51%	22%	61%	–	44%	–	24%	–	–	–	–	–
2023	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Data Quality and Coverage by Sector and PCAF Asset Class (Investments and Committed Lending Basis for Business Loans)[1,2,3,4,5,6,7,8,9,10,11,12,13] continued

1 Exposures included within the financed emissions footprint differ from gross credit risk exposures disclosed in the quarterly Supplemental Regulatory Disclosure, which is used in the Climate Risk Heatmaps included in the Climate Risk Management section of the Sustainability Report. This is because TD uses industry-aligned sector classifications for financed emissions, whereas gross credit risk exposures are based upon Basel Pillar 3 sector classifications. Furthermore, for financed emissions, to better reflect emissions impacts, some exposures are manually reclassified between sectors where appropriate (e.g., government utilities and power generation facilities have been moved into "Power and Utilities" from "Government services").

2 Due to capacity constraints, focus was primarily placed on financed emission footprint estimation for industry-aligned carbon-intensive sectors; as such, all sectors defined by PCAF are not currently disclosed. For our fiscal 2025 reporting, we plan to revisit and update sector mapping and inclusion, in an effort to disclose in accordance with forthcoming OSFI regulations and PCAF guidance. The current priority sectors for financed emissions calculation and target-setting are "Agriculture, Aluminum, Cement, Coal, Commercial & Residential Real Estate, Iron & Steel, Oil & Gas, Power Generation, and Transport." TD uses the North American Industry Classification System (NAICS) to classify portfolio exposures for these sectors. Given the significance (high or low) of some of these sectors to the financed emissions attributed to TD, we have combined Cement, Aluminum, Iron & Steel, and other Metals & Mining under "Industrials" and have combined Oil & Gas and Coal under "Energy." Conversely, we have separated "Transport" into "Automotive," "Shipping" and "Aviation."

3 For Commercial Real Estate, financed emissions attributed to TD have yet to be estimated in accordance with the PCAF methodology due to internal challenges mining the required data. TD has calculated the attributed financed emissions from our lending to Real Estate Investment Trusts (REITs) using PCAF's Business Loans and Unlisted Equity methodology, as the majority of TD's lending to REITs are general-purpose business loans.

4 For Project Finance, financed emissions attributed to TD have yet to be estimated in accordance with the PCAF Project Finance methodology. TD's portfolio of lending exposures for Project Finance is insignificant compared to our general-purpose business lending exposures. As a result, the financed emissions attributed to TD are estimated in accordance with PCAF's Business Loans and Unlisted Equity methodology.

5 The financed emissions footprint does not include clients' Scope 3 emissions for all sectors due to a lack of data availability and quality. Consideration will be given in the future to include Scope 3 emissions for additional sectors as data availability and quality improve. Similarly, for sectors where we do calculate clients' Scope 3 emissions, we are unable to do so for all components of the value chain. Specifically, in the Automotive sector, the calculated clients' Scope 3 emissions only include Scope 3 downstream emissions associated with manufacturers of light-duty vehicles. In the Industrials sector, the calculated clients' Scope 3 emissions do not include Cement. In the Energy sector, the clients' Scope 3 emissions only include downstream emissions.

6 Results are based on Exiobase v3.7 with base year 2015, which reflects PCAF's version prior to March 2023. The Exiobase data has been treated for inflation up to 2018 and converted to USD using a 2018 exchange rate. Given we are using the previous database, the two-year time-lagged results do not yet reflect inflation to 2022. After our initial assessment, we discerned that inflation adjustments to 2022 did not have a significant impact on the footprint estimation.

7 Consumer auto loans (i.e., motor vehicle loans) include indirect loans executed through TD's Auto Finance group. This footprint does not include personal loans secured by automobiles. The 2022 and 2023 footprints are based on the latest average distance travelled by Canadian households in each province in 2021, which was the latest data published by Natural Resources Canada as of October 31, 2024. Consumer auto loans emissions will be restated in future reports, when more recent data is made available.

8 Excludes home equity lines of credit (HELOC) exposures in accordance with PCAF guidance.

9 In line with our recurring practice, financed emissions for certain sectors are being restated to reflect retroactive enhancements to the source data, as more clients report their emissions or estimation methodologies improve. As required by PCAF standards, we are currently developing a restatement standard to ensure consistency in the approach for restating emissions disclosures.

10 The footprint, on an absolute committed lending basis for business loans includes off-balance sheet arrangements (e.g., letters of credit, letters of guarantee and undrawn commitments), and is therefore based on internal criteria, instead of PCAF, which prescribes the drawn lending basis for business loans.

11 Percentage of TD Exposure Covered in Financed Emissions Measurements represents the percentage of TD's business lending that is included in attributed financed emissions footprint calculation relative to the total business lending for the respective sector or asset class. This value fluctuates year over year and sector by sector based on changes to our lending portfolio and the corresponding data availability. This coverage calculation excludes investments due to challenges with data availability, notwithstanding that the financed emissions footprint reflects investments, specifically on-balance sheet debt investments. We hope to rectify this consistency matter as we overcome data availability challenges in the future.

12 To calculate the financed emissions, the most recent external data available for the applicable period is used.

13 For lending exposures, as defined by PCAF, Cowen does not have any exposures in-scope. For investments, as defined by PCAF, Cowen's non-trading investments are in-scope; however, they are currently not reflected in the footprint as the exposures are insignificant. TD will continue to monitor these exposures and assess future inclusion in the footprint calculations.

Net-Zero Pillars

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Targets

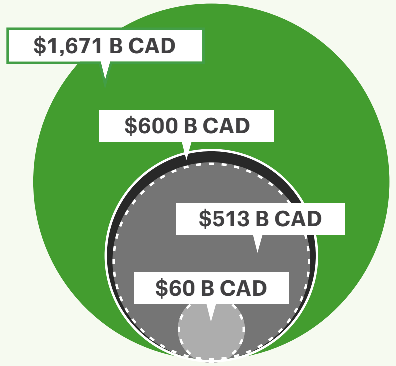
We set interim financed emissions targets in 2022 and 2023 across four high-emitting sectors where the Bank has significant exposure: Energy, Power Generation, Automotive Manufacturing and Aviation. We established a baseline across these sectors and continue to report progress against that baseline.

Percentage of Lending Covered by Our Financed Emissions Footprint and Targets

This graphic provides a comparative view of TD's carbon-intensive lending to total lending, and further sizes the lending captured within the financed emissions footprint and targets.

TD's Total Lending – $1,671 B CAD

Carbon-Intensive and Non-Carbon-Intensive Sectors/Asset Classes

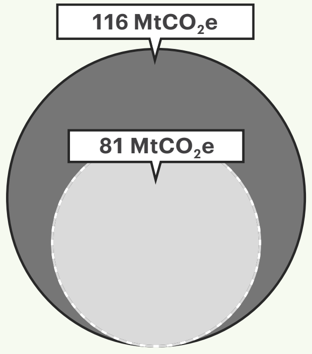


TD's Total Lending to Carbon-Intensive Sectors/Asset Classes – $600 B CAD (Represents 36% of TD's total lending)

TD's Lending in Scope of TD's Financed Emissions Footprint Disclosures – $513 B CAD (Represents 86% of TD's total lending to carbon-intensive sectors/asset classes)

TD's Lending in Scope of TD's Four Interim Financed Emissions Targets – $60 B CAD (Represents 10% of TD's total lending to carbon-intensive sectors/asset classes)

TD's Financed Emissions Footprint Disclosures (Retail and Non-Retail Lending Combined) – 116 $MtCO_2e$



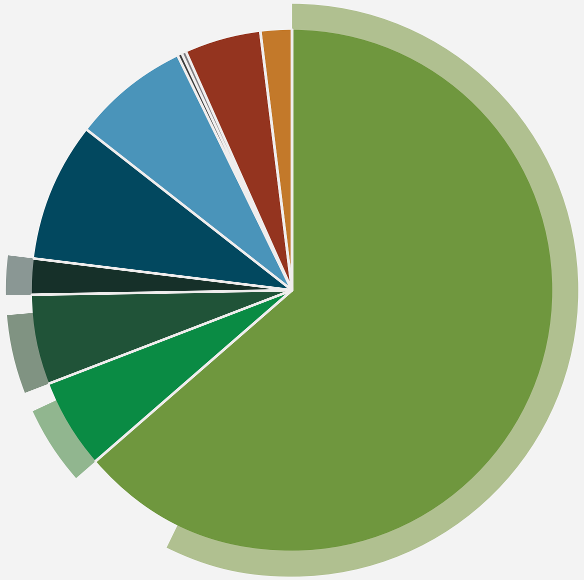
TD's Financed Emissions in Scope of TD's Four Financed Emissions Targets – 81 $MtCO_2e$ (Represents 70% of our financed emissions)

Percentage of Financed Emissions Covered by Interim Targets[1]

This graph illustrates the percentage of financed emissions included within the scope of the interim targets set for Energy, Power Generation, Automotive Manufacturing and Aviation.

Percentage of Financed Emissions in Scope of Target (Outer Circle)

Sector	Target Coverage	Covered Emissions	Scopes
Energy	90%	68.0 $MtCO_2e$	Scopes 1–3: 75.3 $MtCO_2e$
Power Generation	83%	5.3 $MtCO_2e$	Scopes 1–2: 6.4 $MtCO_2e$
Automotive Manufacturing	78%	5.2 $MtCO_2e$	Scopes 1–3: 6.7 $MtCO_2e$
Aviation	99%	2.7 $MtCO_2e$	Scopes 1–2: 2.7 $MtCO_2e$



Financed Emissions by Sector (Inner Circle)

- 75.3 $MtCO_2e$ Energy
- 6.4 $MtCO_2e$ Power and Utilities
- 6.7 $MtCO_2e$ Auto Manufacturing
- 2.7 $MtCO_2e$ Aviation
- 10.0 $MtCO_2e$ Agriculture
- 8.5 $MtCO_2e$ Industrials
- 0.4 $MtCO_2e$ Shipping
- 0.4 $MtCO_2e$ REITs
- 5.5 $MtCO_2e$ Consumer Auto Loans
- 2.1 $MtCO_2e$ Residential Mortgages

1 The financed emissions footprint reflects TD's business lending as well as on-balance sheet debt investments (e.g., corporate bonds). The financed emissions interim targets reflect TD's business lending and capital markets activity. For further information, please refer to Footprint Versus Targets.

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Financed Emissions Interim Targets[1,2]

2030 Targets	Energy	Power Generation	Automotive Manufacturing	Aviation
Target Metric – Financed Emissions Lending Intensity (FELI) or Physical Emissions Intensity (PEI)[3]	FELI (gCO_2e/$)	PEI ($kgCO_2e$/MWh)	PEI (gCO_2e/vkm)	PEI (gCO_2e/pkm)
2019 Emissions Intensity Baseline	2,442	388	181	89
2030 Emissions Intensity Target[4]	1734 (-29%)	156 (-60%)	91 (-50%)	80 (-10%)
2021 Emissions Intensity	2,355	363	180	91
YoY Impact of EVIC Fluctuations	-551	–	–	–
YoY Impact of Portfolio and Client Emission Changes	247	-13	-3	-4
2022 Emissions Intensity	2,051	350	177	87
2019–2022 Emissions Intensity % Change (FELI or PEI)	-16%	-10%	-2%	-2%
Reference Scenario[5]	IEA Net Zero (2021)	IEA Net Zero (2021)	IEA Net Zero (2022)	IEA Net Zero (2022)

1 Interim financed emission targets cover the period from 2019 (the baseline year) through to 2030. Due to the lag in GHG emissions reporting, and the two-year lag in financed emission disclosures, 2030 results will be disclosed in our 2032 disclosures.
2 The 2030 interim financed emissions targets include non-retail lending exposures as well as capital market activities.
3 For the Energy sector target, gCO_2e/$ are the grams of carbon dioxide equivalent per Canadian dollar lent to the sector. For Power Generation, $kgCO_2e$/MWh are the kilograms of carbon dioxide equivalent per megawatt hour of electricity generated. For Automotive Manufacturing, gCO_2e/vkm are the grams of carbon dioxide equivalent per vehicle kilometre driven. For Aviation, gCO_2e/pkm are the grams of carbon dioxide equivalent per passenger kilometre travelled in a plane.
4 The 2030 target for the Energy sector has been restated given its updated 2019 baseline. This target is calculated based on a target portfolio contraction percentage (i.e., a percentage reduction of 29% below the 2019 baseline). The previous target for the Energy sector was 1,556 gCO_2e/$.
5 The most current IEA reference scenarios available at the time were used in the development of each target.

Updated 2019 Baseline Data

The 2019 baselines for the four targets have been restated due to continued enhancements in our calculation capabilities, data access and quality and internal emission factors. Data availability and quality continues to improve as company emissions reporting increases and third-party data providers improve their aggregation and estimation capabilities. For more information, please see the Caution Regarding Forward-Looking Statements.

For each target, we selected a metric that we assessed is most appropriate for evaluating decarbonization within each sector.[72] Please see our Advancing Our Climate Action Plan: Methodology for TD's Interim Financed Emissions Targets and pages 46–50 of our 2022 Climate Action Report for details on these metrics and their selection at the time of initial publication.

For information on our target-setting approach and how it differs from our footprint approach, see Footprint Versus Targets.

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Sector and Asset Coverage

Energy Target

Approach to Target Setting

Scope of Client Emissions	Scopes 1, 2 and 3
Metrics	FELI
Measurement	Grams of Carbon Dioxide Equivalent per Canadian Dollar Lent (gCO_2e/$CAD)
Assets Classes Included	Lending (Committed Basis), Capital Market Activity – Equity Capital Markets (ECM) and Debt Capital Markets (DCM)
Sub-Sectors Included	Coal, Oil and Gas – Upstream, Midstream, Downstream, Integrated
Scenario	International Energy Agency's Net Zero Emissions Scenario (2021)
Contraction/Convergence Approach	Contraction Approach – for the Energy sector, TD set a target to contract our FELI by 29%, which aligns to the contraction of the emissions for the Energy sector in the IEA's Net Zero Scenario

Progress

North American oil production increased about 5% and gas production increased over 4% in 2022, as companies in the region work to ensure steady and secure energy supply to meet demand,[73] reflecting the broader geopolitical context. As a result, we saw increases in production and corresponding emissions for many of our clients. We saw the trend continue in 2023, with North American oil production increasing over 6% year-over-year (versus 2022) and North American gas production increasing 4% year-over-year.[74]

Similar to previous reporting cycles, we note the impact that fluctuations in company valuations (i.e., EVIC) have on estimated results. Financed emissions are based on the ratio of client financing to the client's EVIC, and in 2022, client EVIC values increased at a faster rate than our committed lending, resulting in a reduction in our 2022 FELI results.

The 2030 interim target for the Energy sector is a 29% reduction in FELI from a 2019 baseline. In the most recent results (2022), FELI decreased 13% from 2021, representing a 16% cumulative reduction from the 2019 baseline.

Power Generation Target

Approach to Target Setting

Scope of Client Emissions	Scope 1
Metrics	PEI
Measurement	Kilograms of Carbon Dioxide Equivalent per Megawatt of Electricity Produced ($kgCO_2e$/MWh)
Assets Classes Included	Lending (Committed Basis), Capital Market Activity – Equity Capital Markets and Debt Capital Markets
Sub-Sectors Included	Electricity Generation
Scenario	International Energy Agency's Net Zero Emissions Scenario (2021)
Contraction/Convergence Approach	Convergence Approach – for the Power Generation sector, TD set a target to converge to the actual 2030 level of $kgCO_2e$/MWh for the Power Generation sector as set out in the IEA's Net Zero Scenario

Progress

The renewable electricity generated in North America continued to increase in 2022, rising over 7%.[75] Since 2019, progress against the target has been largely attributed to a growth in the average share of renewable in total power generation across our clients with available production data. In 2022, our clients' average renewable share of production was higher than the overall North American share as they continue to drive renewable growth.

The 2030 interim target for the Power Generation sector is a 60% reduction in PEI (kilograms CO_2e per megawatt hour of power produced) from a 2019 baseline. In the most recent results (2022), PEI decreased 4% from 2021, representing a 10% cumulative reduction from the 2019 baseline.

Net-Zero Pillars

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Automotive Manufacturing Target

Approach to Target Setting

Scope of Client Emissions	Scopes 1, 2 and 3
Metrics	PEI
Measurement	Grams of Carbon Dioxide Equivalent per Vehicle Kilometre (gCO_2e/vkm)
Assets Classes Included	Lending (Committed Basis), Capital Market Activity – Equity Capital Markets and Debt Capital Markets
Sub-Sectors Included	Original Equipment Manufacturers of Light-Duty Vehicles
Scenario	International Energy Agency's Net Zero Emissions Scenario (2022)
Contraction/Convergence Approach	Contraction Approach – for the Automotive Manufacturing sector, TD set a target to contract our PEI by 50%, which aligns to the contraction of the emissions for the Automotive sector in the IEA's Net Zero Scenario

Progress

Global sales of electric vehicles (EVs) rose by 55% in 2022, with North American sales, where most of our exposures are based, also rising but at a slower pace.[76] In 2022, EVs represented 3% of all light-duty vehicles registered in Canada.[77] However, at the same time, use of internal combustion engines also increased as evidenced by the rise of sales in fuel for road vehicles in Canada.[78] At TD, our automotive manufacturing clients have shifted their vehicle production to support the growth of EVs, with all having steadily grown their share of zero emissions vehicles since 2019.

The 2030 interim target for the Automotive Manufacturing sector is a 50% reduction in PEI (grams CO_2e per vehicle kilometre travelled of our clients' light-duty vehicle fleets) from a 2019 baseline. In the most recent results (2022), PEI decreased 2% from 2021, a cumulative 2% reduction from the 2019 baseline.

Aviation Target

Approach to Target Setting

Scope of Client Emissions	Scope 1 and Scope 3 of Lessors
Metrics	PEI
Measurement	Grams of Carbon Dioxide Equivalent per Passenger Kilometre (gCO_2e/pkm)
Assets Classes Included	Lending (Committed Basis), Capital Market Activity – Equity Capital Markets and Debt Capital Markets
Sub-Sectors Included	Aircraft Owners and Operators – passenger airlines, including leased aircraft
Scenario	International Energy Agency's Net Zero Emissions Scenario (2022)
Contraction/Convergence Approach	Convergence Approach – for the Aviation sector, TD set a target to converge to the actual 2030 level of gCO_2e/pkm as set out in the IEA's Net Zero Scenario

Progress

The International Civil Aviation Organization estimated that over 3.3 billion passengers were carried on scheduled flights in 2022, representing over 43% growth compared to 2021[79] as air travel continues to increase toward pre-pandemic levels (estimated 4.5 billion passengers in 2019).[80]

The 2030 interim target for the Aviation sector is a 10% reduction in the PEI (grams CO_2e per passenger kilometre travelled) from a 2019 baseline. In the most recent results (2022), PEI decreased 4% from 2021, representing a cumulative 2% reduction from the 2019 baseline.

Declines in passenger load factor[81] (which is the percentage of seats filled by passengers) during the COVID-19 pandemic drove volatility in year-over-year results. As such, we chose to normalize the results by keeping load factor constant at the 2019 international level of 82%.[82] In 2022, the international passenger load factor was 79%,[83] approaching its pre-pandemic level. We will consider reverting to in-year load factors in future reporting cycles.

Pillar 2: Addressing Financed Emissions Attributed to TD continued

Challenges

While we continue to make progress on the measurement and management of the financed emissions attributed to TD, there are a number of industry-wide challenges on the path to net zero.

Data Volatility, Availability and Quality

The below data challenges occur in some sectors, lowering data quality and limiting the utility of target-setting. We have used our judgement, informed by industry guidance and practices, to develop what we believe to be reasonable approaches for the Bank at this time, and to report transparently on our progress.

- **Data Volatility:** As shown in the Footprint section, EVIC is a key component of the absolute financed emissions calculation. EVIC is based, in part, on stock market activity and companies' market capitalization and, therefore, fluctuates with the market, causing synthetic volatility in financed emissions measurements. As such, during periods of market volatility, EVIC can overshadow changes in real-world GHG emission levels, leading to false signals of progress on financed emissions. This reflects a challenge banks face when relying on financed emissions as a measure of client decarbonization. Potential solutions for this challenge include smoothing approaches and supplementing with additional metrics.
- **External Data Availability and Quality:** While expectations on disclosures increase, lack of reported data is still a reality in some sectors. In these cases, emission factors and averages are used in accordance with PCAF guidance, resulting in low data quality scores since these estimates may not accurately reflect the real-world GHG emissions of our clients.
- **Internal Data Availability and Quality:** For our Commercial Real Estate (CRE) portfolio, we continue to face challenges with our ability to mine the emissions data (e.g., collateral) required by PCAF guidance for the CRE asset class. This internal data challenge has limited our ability to accurately estimate and set targets for the CRE asset class.

To support progress on these challenges, climate data remains one of the priority areas of our climate engagement approach.

For information on how we are working to improve data quality and availability and reduce volatility through our engagements, see the External Engagement section.

Resourcing

Over the past year, we have focused on preparing disclosure under OSFI's Guideline B-15: Climate Risk Management and other emerging regulatory frameworks. To help make progress on our Climate Action Plan, we continue to invest strategically in our Transition Program in order to build the capabilities and infrastructure needed to support progress over the long term.

For information on how we are working to build our internal capabilities, including growing our ESG talent pipeline, see the Internal Capability Building section.

External Landscape

Achieving reductions in financed emissions ultimately relies on the decisions and actions of our clients. Additionally, achieving reductions at the pace and scale for net zero by 2050 will require supportive policy, scalable low-carbon technology and changes in global consumption habits.

Unfortunately, research indicates that the world is moving at a pace slower than needed to limit warming to 1.5ºC.[84] Many real-economy companies are making progress on decarbonization; however, slower than their stated goals. Consumer habits are also slow to change among pressing issues such as the rising cost of living. At the country level, polarized political landscapes have limited policy action and progress. For example, ongoing debate of carbon reduction policies creates investment uncertainty for companies considering decarbonization activities.

For information on our client engagement, see the Capital Flows and Processes section.

For information on our external engagement, including with government, regulators and standard-setters, see the External Engagement section.

Transition Enablers

Governance and Oversight

Achieving emission reductions at pace and scale for net zero by 2050 requires ambitious action from multiple stakeholders. As such, we recognize that one of the most important roles that we can play is that of a convener of stakeholders and collaborator on solutions in support of the transition. We intend to focus efforts in five areas to be an enabling partner in the low-carbon transition: **Governance and Oversight, Climate Risk Management, Capital Flows and Processes, Internal Capability Building, and External Engagement.**

Our approach to sustainability governance, including climate, helps us make progress against our transition activities supported by strong management oversight to allow climate-related risks and opportunities to be identified and assessed, as well as mitigated and elevated, respectively, as needed.

Given the scale of our enterprise, we are cognizant that robust climate governance processes are only made possible with a solid structure, clear communication and appropriate coordination between all levels of the Bank and between corporate functions and lines of business. We believe that strong Board and executive-level oversight of climate-related risks and opportunities and the setting, monitoring and reviewing of key metrics and targets is needed for assessing and managing potential impacts on our business strategies and financial performance. As a result, we have integrated the oversight, assessment and management of climate-related risks and opportunities into our existing governance structures.

For information on the governance and strategic and decision-making bodies that help enable the implementation and monitoring of our sustainability strategy, including our Climate Action Plan, see Integrating Sustainability Governance and Strategy.

Board of Directors Oversight

TD's Board and its committees provide oversight of the Bank's strategic approach to sustainability, including climate-related risks and opportunities, and engage with management on climate-related topics throughout the year. For example, the Corporate Governance Committee reviews the Bank's sustainability strategy, the introduction of select new targets and monitors progress toward those targets. In addition, all newly elected members of the Board of Directors receive an orientation on sustainability, with continuing education opportunities provided.

For information on the Board and Board Committees' engagement on sustainability topics, see pages 32 and 112–114 in the 2025 Management Proxy Circular.

For information on Board Director biographies (including skills and competencies), TD's approach to executive compensation and a summary of key topics discussed with the Board and Board Committees, see pages 31–34, 51, 58 and 112–114 in the 2025 Management Proxy Circular and view Role of the Board of Directors and Committees of the Board.

Management Oversight

Executive Leadership

At TD, the Chief Executive Officer (CEO) is ultimately accountable for the execution of our Climate Action Plan. The ESG Senior Executive Team (SET) Forum, which consists of senior executives from our lines of business and corporate functions, provides advisory on sustainability (including climate) strategy development. In addition, our management committees, forums and councils provide oversight and support management accountability for our Climate Action Plan, and guide, challenge and advise on existing and emerging E&S (including climate) risks and opportunities.

For information on the management committees, forums and councils that provide oversight of our sustainability strategy, including our Climate Action Plan, see Integrating Sustainability Governance and Strategy.

Executing on Our Climate Action Plan

Our corporate functions and lines of business work together to help implement and operationalize our Climate Action Plan. These groups are also responsible for identifying, owning and managing E&S risks, including climate-related risks, in their respective areas. This includes incorporating E&S risk assessments into governance and business-as-usual processes, including those for new clients and transactions. We continue to work to integrate climate capabilities into our corporate functions and lines of business to help reinforce ownership and accountability across the enterprise.

For information on the corporate functions and lines of business working to implement and operationalize our sustainability strategy, including our Climate Action Plan, see Integrating Sustainability Governance and Strategy.

Transition Enablers

Climate Risk Management

Focus on Climate-Related Risk

Transitioning towards net zero and adapting our business to a low-carbon economy presents a change to the Bank. Risk management helps us to anticipate and reduce the challenges that come with change. As such, risk management is an important component of transition planning. Managing our climate-related risks helps us adapt to changes in our operating environment, as well as identify potential climate-related opportunities for the Bank.

Approach to Identifying, Assessing and Managing Climate-Related Risks

Management of environmental & social (E&S) risk, including climate-related risk, remains an enterprise-wide priority for the Bank and climate change presents an interconnected set of risks and opportunities for TD. Developing insights into our risk exposures and proactively working to manage them helps to protect the Bank from the impacts of climate change, as well as adapt our business and financing activities for the low-carbon economy.

Aligned with TD's Enterprise Risk Framework (ERF) and enterprise risk management processes, we define climate-related risk and our approach to climate-related risk management within our Enterprise E&S Risk Framework.

Defining Climate-Related Risk

Climate-related risk is the risk of reputational damage and/or financial loss or other harm resulting from the physical and transition risks of climate change to the Bank, its clients or the communities in which we operate.

Climate-related risks include:

- **Physical risks** that arise from the consequences of a changing climate, which include acute physical risks stemming from extreme weather events happening with increasing severity and frequency (e.g., wildfires and floods) and chronic physical risks stemming from longer-term, progressive shifts in climatic and environmental conditions (e.g., rising sea levels and global warming).
- **Transition risks** that arise from the process of shifting to a low-carbon economy, influenced by new and emerging climate-related public policies and regulations, litigation and potential litigation, changing societal demands and preferences, technologies, stakeholder and shareholder expectations and legal developments.

Climate-related risk is a transverse risk that drives both financial (e.g., credit, market, insurance) and non-financial (e.g., legal, regulatory, strategic, operational, reputational) risks across all the Bank's major risk categories. Assessing climate-related risk and its impacts must account for the diverse nature of our exposures and our product offerings.

Climate-Related Risk Management Process

1. **Risk Identification and Assessment** focuses on understanding and prioritizing climate risks related to the Bank's internal business activities and operations, as well as its external environment. Climate risks identified by TD are assessed for prioritization. Given the dynamic ESG landscape, increased regulatory focus and heightened stakeholder interest, the Bank continues to refine its definition of climate risk and its climate risk inventory. Our Climate Risk Heatmap is one tool the Bank uses to identify climate risk vulnerabilities across multiple industry sectors in order to prioritize our risk management activities for industry sectors assessed as having higher impacts (see Climate Risk Heatmaps for more information). In addition, climate-related financial risk assessments of non-retail clients are conducted through completion of our Borrower Climate Change Assessment Tool, which represents one of several inputs into the Bank's overall risk assessment of a proposed transaction.
2. **Measurement** practices continue to evolve and help support the Bank's ability to provide timely and accurate quantification of the risks assumed. The Bank also continues to enhance its E&S risk metrics program by developing and operationalizing climate-related metrics for the monitoring of select major risk categories (e.g., credit, reputational, strategic and operational risks). We continue to develop tools and programs to help quantify our exposure to climate-related risk, such as our climate scenario analysis and stress-testing methodologies.
3. **Control** is supported by our continued progress on embedding climate risk into our enterprise E&S Risk Framework and supporting risk programs and processes. Examples include the E&S Risk Assessment Tool, which represents one of several inputs into the Bank's overall risk assessment of evaluating risk in non-retail lending transactions and the incorporation of E&S risk considerations into TD's Change Risk Framework.
4. **Monitoring and Reporting** of climate risk includes our qualitative climate Risk Appetite Statement measure and E&S Risk Dashboard, which are reported to the Risk Committee of the Board on a quarterly basis through established enterprise risk governance processes. The Bank continues to mature its reporting and enable deeper insights for executive decision-making, including improved granularity on industry-specific metrics. Our ESG Risk Team is an independent oversight function that monitors E&S risk across the enterprise.

See Protecting the Bank for more information.

In support of our Enterprise E&S Risk Framework, our enterprise-wide E&S Risk Policy requires all lines of business and corporate functions to identify, assess, monitor, establish controls and report on E&S risks, including climate-related risk. Lines of business and corporate functions have embedded governance and controls into their procedures to manage climate-related risks, including those which arise from climate-related opportunities. Lines of business and corporate functions certify annually, as appropriate, their compliance with the E&S Risk Policy requirements.

Our E&S Target Operating Model (TOM) and associated implementation plan supports our ongoing work to implement TD's Climate Action Plan and manage climate-related risks through workstreams, including those dedicated to E&S Risk and Governance and the Climate Scenario Analysis Program.

For more information about our E&S Target Operating Model, please see Internal Capability Building.

Transition Enablers

Climate Risk Management continued

Our Climate Risks

To support the Bank's ability to identify, assess, monitor, mitigate and report climate-related risks, TD maintains a climate risk inventory, which illustrates the transverse nature of physical and transition risks across our major risk categories. Our climate risk inventory provides examples of how these climate-related risks could impact the Bank's operations, business activities, products, clients, or the communities in which TD operates, which could manifest across any of TD's climate time horizons. In accordance with TCFD definitions we define physical risks as risks that arise from climate- and weather-related events that can result in financial losses or other adverse organizational impacts. We define transition risks as risks that arise from the process of adjustment toward a low-carbon economy.

Our Climate Risk Inventory

Risks		Definition	Potential Events[1]		Potential Impacts[2]	
Physical Risks	**Acute**	Extreme weather events happening with increased severity and frequency	• Supply chain disruptions • Heatwaves • Cold waves • Riverine flooding	• Coastal flooding • Wildfires • Storms • Landslides or avalanches	• Decreased profitability due to higher production costs • Increased damage to real property assets and facilities, infrastructure and equipment • Increased costs due to damage to agricultural, industrial, and residential properties	• Impacts on business activity and continuity • Increased insurance costs • Impacts on electricity generation, coastal tourism, and agricultural industries • Increased damage to roadways impacting transportation
Physical Risks	**Chronic**	Longer-term, progressive shifts in climatic and environmental conditions	• Changes in mean precipitation • Water stress • Changes in mean wind speed • Sea level rise • Coastal erosion	• Changes in pelagic zone of ocean (e.g., salinity, acidity, etc.) • Changes in mean temperature • Changes in mean volume of snow and ice • Changes in thickness of permafrost • Drought	• Increased property insurance and labour insurance costs • Increased operational costs from business interruptions • Loss of land, infrastructure, or property	• Impacted marine species population affecting the fisheries industry • Decreased crop production, affecting the agricultural industry
Transition Risks	**Policy**	Policy or regulatory changes that reduce, or accelerate, the adverse effects of climate change or promote/hinder adaptation to climate change	• Policy changes that accelerate or require decarbonization	• Changes to the level, speed or nature of enforcement of policies related to decarbonization	• Increased operational costs to comply with new policies (e.g., carbon pricing, carbon footprint disclosures)	• Market entry barriers caused by policy changes • Increased financial losses from pro/anti-ESG policies
Transition Risks	**Technology**	Developments and improvements, or lack thereof, in technologies to support the transition to a low-carbon environment	• Availability of alternative technologies that are climate-friendly • Availability of decarbonization technologies	• Availability of technologies that enable or support decarbonization technologies	• Increased operational costs to shift to climate-friendly technologies • Loss of competitive advantage or market share due to delayed or limited adoption of climate-friendly technologies	• Reduced cash flow due to adoption costs of new decarbonization technologies
Transition Risks	**Reputation**	Changes in the perception of an organization's plan to transition to a low-carbon environment	• Customer preferences shift toward lower-carbon alternative products or services • Employees avoid working for companies associated with carbon-intensive activities	• Customers have partners (e.g., suppliers, vendors) that participate in carbon-intensive activities	• Increased costs to attract and retain customers • Decreased sales due to changing customer preferences	• Increased training and recruitment costs for employees • Increased marketing costs to maintain brand image
Transition Risks	**Market**	Changes in market supply and demand for certain products and services due to climate-related risks and opportunities	• Insurers avoid insuring customers engaged in carbon-intensive activities	• Investors avoid investing in carbon-intensive activities	• Slow business expansion caused by decreased investment and inability to purchase assets • Decreased profitability • Insufficient cash flow to cover operational costs	• Higher insurance costs • Higher retention of insurance losses • Limitations on growth prospects
Transition Risks	**Legal**	Legal developments related to climate risk mitigation, adaptation or disclosure	• Climate-related legal and regulatory changes • Litigation or regulatory enforcement associated with action taken or not taken to mitigate climate change, adapt to climate change, or provide adequate climate-related disclosures		• Increased litigation and regulatory costs • Reputational harm • Operational interruptions and associated costs	

1 TD's Climate Risk Inventory was developed by leveraging the TCFD methodology. For physical risk, publications from the Intergovernmental Panel on Climate Change (IPCC) were utilized to identify physical risk drivers appropriate to TD's geographic locations. TD will continue to validate and refine its Climate Risk Inventory as it considers appropriate.

2 Identified impacts are for illustrative purposes and represent potential impacts on TD or its clients.

In the past year, increased insurance claims were noted due to severe acute physical risk events. Refer to TD's 2024 Annual Report for further details. We continue to monitor the financial impacts arising from climate-related risks across the Bank.

Climate Risk Management continued

Heatmap

Our Climate Risk Heatmap ("the Heatmap") was developed in 2021 by leveraging our climate risk inventory, as noted on the previous page. It visually represents the Bank's sensitivity to long-term climate-related risks by industry sector or geographic location. The Heatmap is a risk management identification tool that we developed to gain a better understanding of how climate risks might affect the Bank through our clients. We have created heatmaps for the following sectors: Non-Retail, Real Estate Secured Lending, Indirect Auto Lending, Own Real Estate Operations.

The Heatmap has helped us to prioritize sectors and geographic locations for risk assessment and measurement work based on scenario analysis. The Heatmap has also helped us build other risk management processes and actions, particularly within credit risk management, such as industry risk ratings and deal screenings, and our Physical Climate Risk Identification Framework.

Heatmap: Non-Retail

Our non-retail heatmap uses a sensitivity scale we developed to show the potential impact (i.e., low to high) across various transition and physical risks, while also considering the impact to overall industry sector earnings. Sensitivities are determined based on both qualitative and quantitative analysis over a 10-year forward-looking horizon to the overall industry sector. These sensitivities to climate risk drivers are based on an inherent risk assessment of the industry sector and do not represent the risks specific to TD's clients. Impact to our clients depends on factors such as the location of physical assets, business activities, and management action taken to mitigate the risks (e.g., the ability of a borrower to absorb the costs of transition). Our non-retail heatmap helps us identify industry sectors to focus on in the short-term to better understand, assess, measure, and manage our climate risk exposure, and is not an indication that we will cease financing clients in any particular sector.

Carbon-Related Assets

Carbon-Related Assets Relative to Total Assets is a climate-related risk metric that measures exposure to carbon-related assets relative to our total (retail and non-retail) gross credit risk exposure (excluding counterparty credit risk exposures to repo-style transactions and over-the-counter (OTC) derivatives).[85] This metric can be used to monitor concentrations in and exposure to climate-sensitive industry sectors over time.

TCFD's 2021 implementation guidance suggests that banks define carbon-related assets as "those assets tied to the four non-financial groups identified by the Task Force in its 2017 report" (Energy, Transportation, Materials and Building, and Agriculture, Food and Forest products), with consideration for the exclusion of "industries or sub-industries that are appropriate to exclude, such as water utilities and independent power and renewable electricity producer industries."[86] Following this guidance, TD's total exposure to carbon-related assets totalled $272 billion as of October 31, 2024 or 15.3% of our total gross credit risk exposure.

In accordance with TCFD's 2021 guidance, borrowers within the following sub-industries have been excluded from TD's carbon-related assets calculation: water utilities, waste management systems, renewable electricity producers, and nuclear electricity producers. We completed a review of borrowers' operations and, where applicable, included exposures deemed to be carbon-related in the metric calculation to address the potential limitation that some carbon-related exposures may exist outside of TCFD's four non-financial groups (e.g., government/public sector entities engaged in power generation).

The Bank's approach to calculating carbon-related assets will continue to evolve as TD considers the application of industry guidance, standards and best practices.

Transition Enablers

Climate Risk Management continued

Low Impact – High Impact

Counterparty Type	Industry Sector	Transition Risk					Physical Risk		Gross Credit Risk Exposures ($ millions)[1]	Gross Credit Risk Exposures as % of Total Non-Retail	Carbon-Related Assets ($ millions)[2,3]	Carbon-Related Assets as % of Total Assets[1]
		Policy	Technology	Reputation	Market	Legal	Acute	Chronic				
Non-Retail[4,5]	Real Estate								$114,686	11.9%	$114,686	6.4%
	Agriculture								$12,658	1.3%	$12,658	0.7%
	Automotive								$24,349	2.5%	$24,421	1.4%
	Financial								$88,919	9.2%	$–	0.0%
	Food, beverage and tobacco								$13,175	1.4%	$13,175	0.7%
	Forestry								$2,429	0.3%	$2,429	0.1%
	Government, public sector entities and education								$487,463	50.6%	$–	0.0%
	Health and social services								$34,393	3.6%	$–	0.0%
	Industrial construction and trade contractors								$10,830	1.1%	$10,830	0.6%
	Metals and mining								$9,274	1.0%	$9,274	0.5%
	Oil and gas								$11,371	1.2%	$11,371	0.6%
	Power and utilities								$36,250	3.8%	$19,508	1.1%
	Professional and other services								$36,311	3.8%	$–	0.0%
	Retail sector								$14,240	1.5%	$–	0.0%
	Sundry manufacturing and wholesale								$25,603	2.7%	$25,603	1.4%
	Telecommunications, cable and media								$14,190	1.5%	$–	0.0%
	Transportation								$13,736	1.4%	$14,323	0.8%
	Other								$13,857	1.4%	$14,211	0.8%
	Total (non-retail)								**$963,734**	**100.0%**	**$272,490**	
	Total (retail and non-retail)								**$1,785,685**		**$272,490**	**15.3%**

1 As reported under Basel Pillar 3 CRB (e) columns A, B and C; see TD's 2024-Q4 Supplemental Regulatory Disclosure, page 25, Line #9, where the total (retail and non-retail) gross credit risk exposures (excluding counterparty credit risk exposures to repo-style transactions and over-the-counter (OTC) derivatives) amounts to $1,785,685 and represents Total Assets for the purpose of the carbon-related assets relative to total assets climate-related risk metric.

2 Please refer to the footnote above for the basis of the carbon-related assets calculation. In addition, adjustments have been made in accordance with how carbon-related assets are defined by TCFD's 2021 Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures, which states "those assets tied to the four nonfinancial groups identified by the Task Force in its 2017 report," with consideration for exclusion of "industries or sub-industries that are appropriate to exclude, such as water utilities and independent power and renewable electricity producer industries". Available at: https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing_Guidance.pdf

3 To address the potential limitation that some carbon-related exposures pertaining to the TCFD's four non-financial groups may be classified in other industry sectors, a review of borrowers' operations was completed. In cases where government and public sector entities engaged in power generation were deemed to be carbon-related, applicable exposures were reclassified to the Power and Utilities industry sector and included in the carbon-related metric calculation.

4 The scope of the heatmap includes certain gross credit risk exposures, namely, non-retail exposures by industry sector, which includes loans, debt securities and deposits with other financial institutions. It reflects TD's banking book positions and excludes the insurance business.

5 Commercial real estate is included in the non-retail heatmap.

Transition Enablers

Climate Risk Management continued

Heatmap: Real Estate Secured Lending (RESL)

The heatmap we developed for our RESL portfolio uses a similar sensitivity scale to show the potential impact to residential homeowners and the Bank (i.e., low to high) across various transition and physical risks, considering the impact on property value as a result of anticipated property damage resulting from climate-related risks. The sensitivities are determined based on both a qualitative and quantitative analysis for a forward-looking horizon from now to 2030 in the applicable geographic locations. The sensitivities to climate risk drivers are based on an inherent risk assessment, where there is no consideration of mitigation measures (e.g., loan-to-value ratios, insurance coverage, ability of a borrower to absorb the cost of physical risk events). We provide a granular view of the acute physical risk ratings for Canada RESL and U.S. RESL, considering three hazard types: flood, wildfire and hurricane. Each hazard risk is evaluated at the individual asset level (for each individual residential property), and then aggregated to the jurisdictional level, incorporating insights from both expert judgement and third-party analytics providers based on likelihood of the physical event and the expected property damage. This view provides a snapshot of our portfolios' sensitivities to each hazard type. Country-level acute physical risk ratings for the RESL heatmap were arrived at by taking the maximum hazard rating.

Low Impact High Impact

Counterparty Type	Jurisdiction	Transition Risk					Physical Risk		Outstanding Loan Balance ($ millions)	% of Total RESL
		Policy	Technology	Reputation	Market	Legal	Acute	Chronic		
Retail	Canada Real Estate Secured Lending (RESL)								$396,105	85%
	U.S. RESL								$70,105	15%
	Total								**$466,210**	**100.0%**

Low Impact High Impact

Counterparty Type	Jurisdiction	Physical Risk		
		Acute		
		Flood	Wildfire	Hurricane
Retail	Canada Real Estate Secured Lending (RESL)			
	U.S. RESL			

Heatmap: Indirect Auto Lending

The indirect auto lending heatmap utilizes a similar sensitivity scale to show the potential impact to the client (i.e., low to high) across various transition and physical risks, considering impact to indirect auto lending sector earnings.[87] The sensitivities are determined based on both a qualitative and quantitative analysis over a 10-year forward-looking horizon. The sensitivities to climate risk drivers are based on an inherent risk assessment, where there is no consideration of mitigation measures (e.g., loan-to-value ratios, insurance coverage, ability of a borrower to absorb the cost of physical risk events).

Low Impact High Impact

Counterparty Type	Jurisdiction	Transition Risk					Physical Risk		Outstanding Loan Balance ($ millions)
		Policy	Technology	Reputation	Market	Legal	Acute	Chronic	
Consumer installment and other personal	Indirect Auto Lending (Canada and U.S.)								$72,818

Climate Risk Management continued

Heatmap: Own Real Estate Operations

The own real estate operations acute physical risk heatmap utilizes a similar sensitivity scale to show the potential impact (i.e., low to high) to the Bank's own real estate operations property values, as a result of anticipated property damage due to acute physical risk. For the applicable geographic locations, the sensitivities consider three hazard types: flood, wildfire and hurricane and are determined based on both a qualitative and quantitative analysis for a forward-looking horizon from now to 2030. Each hazard risk is evaluated at the individual asset level then aggregated to jurisdictional level, incorporating insights from both expert judgement and third-party analytics providers based on likelihood of the physical event and the expected property damage. The sensitivities are based on an inherent risk assessment, where there is no consideration of mitigation measures (e.g., insurance coverage).

The heatmaps involve an iterative process, where the framework and methodology will continue to be progressively refined over the next few years, as capabilities and data availability improve. We will also continue to assess opportunities to expand the scope of our heatmaps to cover additional portfolios across TD's assets and operations.

Low Impact High Impact

Jurisdiction	Physical Risk		
	Acute		
	Flood	Wildfire	Hurricane
Operations in Canada			
Operations in U.S.			

Climate Risk Management continued

Climate Risk Categories

We recognize that climate-related risks have a wide range of impacts on our business model and value chain. Climate-related risks are transverse in nature and can drive both financial (e.g., credit, market, insurance) and non-financial (e.g., legal, regulatory, strategic, operational, reputational) risks across the Bank's major risk categories.

Risk Category	Potential Drivers of Climate-Related Risks	Operationalizing Climate-Related Risk Management in our Risk Management Life Cycle	
Insurance Risk	The risk of financial loss due to increased claim liabilities resulting from incremental impacts of climate change on weather-related events, and/or risk of geographic concentration.	• TD Insurance began the development of climate-related metrics in preparation for upcoming regulatory requirements; more specifically, TD Insurance is preparing the climate metrics that will be collected as part of the OSFI Climate-Related Risk Return. • The Eco-Efficient Rebuild feature of TD Insurance's Enhanced Home Coverage option now includes resilient materials such as impact-resistant shingles, providing an opportunity for customers to install environmentally friendly or resilient materials at no additional cost when repairing their home after a covered loss – up to an extra 10% over the amount of the claim (up to $50,000). • TD Insurance completed OSFI's first Standardized Climate Scenario Exercise, a key step in operationalizing and building internal climate scenario analysis capability. • TD sponsored its new catastrophe bond, which will provide TD Insurance additional reinsurance capacity through a multi-year risk transfer of C$150 million in protection against earthquakes and severe convective storms.	• Extreme weather due to climate change is something that TD Insurance expects to see a continuing rise of in both frequency and severity. TD Insurance has various levers to manage the risk, including: – Managing exposure by reflecting catastrophe risk in constantly evolving pricing and product design. – A robust reinsurance program in place to help mitigate the financial impact of catastrophes. – Educating customers through the TD Insurance mobile app, severe weather alerts and safety tips and TD Insurance Advice Centre. – Proactive claims staffing plans and catastrophic claims handling procedures to help drive faster resolutions for customers.
Credit Risk	The risk of financial losses due to deterioration in credit quality resulting from physical climate risks, e.g., climate change-related events that impact client assets, insurability, and/or transition risks or client assets impacted negatively by the transition to a lower-carbon economy due to policy, legal costs and changing consumer behaviour.	• Maintained or advanced enhanced due diligence processes, such as client questionnaires, environmental site assessments, site visits, industry research, environmental and social risk assessment, and borrower climate change assessment for applicable transactions in Non-Retail Lending business lines, to identify and assess E&S risks and escalate as appropriate to the relevant Reputational Risk Committees. • Maintained E&S considerations, including climate risk scores, into our Industry Risk Review process, with sector-specific guidelines for environmentally sensitive sectors within Non-Retail Lending.	• Continued to implement Climate Risk Action Planning and completed a property insurance landscape review for Real Estate Secured Lending activities in Canada and the U.S. • Continued to enhance our Climate Credit Risk Dashboard to provide more granular insights into how climate risk may manifest within the credit portfolio. • Built on existing tools and capabilities and onboarded third-party analytical solutions to continue to incorporate the financial impacts of climate risk into credit assessments.
Strategic Risk	The risk of financial losses and/or reputational damage due to the strategic disruption of climate-related physical and transition risks (e.g., risks of our products and services not being able to meet changing customer and consumer behaviour).	• Continued implementation of the E&S TOM, which outlines the steps to execute TD's Climate Action Plan.	• Continued to progress efforts on sustainability-related products, services and programs through the Sustainable Finance Executive Council.
Operational Risk	The risk of operational disruption and/or financial losses due to the impacts of physical and transition risks on the Bank's operations, including physical assets and third parties.	• Incorporated E&S risk considerations into TD's Strategic Relationships Program to assess the E&S risks of the Bank's strategic partnerships.	• Expanded the scope of TD's Climate Risk Heatmap to identify sensitivities of TD's own real estate operations to acute physical risk hazards (i.e., flood, wildfire and hurricanes).
Reputational Risk	Stakeholder perceptions regarding TD's actions or inactions to manage physical and transition risk.	• Continued to improve understanding of stakeholder perspectives through regular engagement on climate change topics and promoted awareness of TD's Climate Action Plan.	• Focused discussions on the management of emerging climate-related risks leveraging governance forums, including Reputational Risk Committees.
Legal and Regulatory Compliance (including Financial Crime) Risk	The risk of litigation or regulatory enforcement resulting from an inability to meet increased legal and regulatory requirements or expectations in the management of physical and transition risk.	• The Bank has advocated for more harmonized industry, regulatory and legislative guidance related to climate risk management and disclosure through a variety of stakeholder forums.	• The Bank has internal controls and trainings regarding sustainability reporting and disclosures, and the Bank's E&S Risk Policy sets out additional requirements for the development and approval of new sustainability-related products, services, strategic collaborations and public commitments.
Market Risk	The financial risk of fluctuation in market factors such as equity prices, commodity prices and credit spreads, including supply and demand for certain commodities, products and services as climate impacts are priced into financial markets and/or potential sentiment shock driven by market over-reaction.	• The current market risk stress-testing frameworks, where applicable, include key climate scenarios (e.g., commodity price shocks and extreme weather events).	• For the remaining risk factors, market impacts are embedded in the current suite of stress-testing scenarios.

Climate Risk Management continued

Scenario Analysis

We continue to invest in resources and infrastructure to support further development of our internal scenario analysis capabilities as well as to execute on OSFI's Standardized Climate Scenario Exercise (SCSE).

In 2024, we onboarded vendor solutions that support assessments of both physical and transition risk in our non-retail and residential lending portfolios. These solutions are helping us better understand the potential impact of climate-related risks over different time horizons on our lending portfolios utilizing transition scenarios from the Network for Greening the Financial System (NGFS) as well as warming scenarios from the Intergovernmental Panel on Climate Change (IPCC).

In September 2024, OSFI launched its SCSE, which applies to all OSFI federally regulated financial institutions (FRFIs). For TD, this includes an assessment of our deposit-taking (banking) and insurance institutions. OSFI identified three key objectives for the SCSE:

1. Raising awareness and encouraging a strategic orientation with FRFIs to better understand the potential exposures to climate change.
2. Encouraging the building of FRFIs' capacities to assess the impact of climate-related catastrophic events and policies and to conduct climate scenario analysis exercises.
3. Establishing a standardized quantitative assessment of climate-related risks, both transitional and physical in nature.

A comprehensive sizing of climate risks is not an objective of the SCSE. It is limited in scope across several dimensions, recognizing that climate scenario analysis will continue to evolve over many years. TD prepared for the SCSE prior to the September 2024 launch and will submit results to OSFI in fiscal year 2025.

Our Progress on Scenario Analysis

Over the last year, we continued developing our internal capabilities by onboarding new vendor solutions as well as participating in regulatory exercises and industry working groups and exercises. This work has helped us identify how potential future climate risks could impact our customers and own operations to inform our risk management discussions. It has also highlighted areas to focus on maturing and expanding our internal climate scenario analysis capabilities further to provide additional insights.

2021

- **OSFI – Bank of Canada Climate Change Assessment Pilot:** Conducted transition risk assessment of non-retail portfolio in select emissions-intensive sectors.

2022

- **Physical Risk Assessment:** Completed physical risk assessment, including impacts to property values, borrower credit capacity, and insurance claim expectations for our RESL, CRE and Home Insurance portfolios.
- **RMA Climate Risk Consortium:** Joined the RMA Climate Risk Consortium, including its Climate Scenario Analysis working group.

2023

- **Expanded Team and Expertise:** Expanded and trained broader climate scenario analysis team to support internal capability development.
- **Bank of Canada Study: Climate Transition Risk:** Participated in a study led by the Bank of Canada on understanding the systemic implications of climate transition risk, focusing on our pension investments.
- **Enterprise-Wide Stress Test Climate Addendum:** Completed supplemental climate risk analysis for borrowers in climate-sensitive industries within our non-retail portfolio.

2024

- **OSFI's Standardized Climate Scenario Exercise:** Developed capabilities to execute on OSFI's SCSE (launched in September 2024).
- **RMA Climate Scenario Analysis (CSA) Exercise:** Participated in RMA CSA exercise to develop and test our CSA capabilities and inform our plans.
- **Vendor Solutions:** Initiated onboarding of vendor solutions to support assessments of physical and transition risk in non-retail and residential lending portfolios.

Transition Enablers

Climate Risk Management continued

Scenario Analysis continued

Our climate risk heatmaps are a tool that have helped us to prioritize sectors and geographic locations for risk assessment and measurement work based on scenario analysis. The following chart highlights the areas our internal scenario analysis capabilities and exercises currently cover. We continue to develop and enhance our existing approaches in these areas to provide useful insights as well as identify and prioritize other areas for further analysis.

	Credit Risk		Operational Risk
Climate-Related Risk	**Residential Real Estate**	**Non-Retail Lending**	**Bank Operations**
Physical Risks (Acute) Impact of extreme weather events (e.g., flood, hurricane, wildfire, and severe convective storms)	Canadian and U.S. mortgages and home equity portfolio	Canadian and U.S. Commercial Real Estate portfolio	TD's business operations
Transition Risks Risk related to the transition to a low-carbon economy under various policy, legal, technology, and market changes	Not assessed yet	Canadian and U.S. non-retail borrowers in emissions-intensive sectors	Not assessed yet

Transition Enablers

Capital Flows and Processes

Capital flows and processes are an important component of transition planning. This enabler focuses on the building blocks to mobilize capital for the low-carbon transition. TD is investing in infrastructure, processes and capabilities to direct capital toward decarbonization efforts, both in our own operations and in the sectors we finance. This can take many forms, including supporting the development of new markets such as investments in carbon credits and clean technologies, and engaging clients on the low-carbon transition and financing. Focusing on capital flows and supporting processes is a key enabler for adapting our business in the face of climate change, mitigating climate-related risks and harnessing climate-related opportunities.

Harnessing Climate-Related Opportunities

Climate-related opportunities can arise across the Bank's business lines and value chains. In accordance with TCFD, climate-related opportunities can arise from adopting low-emission energy sources, increasing energy efficiency, offering climate-related products and services and expanding in new and existing climate-related markets.

Climate-related opportunities are identified and prioritized through normal business processes, including through the operationalization of TD's enterprise-wide sustainability strategy. Opportunities related to products and services are assessed through the Enterprise E&S Risk Policy. To support these processes, the Bank maintains a climate-related opportunities inventory, which catalogs the opportunities categorized by TCFD type that arise across our business lines. This inventory is reviewed and approved at the SVP-level at each TD Business Line, followed by review and approval by the Senior Vice President, Sustainability, Strategic Sourcing, and Enterprise Real Estate with oversight by the ESG SET Forum. The table to the right outlines select climate-related opportunities applicable to TD, as required by OSFI's Guideline B-15: Climate Risk Management expectations.

Climate-related opportunities can be found across our operations as well as across our business lines, supporting the decarbonization and low-carbon transition efforts of our clients. For more information on our Sustainable & Decarbonization Finance Target and progress to date, see Sustainable Finance.

TCFD Climate-Related Opportunity Types	TCFD Climate-Related Opportunities	TD Business Line
Renewable Energy Sources[1]	Transitioning to renewable sources of energy such as wind, solar, wave, tidal, hydro, geothermal, nuclear and biofuels **TD examples:** integrating solar energy into select TD offices and retail buildings (2.3 million kWh of renewable energy generated in the 2024 reporting period)	Corporate Function
Energy Efficiency[1]	Improving energy efficiency **TD examples:** Installing the Smart Retail Controls Program into select retail branches (over 7,000 tonnes of annual CO_2e savings in the 2024 reporting period)	Corporate Function
Products and Services	Sales of climate-related products and services **TD examples:** green bond underwriting ($10.3 billion in fiscal 2024)	Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, Wholesale Banking
Markets	New or increased access to low-carbon markets **TD examples:** clean transportation (lending to clean transportation category[2] $3.0 billion in fiscal 2024), green buildings (lending in green buildings category[2] $0.4 billion in fiscal 2024)	Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, Wholesale Banking

1 The reporting period for TD's real estate data spans August 1 to July 31, while the reporting period for other data sources is aligned with the fiscal year.
2 Categorization per TD's Sustainable & Decarbonization Finance Target Methodology.

Transition Enablers

Capital Flows and Processes continued

Investments

TD Securities Principal Investments

Since 2019, TD Securities has made 43 principal investments in venture and growth funds, of which 12 have been cornerstone investments in North American investment managers focused on supporting the clean energy transition.[88] Together, these clean energy funds have made investments in over 100 portfolio companies across a wide range of sectors such as carbon technology, clean energy generation, electric transportation and mobility solutions and industrial decarbonization.

In November 2024, TD Securities invested in Calgary-based Longbow Capital's second energy transition fund. The Fund has a North American mandate to invest in businesses that are expected to benefit from the momentum behind the energy transition, with a focus on companies that help lower carbon emissions through efficient and cost-effective solutions.[89]

For information on TD Treasury and Balance Sheet Management's investment portfolio, see the Sustainable Finance Highlights Across Our Business section.

Carbon Credits – Our Journey

Since 2010, we have made annual commitments to voluntarily compensate for our market-based Scope 1 and 2 emissions and Scope 3 Business Travel emissions[90] through the purchase of independently verified carbon credits from projects that avoid or reduce emissions that would otherwise have been emitted to the atmosphere.[91]

Current industry guidance proposes the use of permanent carbon removal credits (i.e., verified removal credits from projects with carbon storage lasting 100+ years with low risk of reversal) for residual, hard-to-abate emissions by 2050.[92] With demand for carbon removal credits projected to increase among a limited but growing supply, we are preparing by securing offtake agreements for permanent CDRs, such as our agreement with 1PointFive.[93] This will complement our voluntary carbon credit portfolio, which consists of high-quality verified emissions reduction and/or nature-based credits and, in the near term, technology-based removals. Through these efforts, we aim to help support the development of carbon markets and carbon removal projects.

Commercial opportunities related to carbon projects, credits and markets are projected to grow. As such, TD Securities is playing an active role, building expertise and services to support clients in decarbonization and the transition to a low-carbon economy.

Carbon Markets

TD Securities has a Carbon Advisory business within its ESG Solutions group that offers solutions across voluntary and compliance carbon markets.

Compliance Carbon Trading Market

TD Securities traded US$16.7 billion worth of carbon allowances from North American (WCI, RGGI) and European (EU ETS) compliance carbon markets in 2024, a 90% increase compared to 2023.

TD Carbon Portal

TD Securities launched the TD Carbon Portal in September 2024. The portal provides clients with a unique view of the voluntary carbon market, providing price transparency, liquidity and access to avoidance and removal credits. It features American-based projects from four major voluntary standards (American Carbon Registry, Climate Action Reserve, Verra and Gold Standard), enabling clients to source credits from a single project type, or to construct a portfolio.

Creating a Forum to Discuss Carbon Markets

In April 2024 at San Francisco Climate Week, TD Securities hosted a forum on the state of the CDR market and the role it could play in helping companies and economies make progress toward net-zero GHG emissions. The forum brought together CDR buyers, institutional investors, carbon removal technology developers, and carbon credit standard-setters and registries.

Capital Flows and Processes continued

Engaging with Clients to Support Emissions Reductions

Assessing Clients' Transition Readiness

TD's client-centred approach focuses on engaging with our clients on their own transition readiness and progress towards their own climate-related goals. This increases the Bank's understanding of its exposure to climate-related risks and opportunities. Our approach is to support and finance our clients' transition efforts, which in turn, supports our aim to protect and adapt the Bank.

Protect the Bank

Engaging clients to assess their transition readiness helps the Bank identify potential climate-related risks in our portfolio. Clients that are lagging in their preparedness to transition may pose potential credit and reputational risks to the Bank.

Adapt the Bank

Engaging with clients about their transition readiness also allows us to build stronger relationships with them and positions the Bank to potentially capitalize on emerging market trends. These conversations allow us to position the Bank as an advisor that helps clients move towards their sustainability-related goals using tailored green finance, sustainable bonds, and other sustainability-focused products.

Our climate-specific client engagement efforts focus on the clients within our 2030 interim financed emissions targets sectors, which cover TD's corporate and commercial lending and capital markets activities. Client engagement involves creating a foundation for tracking transition progress over time and identifying potential green finance growth opportunities.

2024 marked the second year of TD's client engagement and assessment framework pilot, expanding efforts to assess clients' transition readiness in both depth and breadth. For 2024, we set a target to engage with clients who emit 75% of the attributed financed emissions to TD in the Energy and Power Generation sectors and also added a new target for a portion of the Transportation sector (consisting of the Automotive Manufacturing and Aviation sectors combined).[94]

To set these targets, our Enterprise Decarbonization team worked with senior management from TD Securities responsible for clients within our Financed Emissions Interim target sectors. Our approach was to balance our ambition to enhance the program and its benefits through engagement with more clients, while at the same time ensuring the teams were able to have meaningful, value-add conversations while achieving the target. Over the course of the year, senior management in our Enterprise Decarbonization team and TD Securities were provided monthly reports on engagement progress. We achieved our client engagement targets in the Energy and Power Generation sectors and a portion of the Transportation sector for the period from January 1, 2024 to December 31, 2024. This means we engaged[95] with clients who emit 75% of the attributed financed emissions to TD in each of the Energy, Power Generation and a portion of the Transportation sector (consisting of the Automotive Manufacturing and Aviation sectors).[96]

Transition Enablers

Capital Flows and Processes continued

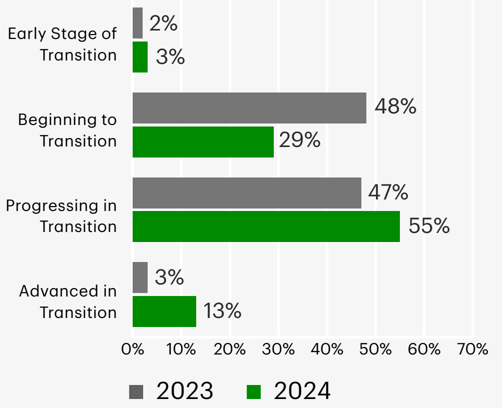
We continue to monitor and integrate emerging best practices as client engagement frameworks and guidance emerge globally. In 2024, we enhanced our methodology for assessing clients' transition readiness by adding new indicators; for example, evaluating clients' approach to climate-risk management and evaluating their progress in reducing absolute emissions. Additionally, in an effort to expand the breadth of our efforts and in turn the insights we gain in identifying potential climate-related risks, this year we assessed the transition readiness of some clients in these sectors that we did not engage with. These assessments are included in the results on the right.

Client Transition Readiness Assessment[97,98,99,100]

Our client assessment approach involves a consistent set of topics which we use to assess our clients, which are given various weights. Clients are assessed and then classified into four categories: Early Stage of Transition, Beginning to Transition, Progressing in Transition and Advanced in Transition. In developing this assessment approach, we leveraged industry practices and applied our professional judgement, as currently there is no standardized methodology or approach among standard-setters. We believe that our process facilitates meaningful conversations in support of our clients. Over time, we expect our assessment approach to continue to evolve, as we aim to incorporate the developing realities of the sectors in which our clients operate, as well as align to emerging standards and/or industry best practices.

Energy Sector Pilot Results

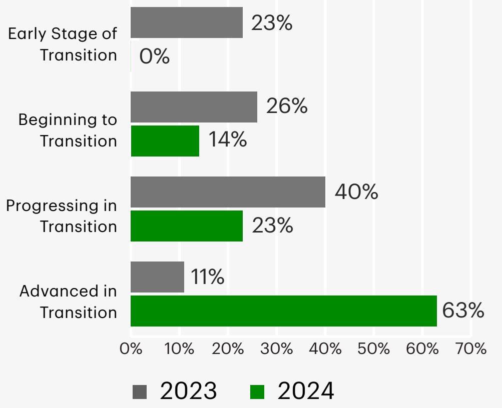
2024 Energy Sector Transition Readiness (exposure weighted)



Results show a slight increase in the percentage of client exposure in the "Early Stage of Transition" category for the Energy sector primarily because we expanded our engagement target to engage with clients that emit 75% of attributed financed emissions to TD (versus 50% last year). Our engagement this year included clients that are smaller, many of which are in the earlier stages of their transition readiness. However, we saw more significant progress by companies shifting from the earlier to more advanced stages of transition readiness, indicating progress among clients overall in the sector this year. Notable insights from our assessments in 2024 included that 81% of clients in this sector have set a Scope 1 target, and 78% have set a Scope 2 target. In our engagement conversations, over two-thirds of clients in this sector have shared that they had R&D invested in or CapEx spent on methane leak detection and/or reduction.

Power Generation Sector Pilot Results

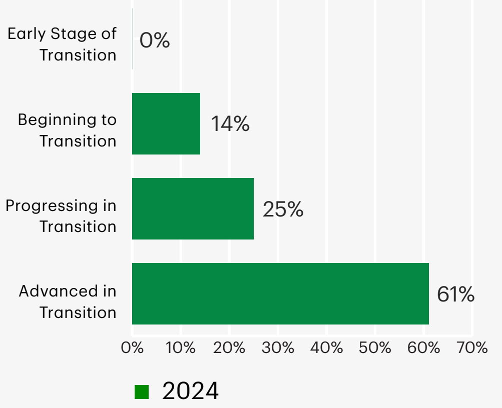
2024 Power Sector Transition Readiness (exposure weighted)



Overall, we saw significant advancement in the transition readiness of clients in the Power Generation sector. The majority of clients in this sector are now advanced in their transition. This reflects broader progress in the industry and shifts in the economic and regulatory environments supporting the transition.[101] In 2024, 92% of TD's clients in this sector have set a Scope 1 target. 67% of clients in this sector have also set a Scope 2 and 3 target.[102] Furthermore, in our engagement conversations, over 95% of our clients in this sector reported to us that they have chosen to develop a coal phaseout plan.

Transportation Sector Pilot Results[103]

2024 Transportation Sector Transition Readiness (exposure weighted)



2024 was the first year we assessed the transition readiness of the Transportation sector.[104] We already see a high percentage of our exposure financing clients that are in the "Advanced in Transition" category due to the availability of mature low-carbon technologies in the sector. For example, 88% of automotive manufacturing clients increased sales of EV/hybrid vehicles by more than 20% in the last year. All of our automotive manufacturing clients have set targets for all three scopes of emissions.

Transition Enablers

Capital Flows and Processes continued

Integrating Client Transition Readiness Assessments into "Business as Usual"

With respect to non-retail lending, the Bank takes a measured, client-focused, and risk-based approach to E&S risks. When a risk assessment indicates a heightened level of risk, the Bank conducts enhanced due diligence that could include the use of tools such as physical risk identification and financed emissions estimation, among other tools. Risk assessment and enhanced due diligence results follow the Bank's risk governance process, which may include segment-level and enterprise-level reputational risk committee oversight. Following this process, TD makes decisions to conduct transactions based on the risks presented and the Bank's ability to manage those risks.

Evolving Our Approach in 2025

The upcoming year will mark a shift in our client engagement efforts from the pilot stage to an established process. The pilot stage included setting and meeting initial client engagement targets while helping us to build the internal capabilities and infrastructure to facilitate client engagement. Having completed this pilot stage over the last two years, we will not set client engagement targets in 2025. We will continue to engage with clients in support of our efforts to protect and adapt the Bank. Our engagements will serve as a strategic platform to identify and discuss climate-related risks and opportunities. Going forward, we will build on the work done in 2023 and 2024 and plan to further integrate these assessments into our E&S risk assessment and enhanced due diligence processes.

Transition Enablers

Internal Capability Building

The capabilities we are building and optimizing will help us continue to make progress on our Climate Action Plan, while also continuing to adapt the Bank by embedding and operationalizing climate-related considerations into our business and operations. We build internal capabilities through key initiatives such as TD's Environmental & Social Target Operating Model, ESG Centre of Expertise, an ESG-focused talent pipeline and our financial planning.

Environmental & Social (E&S) Target Operating Model (TOM)

Our E&S TOM is an enterprise-wide, multi-year roadmap for how the Bank designs and establishes new functions, capabilities, governance and related infrastructure to support the delivery of our Climate Action Plan. We have continued to refine our target state and approach to getting there, as reflected in our E&S TOM roadmap and associated implementation plan.

Our E&S TOM focuses on developing four key organizational capabilities to get us to our desired target state:

1. **Net-Zero Management –** Developing ways to support our Climate Action Plan, including ways to advance on our Operational Emissions reduction target, Financed Emissions measurement and targets, and development of our Enterprise Transition Plan.
2. **E&S Risk Management –** Integrating the short-, medium- and long-term impacts of E&S into our risk and control frameworks and risk management processes.
3. **Regulatory Reporting and Disclosures –** Providing our stakeholders and regulators with the information needed to support informed decision-making.
4. **Data, Technology and Analytics –** Enhancing our internal infrastructure to capture the information we need to support the execution of the above-mentioned capabilities.

Transition Enablers

Internal Capability Building continued

Our Progress

In 2024, we achieved the following TOM milestones:

1. Net-Zero Management

- Defined TD's Enterprise Transition Program scope and approach, developed to help deliver our Enterprise Transition Plan. The program is meant to enhance the ability of our businesses and functional areas to drive competitive advantage in the sustainability space, meet stakeholder expectations, and contribute to the Bank's overall sustainability commitments.

2. E&S Risk Management

a. Risk Governance

- Integrated E&S risk management into frameworks, policies, and tools for prioritized major risk categories across the Bank, further strengthening governance and oversight of E&S risk, including climate risks.
- Completed a climate risk-related gap analysis on existing risk measurement programs and methodologies for TD Insurance.

b. Risk Assessment

- Assessed physical climate risk associated with our residential real estate assets in Canada and the U.S., focusing on the risk of losses resulting from climate events.
- Enhanced transactional oversight of E&S Risk Assessments, including the ongoing development of an enterprise-wide platform to assess non-retail borrowers based on improved risk-focused logic for due diligence and escalation requirements.

3. Regulatory Reporting and Disclosures

- Our climate reporting for fiscal year ending October 31, 2024 follows OSFI's Guideline B-15: Climate Risk Management, which was issued on March 7, 2023 and our disclosures are largely captured in this 2024 Sustainability Report. We established an internal working group to oversee our progress toward B-15 compliance, including executive ownership at the SVP level and a cross-functional executive challenge committee.
- This year, we started the transition from voluntary reporting to regulatory reporting following OSFI's Guideline B-15: Climate Risk Management. A significant capacity and work effort of our teams focused on developing the appropriate controls and assessing changes to processes in order to execute on this shift this year.
- TD continues to assess the impact of adopting new sustainability standards issued by the International Sustainability Standards Board (ISSB) in June 2023 and those also issued by the Canadian Sustainability Standards Board in December 2024. In addition, the Bank is monitoring developments from the Canadian Securities Administrators. For more information, please visit the Q1 Shareholder Report.
- At this time, the European Union Corporate Sustainability Reporting Directive (EU CSRD) is not in scope for our climate reporting.

4. Data, Technology and Analytics

- We continue to build out our Enterprise Climate Data Solution, which will provide businesses and corporate functions with an integrated ecosystem of internal and external information sources to support the calculation of financed and non-financed emissions, and enhance our ability to support credit risk and risk management scenarios from a climate perspective.
- We finalized our Climate Scenario Analysis framework, and onboarded vendor solutions to support us in assessing both physical and transition risk in our non-retail and residential lending portfolios.

Looking Forward

We initiated the E&S TOM in 2020 in order to build capabilities to support our 2050 net-zero goal and the delivery of the Bank's Climate Action Plan. We have made considerable progress since then, expanding the TOM's scope to reflect the Bank's broader sustainability strategy and developing several new capabilities, such as sustainability-related data and analytics, tools and processes. In 2025, we intend to refresh the TOM based on the lessons we have learned and the latest guidance and frameworks related to transition plans. In 2025, the TOM's target state attributes and three-year deliverable roadmap will be integrated into our Enterprise Transition Plan.

Case Study:

Innovating to Improve Attributed Financed Emissions Estimations (VIN Decoder)

Our team of data scientists look for ways to improve the data quality, accuracy and efficiency of our attributed financed emissions calculations. For calculations in our Consumer Auto loan portfolio, using basic vehicle make and model information may result in less precise estimates. Using the Vehicle Identification Number (VIN), a unique identifier for each vehicle, increases the accuracy of our calculations. By using the VIN, along with internal and external data in our calculations, we can determine the make, model, trim level, engine type, fuel type, battery information and drive type (e.g., 2X4, 4X4, AWD, etc.) of each vehicle we finance.

With this data, we can estimate the expected GHG emissions of the vehicle over its lifetime, as well as the emissions attributed to TD for financing our customer's purchase of the vehicle. This process is innovative and with automated processes our team built into the VIN decoding process, became significantly more efficient. It is currently pending patent approval and is an example of our efforts to improve financed emissions data, as well as an example of a commercial opportunity arising from our Climate Action Plan.

Internal Capability Building continued

Enhancing Skills and Culture

We have made investments in knowledge and skills development for our colleagues, as well as initiatives focused on attracting top talent with ESG and climate-related experience.

Learning and Development

We take a Bank-wide approach to providing learning and development opportunities related to sustainability and climate change.

Here are a few examples:

- **ESG Centre of Expertise: Education, Knowledge Management and Communications Hub**
  - The Hub hosted sustainability learning sessions covering a number of topics to help increase knowledge of sustainability (including climate topics such as measuring and addressing methane emissions) for colleagues in Sustainability and Corporate Citizenship, ESG Risk Management, corporate functions and lines of business.
- **ESG Risk Management Quarterly Forums**
  - These information sharing forums are hosted by ESG Risk Management to generate awareness and understanding of E&S risk, including climate-related risk, support the first and second lines as they build capabilities to identify, manage, mitigate and report these risks, and gather feedback from business and corporate segments across the enterprise on their informational and educational needs.
- **Training Sessions**
  - ESG Risk Management provides ongoing education sessions on E&S risk, including climate risks, to both first- and second-line functions, including a quarterly E&S risk information forum and E&S Risk Policy working group sessions.
  - Training was provided to lines of business such as TD Securities and Business Banking to enhance existing capabilities, expand subject matter expertise and discuss new and existing opportunities for each sector.

Our ESG Centre of Expertise

For more information on our ESG Centre of Expertise, see Sustainability at TD.

Growing Our Talent Pipeline

An important avenue for building climate capabilities is through recruiting and developing ESG-focused talent. In 2021, the Sustainability and Corporate Citizenship group, in partnership with Enterprise Risk Management, introduced a two-year rotational ESG Associate program to attract and retain graduate professionals to support our ESG work across the enterprise. Participants develop broad experiences and knowledge in different ESG areas of the Bank and are provided with a holistic view of how our sustainability strategy is developed and operationalized as well as how our climate-related risks are managed.

In addition, in each line of business, we are building expertise and knowledge to enable us to better support customers and clients as they navigate their climate journeys. This involves hiring the right talent and enhancing ESG expertise within our lines of business.

Financial Planning

As we work to integrate sustainability and climate-related efforts across the enterprise, we recognize that assessing and measuring the financial impacts of key climate-related risks and opportunities is a critical part of our future planning and strategy. This year, we created awareness among the executive finance team of various potential climate-related initiatives in preparation for the fiscal 2025 plan. In addition, we continue to monitor significant climate-related projects, such as our Climate Data Strategy Build, and plan for such expenses in future fiscal periods.

In the coming year, the Bank's Enterprise Transition Program will lead the development and execution of key initiatives with the intent of enabling progress on TD's sustainability goals and helps position the Bank for success in the emerging sustainable economy. As part of this program, we intend to integrate key initiatives into the Bank's financial planning and forecasting process to help enable significant financial impacts from climate-related risks and opportunities to be incorporated and monitored.

Transition Enablers

External Engagement

We recognize that reaching our net-zero goals requires broader action in areas outside of our direct control. Therefore, a key part of our strategy involves working with a broad range of stakeholders to help address economic, technical and policy challenges to achieving net zero. Our work with governments, regulators, standard-setters, industry working groups, sustainability-focused organizations, suppliers and clients helps our business stay informed about the broader landscape, while leveraging best practices to help us to continue adapting the Bank.

Engagement with Government, Regulators and Standard-Setters

Our Engagement Approach

In 2024, the pace and scope of activity in the government, regulatory and standard-setting landscape related to climate change continued to evolve. We view engagement and dialogue with governments and regulators on the measures needed to support the low-carbon transition as an important enabler to achieving our climate objectives. Through our engagements, we aim to better understand, and provide our perspective on, evolving market conditions in order to support the long-term resilience and stability of the financial system in the transition to a low-carbon economy.

In 2023, we developed our first public sector climate engagement approach for our Canadian business operations. We conducted internal research to assess our engagement activities and identified key focus areas, channels and policy and regulatory actions that would enable financing opportunities that could support decarbonization of key sectors of the Canadian economy and support our climate efforts. We also established an internal forum, which gathers executives from across the Bank to provide strategic input and coordinate our engagement efforts. In 2024, we continued to make progress on how we engage with key stakeholders across our focus areas.

In Canada, we prioritized three areas of focus in 2024:

Focus Area	Importance	Our Engagement Efforts
Climate Disclosures	Thoughtful and appropriate climate disclosures play an important role in driving the net-zero transition by promoting transparency, managing risks and informing decision-making.	• Through the Canadian Bankers Association (CBA), TD participated in the consultation for the Canadian Sustainability Standards Board's (CSSB) draft Canadian Sustainability Disclosure Standards (CSDS) supporting the development of CSDS 1 and 2 in Canada, which aim to align with the International Financial Reporting Standards (IFRS) S1 and S2 with modifications for a Canadian context. • Through the CBA and Institute of International Finance (IIF), TD also participated in consultation on the Basel Committee on Banking Supervision's Pillar 3 Climate Disclosure Framework consultation. A key focus of our engagement was the importance of harmonization in reporting standards and data/ methodology challenges associated with disclosures.
Climate Data and Methodologies	Climate data is an important enabler of the net-zero transition. Financial institutions require accurate and timely data to set decarbonization targets, prioritize efforts, and target capital where it is most needed. We identified two sectors with significant data gaps: Real Estate and Agriculture. Currently, data for these sectors lack the necessary granularity, making it challenging for banks to support the decarbonization of these sectors.	• Agriculture and Agri-Food Canada (AAFC) engaged TD in its research project to better understand the role of private sector financing in the transition to sustainable agriculture. TD emphasized the need for better GHG emissions data and data reporting in the Agriculture sector. • We participated in a working group to advance Agriculture financed emissions calculations, in collaboration with the other CBA members and RMI. • We are engaged in a working group convened by PCAF to support reducing the volatility of absolute financed emissions reporting due to market conditions (e.g., EVIC). Learnings may be applied by TD in the future.
Climate Taxonomy	Clearly defining "green" and "transition" economic activities is needed to provide clarity to market participants, helping to mobilize the deployment of capital toward climate-aligned solutions.	• TD played an active role in the Canadian Sustainable Finance Action Council Taxonomy Technical Expert Group (TEG), which released its Taxonomy Roadmap Report in March 2023. Building on that work, in October 2024 the Canadian government shared its guiding principles for developing a Canadian taxonomy as it continues to advance this work. • TD participated in a roundtable with the Canadian Minister of Energy and Natural Resources and other financial institutions on the topic of sustainable finance and the importance of mobilizing private capital for transition projects.

Transition Enablers

External Engagement continued

TD Bank Group

Group	Our Engagement
GHG Emissions Accounting and Target-Setting	
Partnership for Carbon Accounting Financials (PCAF)	PCAF is an industry-led group working to develop shared standards for measuring and disclosing GHG emissions associated with financing activities. TD is a member of the industry-wide PCAF working group and participates in education and discussion sessions regarding carbon accounting and financed emissions calculations. Through its membership, the Bank also promotes consistency and harmonized approaches to data, metrics and methodologies.
RMI	RMI is a non-profit working to accelerate the clean energy transition. RMI worked with TD and other CBA banks to analyze key components, opportunities and challenges for disclosure, emissions accounting and target-setting specific to the Canadian Agriculture sector. RMI's analysis focused on pathways to decarbonize on-farm agriculture activities by looking at boundaries for target-setting, sector decarbonization scenarios, and data requirements. This work built upon the recommendations of Banking for Impact on Climate in Agriculture (an initiative of World Business Council for Sustainable Development) and resulted in the publication on a report of the findings.
Risk Management	
United Nations Environment Programme Finance Initiative (UNEP FI)	TD is a member of UNEP FI, a UN-convened network of banks, insurers and investors working to accelerate sustainable development. TD participates in a variety of working groups and initiatives focused on decarbonization, climate risk management, and related disclosures for financial institutions.
Risk Management Association (RMA) Climate Risk Consortium	In 2022, TD joined RMA's Climate Risk Consortium, which focuses on bringing financial institutions together to create guidelines for integrating climate-related considerations into risk management practices.
Responsible Resource Use	
Circular Economy Leadership Canada (CELC)	CELC was launched in 2018 as a network of corporate leaders, non-profit research organizations and academic researchers working to promote the transition to a low-carbon, circular economy in Canada. TD joined CELC in 2022 and is a participating member of CELC's Circular Finance in Canada Work Stream.

Engagement with Industry-led Groups and Public Sector Organizations

We participate in several industry groups and have adopted a variety of internationally recognized frameworks and standards to help deliver on our Climate Action Plan. Below are some examples of how we engage with the industry and the public sector on climate change.

Group	Our Engagement
Sustainable Finance	
Center for Climate-Aligned Finance	The Center for Climate-Aligned Finance, launched by RMI in July 2020, works to enable financial institutions, corporations and experts overcome practical obstacles to sectoral decarbonization. TD participates in discussions on the latest climate-related financial developments. TD also participates in RMI's Transition Finance working group, which conducts research on accelerating transition finance across financial institutions in North America and Europe.
Institute for Sustainable Finance (ISF)	ISF is a network comprised of academia, the private sector and government working to advance research and innovation in sustainable finance. TD is a founding contributor and participant of ISF, which was established in November 2020.
Sustainable Finance Action Council (SFAC)	Launched by the government of Canada in 2021 and concluded in February 2024, the SFAC brought together public- and private-sector experts to advance sustainable finance in Canada and globally. TD participated to support the development of critical market infrastructure needed to attract and scale sustainable finance in Canada. TD's Group Head, Canadian Business Banking served as the Chair of SFAC's Disclosure Technical Expert Group. TD was also a member of SFAC's Taxonomy Technical Expert Group and Net-Zero Capital Allocation Working Group.
Industry Engagement	
Canadian Bankers Association (CBA)	TD is a member of the CBA, a national association representing banks operating in Canada. TD participates in public consultations and engagement initiatives with the CBA on a variety of topics, including proposed guidance for the assessment and management of climate risks and opportunities, and disclosure frameworks developed by regulators, standard-setters and industry groups.
Institute of International Finance (IIF)	TD is a participating member of the IIF, a global association of the financial industry, with about 400 members from more than 60 countries. The IIF develops engagement positions on behalf of its global membership and manages official sector engagements including engagement on sustainability topics. It hosts forums for discussion about ESG (including climate- and nature-related) risk management, disclosure, data and taxonomy.
Disclosure	
CDP's Climate Change Questionnaire	Since 2010, TD has responded to CDP's climate disclosure questionnaire.

Transition Enablers

External Engagement continued

TD Securities

TD Securities is a member of the following industry-specific initiatives focused on sustainable finance and carbon markets:

Group	TD Securities' Engagement
Sustainable Finance	
International Capital Markets Association (ICMA)	ICMA serves as Secretariat of the Green Bond Principles, the Social Bond Principles, the Sustainability Bond Guidelines and the Sustainability-Linked Bond Principles (collectively "the ICMA Principles"), providing support and advice related to sustainable debt governance. TD Securities is a member of the ICMA Principles and an active contributor to the Climate Transition Finance Working Group, Green Enabling Projects Task Force and SLL Refinancing Bonds Task Force.
Loan Market Association (LMA)	TD Securities is a member of the LMA, dedicated to promoting growth and innovation in sustainable lending practices, and supporting the syndicated loan market as new sustainable finance regulation emerges.
Loan Syndications and Trading Association (LSTA)	TD Securities is a member of the LSTA and participates in LSTA's ESG Working Group focused on ESG-related developments in the loan market, which includes ESG integration as well as the development and evolution of sustainable loan products and market guidance.
Carbon Markets	
International Emissions Trading Association (IETA)	IETA works alongside governments and stakeholders with the mission of creating a more transparent and credible voluntary carbon market to help drive financing toward initiatives that create genuine emissions reductions and removals. TD is a member of IETA's Voluntary Carbon Market Working Group.

TD Asset Management

TD Asset Management contributes to the industry conversation on managing the transition to net zero by participating in several climate-focused initiatives and organizations, including those described below.

Group	TDAM's Engagement
Engagement	
Climate Engagement Canada (CEC)	TDAM is a founding member of CEC and is represented on CEC's Technical Committee and its Industry Leaders Advisory Panel. The CEC is a finance-led initiative that drives dialogue between the financial community and corporate issuers to help Canadian public companies transition to a net-zero economy.
Responsible Investment Association (RIA)	TDAM is a sustaining member of the RIA and is represented on RIA's Industry Leadership Council. The RIA is Canada's industry association for responsible investment.
Disclosure	
Global Real Estate Sustainability Benchmark (GRESB)	Since 2016, TDAM has been an active participant in GRESB, an investor-led organization that provides standardized and validated ESG data for real estate assets.
Principles for Responsible Investment (PRI)	PRI is a UN-supported international network of investors working to promote its six Principles of Responsible Investment. TDAM was among the first Canadian bank-owned asset managers to sign the UN-backed PRI in 2008.

Transition Enablers

External Engagement continued

TD Insurance

TD Insurance is a member of the following initiatives and associations whose working groups and consultations address key climate-related issues, such as risk management, disclosure and reporting and climate resilience and adaptation:

Group	TD Insurance's Engagement
Global	
United Nations Environment Programme: Principles for Sustainable Insurance (PSI)	TD Insurance became a signatory to UNEP FI's PSI in 2014, the second Canadian company to do so. TD Insurance is a member of the board that governs the UNEP FI's Principles for Sustainable Insurance. TD Insurance's annual PSI disclosure highlights how the PSI are incorporated into its strategy, operations and risk management. In 2024, TD Insurance co-led the inaugural PSI Nature-Positive Insurance working group to determine priority actions for insurance and participated in a second working group to deliver supplemental PSI guidance on TNFD (LEAP).
United Nations Environment Programme Finance Initiative (UNEP FI) Leadership Council	TD Insurance's President and CEO is a member of the UNEP FI Leadership Council and its Senior Manager of Sustainability is a member of the UNEP FI Principles for Sustainable Insurance Board.
National	
Climate Proof Canada	TD Insurance is a founding member of Climate Proof Canada, a broad coalition of insurance industry representatives, municipal governments, Indigenous organizations, environmental non-governmental organizations (NGOs) and research organizations. The coalition is encouraging the federal government to prepare for the effects of climate change by building a more disaster-resilient country.
Canadian Life and Health Insurance Association (CLHIA)	TD Insurance participates in a number of CLHIA committees and chaired its Climate Change working group from its inception in 2020 until March 2023.
Insurance Bureau of Canada (IBC)	TD Insurance's President and CEO is a board member of the IBC. TD Insurance colleagues chair or participate on a number of IBC working groups and committees. TD Insurance is actively working with its industry peers on the IBC to support the development of a National Flood Program that will provide insurance to Canadians at the highest risk of flood, contributing to Canada's climate resilience.

Transition Enablers

External Engagement continued

Thought Leadership

We continue to participate in and, where appropriate, lead important discussions with governments, industry participants, and other stakeholders to support broader efforts to decarbonize. We regularly demonstrate thought leadership on a wide variety of subjects through external publications and our own channels.

2024 Highlights:

- TD Economics published three articles that highlight the important role of government policy in decarbonization efforts:
  - *Contrasting Trajectories: Why the U.S. Has a Better Record of Emissions Reduction than Canada*
  - *The $500 Billion Opportunity – Critical Minerals Development and Economic Reconciliation with Indigenous Peoples*
  - *Racing to a Decarbonized Transport Future, with a Little Help from Government Incentives*
- TD Cowen, a division of TD Securities:
  - Hosted its second annual Sustainability Week, a conference that brings together companies, policymakers and capital market participants to discuss ESG-related opportunities and challenges.
  - Was shortlisted for "Best ESG Research: Bank" by ESG Investing as part of its 2025 Awards, celebrating the best in Environmental, Social, and Governance funds, research and products. The ESG Investing Awards are devoted to assessing and evaluating the best companies involved in all areas of ESG investing around the globe including investment funds, research and vendor products.
  - Published its annual TD Cowen Research Themes, highlighting investment themes that it expects to drive investment gains and losses in 2024 and beyond, including sustainability-related themes such as energy transition, electric vehicles and advanced mobility, agricultural technology and water.
  - Published its ninth annual Sustainability & Energy Transition Primer as part of its Ahead of the Curve® Series, with the aim of assisting investors in navigating the sector's complex and varied sub-verticals.
- TDAM published several thought leadership pieces focused on managing climate risks and opportunities, including: Assessing Climate Risk Through Stochastic Modeling; AI and Electricity Demand: Will the Power-Hungry Machines be Satiated?; Will Peak Oil Ever Happen?; and As Alberta Prepares for Drought, Investors Should Help Companies Manage Water Risk.

Community Support and the Transition to Net Zero

As we progress our strategic sustainability initiatives, we are increasingly aware of the connections between E&S impacts. One area generating attention is the unintended societal consequences of climate change. The impacts of climate change are not always felt equitably and it has been demonstrated that disadvantaged communities are more likely to experience these effects negatively.[105] As we move toward a low-carbon economy, we recognize the importance of supporting workers, businesses and communities impacted by the transition, and helping to ensure the benefits of a low-carbon economy are shared widely. Over the last year, we leveraged our corporate philanthropy to support non-profit organizations helping facilitate the transition to a low-carbon economy. Two such initiatives focused on re-skilling and upskilling workers in clean technologies, as highlighted below.

Canada: Through a three-year grant, TD supported Iron & Earth's Climate Career Portal and "Renewable Skills Initiative". The Climate Career Portal is a digital platform that connects fossil fuel industry workers and members of the Indigenous community with career pathways in the net-zero economy. The portal includes skills training resources, mentors, opportunity maps and connections to training opportunities to support professionals in their career transition. The Renewable Skills Initiative is focused on providing solar and wind energy training programs with the goal of equipping rural and Indigenous communities with the skills and knowledge to gain employment in the transition to a low-carbon economy. These programs are tailored to each community, supporting local energy diversification and prioritizing community members' ownership of renewable energy infrastructure.

United States: Through a two-year grant provided by TD, the Center for EcoTechnology created a pilot program to provide support to small businesses decarbonizing their buildings and operations. The aim of the program is to help accelerate the pace of adoption and the scope of decarbonization solutions in Massachusetts and Connecticut. Through this grant, the organization is creating customizable commercial decarbonization roadmaps that are individually tailored to small business customers to help them prioritize and sequence the adoption of solutions. By the summer of 2024, eight small businesses had completed the pilot, with plans to expand it to 50 more small businesses and an ultimate goal of serving 200 small businesses by the end of the program term in 2025.


Appendices

OSFI B-15 Index

The below table details how our report addresses the 2024 disclosure expectations as outlined in OSFI's Guideline B-15: Climate Risk Management Annex 2-2.

OSFI B-15 Disclosure Element	OSFI B-15 Disclosure Expectation	Page Reference
Governance		
a	Describe the governance body(ies) (e.g., board of directors, committee, other) or individual(s) responsible for oversight of climate-related risks and opportunities, including their identity, responsibilities, skills and competencies, process around staying informed, oversight of strategy, major transactions, risk management processes, target setting and monitoring progress towards those targets, and a description of whether and how climate-related considerations are factored into their remuneration.	**Description of governance bodies responsible for oversight of climate-related risks and opportunities including their identity, responsibilities, oversight of strategy, major transactions, risk management processes, target setting and monitoring progress towards those targets:** • See Governance and Oversight: Page 77 • See Role of Board of Directors: Located externally • See Committees of the Board: Located externally • See 2025 Management Proxy Circular: Located externally: Pages 31–33 **Description of skills and competencies and the process around staying informed:** • See Governance and Oversight: Page 77 • See 2025 Management Proxy Circular: Located externally: Pages 32, 112–114 **Description of whether and how climate-related considerations are factored into executive remuneration:** • See Linking ESG Factors in Executive Total Rewards: Page 12 • See 2025 Management Proxy Circular: Located externally: Pages 34, 50, 58
b	Describe management's role in monitoring, managing, and overseeing climate-related risks and opportunities, including the identity of the management-level position or committee as applicable, its governance processes, controls, and procedures, and how oversight is exercised over that position or committee.	**Description of management's role in monitoring, managing and overseeing climate-related risks and opportunities:** • See Integrating Sustainability Governance and Strategy: Pages 12–14 **Description of governance over climate-related opportunities inventory:** • See Harnessing Climate-Related Opportunities: Page 87

OSFI B-15 Index continued

OSFI B-15 Disclosure Element	OSFI B-15 Disclosure Expectation	Page Reference
Strategy		
a	Describe the climate-related risks and opportunities the FRFI has identified that could reasonably be expected to affect its cash flows, access to finance or cost of capital, including: • The classification of each climate-related risk as either physical or transition risk; • The expected timeframe for the occurrence of effects associated with each risk and opportunity (short, medium, or long term); • The FRFI's definitions of 'short term,' 'medium term,' and 'long term' in relation to strategic decision-making planning horizons.	**Description of the climate-related risks the FRFI has identified and the classification of each climate-related risk as either physical or transition risk:** • See Our Climate Risks (including Our Climate Risk Inventory and Heatmap): Pages 79–83 **Description of the climate-related opportunities the FRFI has identified:** • See Harnessing Climate-Related Opportunities: Page 87 **Definitions of 'short term,' 'medium term,' and 'long term' in relation to strategic decision-making planning horizons:** • See Time Horizons: Pages 53–54
b) i	*Business model and value chain* Describe: • The current and anticipated effects of climate-related risks and opportunities on the FRFI's business model and value chain; • Where in the FRFI's business model and value chain the climate-related risks and opportunities are concentrated. *Strategy and Decision making* Disclose information about current and anticipated: • Changes to the FRFI's business model, including its resource allocation, to address climate-related risks and opportunities; • Direct mitigation and adaptation efforts; • Indirect mitigation and adaptation efforts. *Financial position, financial performance, and cash flows* Describe: • How climate-related risks and opportunities have affected the FRFI's financial position, financial performance, and cash flows for the reporting period; • How the FRFI expects its financial position, financial performance, and cash flows to change over the short, medium, and long term, given its strategy to manage climate-related risks and opportunities.	**Description of the effects of climate-related risks and opportunities on the FRFI's business model and value chain:** • See Our Climate Risks (including Our Climate Risk Inventory and Heatmap): Pages 79–83 • See Climate Risk Categories: Page 84 • See Harnessing Climate-Related Opportunities (including detail by line of business and opportunity type): Page 87 **Description of changes to the FRFI's business model to address climate-related risks and opportunities, direct and indirect mitigation and adaptation efforts:** • See Approach to Identifying, Assessing and Managing Climate-Related Risks (including Climate-Related Risk Management Process): Page 78 • See Climate Risk Categories: Page 84 • See Sustainable Finance (including resource allocation for capturing climate-related opportunities): Page 16 **Description of how climate-related risks and opportunities have affected the FRFI's financial position, financial performance, and cash flows for the reporting period, and how the FRFI expects its financial position, financial performance, and cash flows to change over the short term:** • See Review of Financial Performance, and Operating Environment and Outlook: Located externally in the 2024 TD Annual Report (under "Business Segment Analysis – Wealth Management and Insurance" in the Management Discussion and Analysis section): Page 55

OSFI B-15 Index continued

OSFI B-15 Disclosure Element	OSFI B-15 Disclosure Expectation	Page Reference
Risk Management		
a	Disclose information about the FRFI's processes and related policies for identifying, assessing, prioritizing, and monitoring climate-related risks. In meeting this disclosure expectation, the FRFI should explain how it has applied Principle 3 in Chapter 1 of this Guideline.	**Information on the FRFI's processes and policies on identifying, assessing, prioritizing and monitoring climate-related risks:** • See Approach to Protecting the Bank – Risk Management: Page 7 • See Environmental and Social Risk Management: Page 25 • See Approach to Identifying, Assessing and Managing Climate-Related Risks (including Climate-Related Risk Management): Page 78
b	Disclose information about the FRFI's processes for identifying, assessing, prioritizing, and monitoring climate-related opportunities including information about whether and how the FRFI uses climate-related scenario analysis to inform its identification of climate-related opportunities.	**Information on the FRFI's processes for identifying, assessing, prioritizing and monitoring climate-related opportunities including how scenario analysis is used to inform the identification of climate-related opportunities:** • See Harnessing Climate-Related Opportunities: Page 87 • See Process for Monitoring Climate-Related Opportunities: Pages 14, 87
c	Disclose information about the extent to which, and how the FRFI's processes for identifying, assessing, prioritizing, and monitoring climate-related risks and opportunities are integrated into and inform the FRFI's overall risk management process.	**Information on the FRFI's processes for identifying, assessing, prioritizing and monitoring climate-related risks and opportunities and how they are integrated and inform the risk management process:** • See Approach to Protecting the Bank – Risk Management: Page 7 • See Environmental and Social Risk Management: Page 25 • See Approach to Identifying, Assessing and Managing Climate-Related Risks (including Climate-Related Risk Management): Page 78

OSFI B-15 Index continued

OSFI B-15 Disclosure Element	OSFI B-15 Disclosure Expectation	Page Reference
Metrics & Targets		
a	Disclose metrics used by the FRFI to assess climate-related risks and opportunities in line with its strategy and risk management process.	**Details on metrics used by the FRFI to assess climate-related risks and opportunities aligned to strategy and risk management process:** • See Heatmap (including Carbon-Related Assets): Pages 80–81 • See Harnessing Climate-Related Opportunities: Page 87 • See Scope 1 and 2 Emissions Target: Page 58 • See Financed Emissions Interim Targets: Page 73 • See Sustainable Finance (including Our Approach and Progress on Goal): Pages 16–18
b) i	Disclose separately the FRFI's Scope 1 and location-based Scope 2 absolute gross GHG emissions for the period. Disclose the measurement approach, inputs, and assumptions the FRFI uses to measure its Scope 1 and Scope 2 GHG emissions, and the underlying reasons for these decisions. Disclose the reporting standard used by the FRFI to calculate and disclose GHG emissions. If the reporting standard used by the FRFI is not the GHG Protocol Corporate Standard, disclose how the reporting standard used by the FRFI is comparable.	**Details on the FRFI's Scope 1 and location-based Scope 2 absolute gross GHG emissions, including basis of measurement and reporting standard:** • See Scope 1 and 2 GHG Emissions: Pages 55–57 • See 2024 Sustainability Performance Data Pack & Indices: Located externally (refer to tab "Climate Change: Non-Financed GHG Emissions" footnote 13)

OSFI B-15 Index continued

OSFI B-15 Disclosure Element	OSFI B-15 Disclosure Expectation	Page Reference
Metrics & Targets		
c	Disclose any quantitative and qualitative climate-related targets the FRFI has set to monitor progress towards achieving its strategic goals, including: • The objective of the target; • The period over which the target applies; • The base period from which progress is measured; • Any revisions to the target and an explanation of those revisions;	**Details on the FRFI's setting of quantitative and qualitative targets and monitoring progress against strategic goals:** • See Scope 1 and 2 Emissions Target: Page 58 • See Financed Emissions Interim Targets: Pages 72–73 • See Engaging with Clients to Support Emissions Reductions: Page 89 • See Sustainable Finance (including Treasury and Balance Sheet Management Target): Pages 16, 18 • See Sustainable & Decarbonization Finance Target: Located externally in the Sustainable & Decarbonization Finance Target Methodology: Page 1
	Disclose information about the FRFI's approach to setting and reviewing each target and how it monitors progress against each target;	**Details on the FRFI's approach to setting, reviewing and monitoring progress against each target, as well as governance over targets:** • See Scope 1 and 2 Emissions Target: Pages 58, 77 • See Financed Emissions Reductions Targets: Pages 72–75, 77 • See Engaging with Clients to Support Emissions Reductions: Pages 89–91 • See Sustainable Finance (including Treasury and Balance Sheet Management Target): Page 20 • See Sustainable & Decarbonization Finance Target: Located externally in the Sustainable & Decarbonization Finance Target Methodology: Pages 2–5, 11–14 • See the 2025 Management Proxy Circular: Located externally: Page 32

OSFI B-15 Index continued

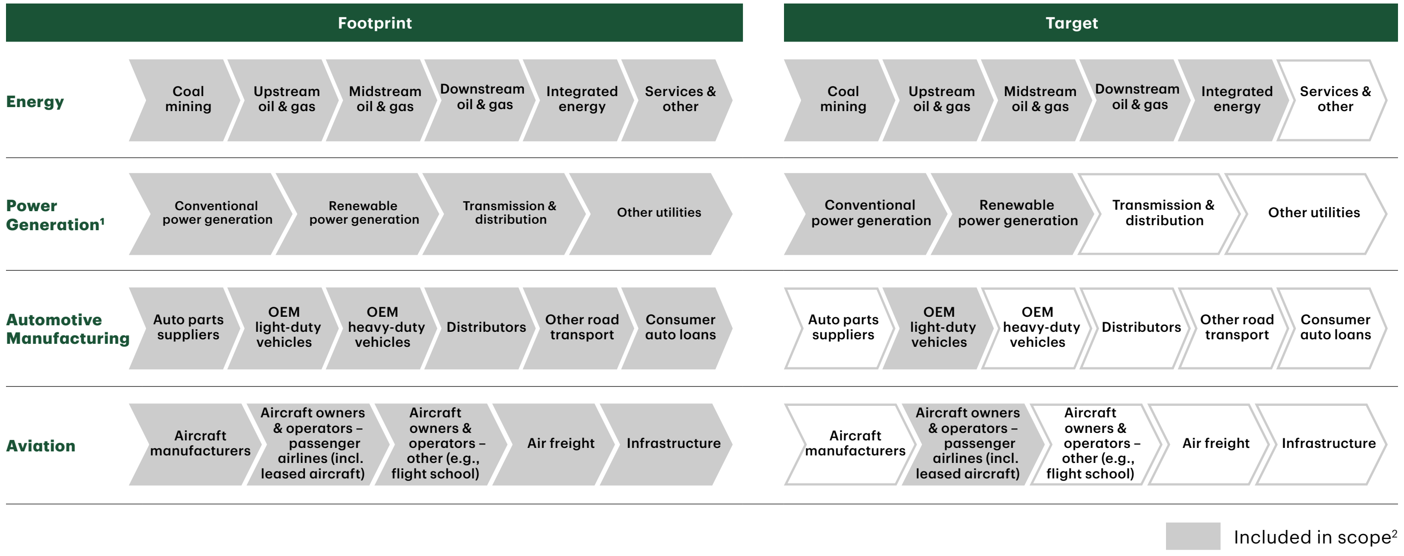
OSFI B-15 Disclosure Element	OSFI B-15 Disclosure Expectation	Page Reference
Metrics & Targets		
c	Disclose information about the FRFI's performance against each climate-related target and an analysis of trends or changes in the FRFI's performance.	**Details on the performance against targets and trends in changes in performance:** • See Scope 1 and 2 Emissions Target: Pages 58–59 • See Financed Emissions Interim Targets: Pages 73–76 • See Engaging with Clients to Support Emissions Reductions: Pages 89–90 • See Sustainable Finance (including Treasury and Balance Sheet Management Target): Pages 16–18
	For any GHG emissions target disclosed (and the corresponding metrics, if applicable), disclose it both gross of, and net of, carbon offsets, if applicable, and explain the type of offset (for example, carbon credit, nature-based, other).	N/A (GHG Emissions targets are set and measured only on a gross basis. Currently, the bank has not included offsets in our target-setting methodology nor does the Bank use carbon offsets to meet its targets.)

Footprint Versus Targets

Financed emissions interim targets were set in accordance with Net Zero Banking Alliance (NZBA) guidance (as at the time of setting targets, TD was a member of the NZBA).[106] Our target-setting approach is broadly consistent with our footprint approach, with three primary differences:

- **Financed emissions targets focus on specific parts of a sector's value chain:** While our quantified financed emissions footprint broadly covers emissions from clients in carbon-intensive sectors across all sub-sectors, financed emissions targets focus on specific parts of the value chain that represent the majority of a sector's emissions and/or can drive significant knock-on effects across the sector.
- **Financed emissions targets are intensity-based, not absolute:** Intensity-based metrics quantify financed emissions per unit of output (e.g., CO_2 per megawatt hour) or financed emissions per economic unit (e.g., CO_2 per dollar lent). Intensity-based targets allow for and incentivize lower-carbon economic and business growth for the Bank and our clients, in alignment with our strategy of meeting our clients where they are and supporting them in their decarbonization journeys. Intensity-based targets also provide insights that can drive meaningful engagement with clients of different sizes. Finally, the use of intensity-based metrics enables emissions efficiency comparisons across different companies and companies of various sizes in a common sector. By contrast, our absolute financed emissions metrics represent the estimated total amount of GHG emitted into the atmosphere by our clients over a specific period, multiplied by an apportioning factor to account for our share of our clients' emissions. As a result, our intensity-based emissions metrics may show a decline even though absolute emissions may be rising.
- **Financed emissions targets include capital markets-facilitated activities:** Debt and equity capital markets are key sources of financing for our clients, and we play a role in facilitating these transactions on their behalf. These activities are currently excluded from our footprint calculation as we work to estimate their impact in line with PCAF's recently published guidance.[107] However, we have included capital markets activities in the scope of our targets due to their strategic role in providing capital to our clients. In the future, we intend to adjust our methodology to align with PCAF's published guidance and will continue to measure our progress toward these targets while we work to establish footprints for capital markets activities.

For additional methodology details on our Automotive Manufacturing and Aviation financed emissions targets, please refer to our 2022 Climate Action Report, published in March 2023. For additional methodology details on our Energy and Power Generation financed emissions targets, please refer to Advancing Our Climate Action Plan: Methodology for TD's Interim Financed Emissions Targets, published in March 2022.



1 Power companies who generate electricity are included in the scope of the interim financed emissions target for Power Generation. This also includes integrated power companies, who are primarily transmission and distribution companies but who also generate electricity.

2 The grey chevrons in this graphic represent the sub-sectors that are included in TD's financed emissions footprint and targets (sub-sectors in chevrons that are not coloured grey are not included within the boundary of the target for that sector).

Awards and Recognition

Sustainability Indices

- TD awarded with bronze medal by EcoVadis.
- TD ranked as a top scorer in Canada on the 2024 Disability Equality Index®, which expanded to Canada for the first time this year, and TD Bank received a top score on the 2024 Disability Equality Index for the tenth consecutive year.
- TD Bank and TD Securities U.S. both received scores of 100 on Human Rights Campaign Foundation's 2025 Corporate Equality Index for the 15th and 9th consecutive year, respectively, designating them as recipients of the Equality 100 Award: Leader in LGBTQ+ Workplace Inclusion in the United States.

Governance and Reputation

- TD named "Best Corporate Sustainability Strategy: Bank" at the 2024 ESG Investing Awards.
- TD named Best Consumer Digital Bank in North America for the fourth consecutive year by Global Finance, driven by six North American regional category wins, including innovation and transformation.
- TD Bank ranked as the top Small Business Administration (SBA) lender by units in our Maine-to-Florida footprint for the eighth consecutive year and as a top two SBA lender by units nationally.
- TD Cowen, a division of TD Securities, named a finalist for Best ESG Research: Bank by 2025 ESG Investing Awards.[1]
- TD named a finalist for Best Bank for Sustainable Finance by ESG 2025 Investing Award.

Environmental

- TD named one of Canada's Greenest Employers 2024 for the 16th consecutive year by MediaCorp Canada.
- TD received Environmental Finance's 2024 Sustainable Debt Award for "Green Bond of the Year – Financial Institution" for the Bank's 2023 Green Bond Issuance.

Social

- TD recognized as a certified Great Place to Work® 2024 in Canada and the U.S. and named one of the Best Workplaces™ in Financial Services and Insurance for the eighth year in a row.
- TD named one of Canada's Top 100 Employers 2024 by MediaCorp for 17th consecutive year, one of Greater Toronto's Top Employers 2024 for the 17th consecutive year, and one of Canada's Best Diversity Employers 2024 for the 13th consecutive year by MediaCorp Canada.
- TD Bank recognized by Fair360 as a Top Company for Diversity in 2024 for the 12th consecutive year and as one of the Top Companies for Black Executives in 2024.
- TD Bank was recognized with the Veterans Indexes Recognized Employer Award.

1 Cowen Inc. and its affiliates are wholly owned, indirect subsidiaries of the Toronto-Dominion Bank. COWEN AND COMPANY, LLC: MEMBER FINRA, NYSE, NFA AND SIPC.

Endnotes

1 Throughout this report, we use the term "sustainability" when referring to the Bank's strategy (or aspects of the Bank's strategy) for managing environmental and social risks and opportunities. We use the term "ESG" when we are focusing on distinct but related "environmental," "social" and "governance" matters that would be useful to stakeholders in understanding the Bank's activities in these areas.

2 Performance indicators for which EY has provided a limited level of assurance, as outlined in the 2024 Assurance Report for Sustainability Metrics. Unless otherwise indicated, amounts related to prior years have been assured previously and are available through the Archived Sustainability Report page on our website.

3 Sustainable economic growth is economic growth and development that meets the present needs of an entity or organization without compromising the ability of the entity or organization to meet its future needs. Adapted from the United Nations' definition of sustainable development.

4 November 26, 2024. 2024 List of Global Systemically Important Banks (G-SIBs). Financial Stability Board. [online] Available at: https://www.fsb.org/uploads/P261124.pdf

5 Sustainability topics are those topics that relate to society, the economy or the environment and our ability to manage them in such a way that the needs of the present are met without compromising future generations' ability to meet their own needs. Informed by the United Nations' definition of "sustainable development.

6 Government of Canada. 2024. Sustainable Finance. [online] Available at: https://www.canada.ca/en/department-finance/programs/financial-sector-policy/sustainable-finance.html

7 As defined in Community Reinvestment Act (CRA) regulations, low-income community means there is a median family income of less than 50% of the area median income. A moderate-income community means that the median family income is at least 50% and less than 80% of the area median income.

8 Recognizing that there is no standard or universal approach to sustainable finance, we have articulated TD's approach through our Sustainable Finance Strategy and have published a methodology setting out how we determine which business activities count toward our Sustainable & Decarbonization Finance Target.

9 February 24, 2020. S&P Global. What is the 'G' in ESG? [online] Available at: https://www.spglobal.com/en/research-insights/market-insights/what-is-the-g-in-esg

10 United Nations. Climate Change. [online] Available at: https://www.un.org/en/global-issues/climate-change

11 Recognizing that there is no standard or universal approach to sustainable finance, we have articulated TD's approach through our sustainable finance strategy and have published a methodology setting out how we determine which business activities count toward our Sustainable & Decarbonization Finance Target.

12 It is currently not possible to reliably measure whether and, if so, how much of our support of business activities that are eligible towards the Target contributes to a reduction in overall greenhouse gas emissions.

13 Please see the TD Sustainable & Decarbonization Finance Target Methodology for further details on how these business activities are defined and how the progress toward the target was calculated.

14 Only eligible activities pursuant to the Sustainable and Decarbonization Finance Target methodology are included in the target.

15 Kienzler, C., Lichy, A., Tai, H., and van der Marel, F. February 27, 2023. How oil and gas companies can be successful in renewable power. McKinsey & Company. [online] Available at: https://www.mckinsey.com/industries/electric-power-and-natural-gas/our-insights/how-oil-and-gas-companies-can-be-successful-in-renewable-power; International Energy Agency. The oil and gas industry in net zero transitions. World energy outlook special report. [online] Available at: https://iea.blob.core.windows.net/assets/f065ae5e-94ed-4fcb-8f17-8ceffde8bdd2/TheOilandGasIndustryinNetZeroTransitions.pdf

16 Please see the TD Sustainable & Decarbonization Finance Target Methodology for further details on how these business activities are defined and how the progress toward the target was calculated.

17 The total nameplate capacity of renewable energy and total units of affordable housing calculated may not reflect the full dollar amount of investment due to limited data availability.

18 This figure is estimated using TD's apportioned value of the total renewable energy nameplate capacity from eligible equity capital markets, lending and advisory activities where information is available. For eligible transactions where TD advised on the purchase or sale of the facility, 100% of the transaction value/nameplate capacity is apportioned to TD. See our Methodology for more information.

19 To account for cases where TD is not the sole lender or has participated in only part of the transaction, these figures are estimated based on the proportion of the total value of the transaction that was financed or refinanced by TD, using the applicable measurement basis outlined in the Methodology ("TD's apportioned value").

20 The total nameplate capacity of renewable energy and total units of affordable housing calculated may not reflect the full dollar amount of investment due to limited data availability.

21 This figure is estimated using TD's apportioned value of the total affordable housing units from eligible lending activities where information is available.

22 To account for cases where TD is not the sole lender or has participated in only part of the transaction, these figures are estimated based on the proportion of the total value of the transaction that was financed or refinanced by TD, using the applicable measurement bases outlined in the Methodology ("TD's apportioned value").

23 Green, social and sustainability bonds, loans, and other debt products are those with 100% of net proceeds allocated to predetermined eligible green and/or social activities. Sustainability-linked bonds (SLBs) and sustainability-linked loans (SLLs) are designed to incentivize companies to achieve certain specified sustainability performance targets (SPTs) associated with defined key performance indicators (KPIs). The emissions impact of an SLB or SLL will vary depending on a number of variables, including the chosen KPIs, the scope of the KPIs, the associated SPTs, and other activities of the borrower. Relevant guidelines, principles, and methodologies, such as the International Capital Markets Association (ICMA) Green and Social Bond Principles, ICMA Sustainability Bond Guidelines, ICMA Sustainability-Linked Bond Principles, Asia Pacific Loan Market Association (APLMA), Loan Market Association (LMA) and Loan Syndications and Trading Association (LSTA) Green and Social Loan Principles; and/or LSTA Sustainability Linked Loan Principles are used to support the structuring of GSSS bonds, loans, and other debt instruments.

24 The following disclaimer is included at the request of MSCI: The MSCI ESG Quality Rating measures the ability of underlying holdings to manage key medium- to long-term risks and opportunities arising from environmental, social, and governance factors. The MSCI ESG Quality Rating is calculated using the fund weighted average ESG score adjusted for ESG rating trends and laggards. Certain information contained herein (the "Information") is sourced from/copyright of MSCI Inc., MSCI ESG Research LLC, or their affiliates ("MSCI"), or information providers (together the "MSCI Parties") and may have been used to calculate scores, signals, or other indicators. The Information is for internal use only and may not be reproduced or disseminated in whole or part without prior written permission. The Information may not be used for, nor does it constitute, an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product, trading strategy or index, nor should it be taken as an indication or guarantee of any future performance. Some funds may be based on or linked to MSCI indexes, and MSCI may be compensated based on the fund's assets under management or other measures. MSCI has established an information barrier between index research and certain Information. None of the Information in and of itself can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided "as is" and the user assumes the entire risk of any use it may make or permit to be made of the Information. No MSCI Party warrants or guarantees the originality, accuracy and/or completeness of the Information and each expressly disclaims all express or implied warranties. No MSCI Party shall have any liability for any errors or omissions in connection with any Information herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

25 An engagement in this context is considered a direct exchange or outreach to a company on a specific topic. One meeting with a company can include multiple topic engagements. TDAM also includes letters sent to companies on ESG topics as separate engagements.

26 Catastrophe claims are insurance claims that relate to any single event that occurred in the relevant fiscal quarter for which the aggregate insurance claims are equal to or greater than an internal threshold of $5 million before reinsurance. The Bank's internal threshold may change from time to time. The total amount of catastrophe claims presented reflects the estimated pre-tax cost of these claims net of recoveries from related reinsurance coverage and, when applicable, includes the cost of reinsurance reinstatement premiums. The total amount of catastrophe claims is included in Insurance service expenses and amounts related to reinsurance coverage are included in Other income (loss) on the Bank's Consolidated Statement of Income.

27 March 1, 2023. OECD Science, Technology and Industry Policy Papers. Driving low-carbon innovations for climate neutrality. [online] Available at: https://www.oecd.org/en/publications/driving-low-carbon-innovations-for-climate-neutrality_8e6ae16b-en.html

28 December 7, 2023. AON. Insurance plays a key role in transitioning to a low-carbon economy. [online] Available at: https://www.aon.com/en/insights/articles/insurance-plays-a-key-role-in-transitioning-to-a-low-carbon-future

29 International Energy Agency. Electrification overview. [online] Available at: https://www.iea.org/energy-system/electricity/electrification

30 Issued under the 2020 Sustainable Bonds Framework.

31 Funding specifically designated for projects in relation to COVID-19 outbreak.

32 This target includes bonds based on Bloomberg's designation as green, social, and/or sustainability bonds.

33 The As-at Approach captures the current position by incorporating new purchases, maturities, sales, FX movements and reclassifications. This approach provides a snapshot of bond holdings at any given point in time. The As-at Approach is used to track TD's ESG commitment to hold C$15 to $20 billion in green, social, sustainability and pandemic bonds in its Treasury investment portfolio at each fiscal period-end.

34 Future balances may fluctuate due to many factors, including market investment opportunities, changes in portfolio size, bond maturities, and foreign exchange rates. There is overlap between these fiscal 2024 bond holdings and the Treasury Investments included in the fiscal 2024 progress toward TD's $500 billion Sustainable & Decarbonization Finance Target. In subsequent years, eligible bond purchases will be counted toward the Target in the fiscal year in which they are purchased.

35 Each year the SCCO publishes an Annual Report, which is used as an opportunity to support our customers by including helpful tips by sharing case studies and observations.

36 The Evident AI Index. Benchmarking the AI capabilities of major banks. [online] Available at: https://evidentinsights.com/ai-index/

37 For more information about innovation at TD, visit the TD Invent website.

38 As logged by TD colleagues on the TD Ready Commitment Network.

Endnotes continued

39 Participants include customers and community members who take part in or receive information through sessions or programs in Canada and/or the U.S. that aim to improve their financial knowledge. "TD-led" initiatives include activities facilitated or delivered directly by TD. "TD-supported" initiatives include programs facilitated by or with charitable organizations that are both partially and fully funded by TD. Due to data and practical limitations, participants may be counted toward this target where they attend only part of a session or program. In addition, the number of participants reported may not reflect unique participants, as participants might engage with multiple programs. In 2024, we updated our methodology to ensure all applicable financial education activities are being captured, leading to additional in-scope TD-led financial education platforms being captured this year towards the financial education target. Prior to 2021, TD had a target for TD-supported financial education, which has now been broadened and recalibrated to reflect our current approach and ambition.

40 30% or less of total income of borrower (and co-borrower) or of renter.

41 Ibid.

42 Network for Greening the Financial System. March 24, 2022. Statement on Nature-Related Financial Risks. [online] Available at: https://www.ngfs.net/sites/default/files/medias/documents/statement_on_nature_related_financial_risks_-_final.pdf

43 United Nations. 2021. Tackling Biodiversity & Climate Crises Together and Their Combined Social Impacts. [online] Available at: https://www.un.org/sustainabledevelopment/blog/2021/06/tackling-biodiversity-climate-crises-together-and-their-combined-social-impacts/#

44 We have eliminated the procurement of single-use plastics through our centralized food & beverage service operations, in alignment with the Canadian Government Single-use Plastics Prohibition Regulations (SUPPR). This accounts for North American procurement of single-use plastics within food services from TD's two largest vendors, in accordance with the definition of single-use plastics outlined in the SUPPR (released after TD's 2020 commitment to stop the procurement of single-use plastics related to food and drink services by 2025). Due to internal limitations and data tracking challenges, the Bank is retiring its 2020 commitment.

45 Biodiversity is one of TD Asset Management's key areas of focus in their stewardship program; please refer to TDAM's Sustainable Investment and Climate Report 2024 for additional information.

46 The Intergovernmental Panel on Climate Change indicates that "net-zero emissions are achieved when anthropogenic emissions of greenhouse gases to the atmosphere are balanced by anthropogenic removals over a specified period. Where multiple greenhouse gases are involved, the quantification of net-zero emissions depends on the climate metric chosen to compare emissions of different gases (such as global warming potential, global temperature change potential, and others, as well as the chosen time horizon). Throughout this section we refer to net zero, net-zero emissions, and net-zero GHG emissions. Our operational and financed emissions targets are based on GHGs and expressed as CO_2e (i.e., carbon dioxide equivalent), which takes into account the global warming potential of other greenhouse gases in the calculations.

47 For more details on our client engagement, see Engaging with Clients to Support Emissions Reductions.

48 For details on our Scope 1 and 2 GHG emissions reduction target, see Scope 1 and 2 Target.

49 Scope 1 GHG emissions include direct GHG emissions that occur from sources that are owned or controlled by TD, such as emissions from combustion in boilers, furnaces, vehicles, etc. Scope 2 GHG emissions include indirect GHG emissions from purchased electricity, heat, cooling or steam that is generated off-site and consumed by TD across our real estate portfolio. Scope 3 non-financed GHG emissions include other relevant, significant Scope 3 indirect GHG emissions that occur in our value chain, except from Category 15: Investments (TD currently only calculates Financed Emissions from Scope 3 Category 15). For TD, this includes GHG emissions from Purchased Goods & Services, Capital Goods, Fuel- and Energy-Related Activities, Business Travel, Upstream Leased Assets and Downstream Leased Assets.

50 Absolute emissions represent the volume of GHG emissions expressed in tonnes of carbon dioxide equivalent (CO_2e). Absolute emissions refer to generated emissions and not values relating to avoided emissions or emission removals. Gross emissions represent the total GHG emissions before any deductions are made to take account of offset credits or renewable energy certificates.

51 In accordance with the GHG Protocol's Scope 2 Guidance, TD reports both location-based and market-based Scope 2 GHG emissions figures. The location-based approach accounts for emissions from the electricity physically delivered to a company (i.e., it reflects the average emissions intensity of grids on which energy consumption occurs). The market-based approach represents Scope 2 emissions based on how an organization buys its energy (i.e., it derives emission factors from contractual instruments, such as green power contracts, or renewable energy certificates).

52 Scope 3 non-financed GHG emissions include other relevant Scope 3 indirect GHG emissions that occur in our value chain, except from Category 15: Investments (TD currently only calculates Financed Emissions from Scope 3 Category 15). For TD, this includes GHG emissions from Purchased Goods & Services, Capital Goods, Fuel- and Energy-Related Activities, Business Travel, Upstream Leased Assets and Downstream Leased Assets.

53 See Our Approach to Calculating Non-Financed GHG Emissions for details on our organizational boundary, reporting period, and other key details related to our Scope 3 Non-Financed GHG emissions.

54 Category 4 – Upstream Transportation & Distribution and Category 9 – Downstream Transportation & Distribution are calculated as part of Category 1 – Purchased Goods & Services, in line with guidance contained in the Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Category 5 – Waste Generated in Operations, Category 7 – Employee Commuting, and Category 12 – End of Life Treatment of Sold Products are relevant for TD; however, these categories were determined to be insignificant. Category 10 – Processing of Sold Products, Category 11 – Use of Sold Products, and Category 14 – Franchises were determined to be irrelevant for TD.

55 Global warming potential is a metric that compares the heat-trapping ability of GHG emissions to CO_2 over a set time.

56 The Intergovernmental Panel on Climate Change is the United Nations body for assessing the science related to climate change. https://www.ipcc.ch/

57 Given the significant volatility in 2020 and 2021 from global events (e.g., COVID-19 lockdowns and subsequent re-openings), we have used 2019 as our operational GHG baseline for all targets established to date so that the baseline reflects "normal" operations.

58 The Science-Based Targets Initiative's Absolute Contraction Approach is an internationally-recognized methodology for setting science-based GHG emissions reduction targets. TD has used this methodology in setting its Scope 1 and 2 GHG emissions reduction target; however, this target has not been validated by the SBTi.

59 The term net-zero energy was used in initial communications related to the opening of the Cypress Creek location where its design included the installation of onsite solar panels. For this net-zero energy store, the total amount of energy used by the building in a 12-month period can equal the amount of renewable energy created on-site.

60 United Nations (UN) Race to Zero, Starting Line and Leadership Practices, 2022; Science-Based Targets Initiative (SBTi), SBTi Corporate Net-Zero Standard, 2023; Glasgow Financial Alliance for Net Zero (GFANZ), Financial Institution Net-Zero Transition Plans, 2022; https://climatechampions.unfccc.int/wp-content/uploads/2022/06/Race-to-Zero-Criteria-3.0-4.pdf; https://sciencebasedtargets.org/resources/files/Net-Zero-Standard.pdf; https://assets.bbhub.io/company/sites/63/2022/09/Recommendations-and-Guidance-on-Financial-Institution-Net-zero-Transition-Plans-November-2022.pdf

61 World Resources Institute. Carbon Removal. [online] Available at: https://www.wri.org/initiatives/carbon-removal

62 Carbon dioxide equivalent (CO_2e) is a measure used to compare the emissions of different greenhouse gases on the basis of their global-warming potential. CO_2e signifies the number of metric tonnes of CO_2 emissions with the same global warming potential as one metric tonne of another greenhouse gas. Carbon dioxide removal is the process of removing CO_2 from the atmosphere using natural or technological processes. The International Energy Forum defines unabated GHG emissions as greenhouse gases which are released into the atmosphere from fossil fuels without any offsetting or removal, contributing to global warming in the process. https://www.ief.org/news/abated-vs-unabated-emissions-why-they-matter-for-achieving-net-zero

63 Masson-Delmotte, V., P. Zhai, A. Pirani, S.L. Connors, C. Péan, S. Berger, N. Caud, Y. Chen, L. Goldfarb, M.I. Gomis, M. Huang, K. Leitzell, E. Lonnoy, J.B.R.Matthews, T.K. Maycock, T. Waterfield, O. Yelekçi, R. Yu, and B. Zhou (eds). 2021. Climate Change 2021: The Physical Science Basis; Intergovernmental Panel on Climate Change. [online] Available at: https://www.ipcc.ch/report/ar6/wg1/downloads/report/IPCC_AR6_WGI_FullReport.pdf

64 The carbon credits we have purchased/retired were not sold within the state of California.

65 Business travel includes emissions from commercial air travel, chartered jets, rail travel, car rentals and personal vehicles used for business travel.

66 Carbon instruments considered by TD in 2024 included carbon credits and Energy Attribute Certificates (EACs). EACs is the umbrella term encompassing the environmental benefits of all renewable electricity instruments such as renewable energy certificates (RECs), International RECs (I-RECs), guarantees of origin (GOs), and similar instruments. Per TD Enterprise Guidance, all carbon credits purchased voluntarily by TD must be verified using a voluntary carbon market standard that is endorsed by the International Carbon Reduction and Offset Alliance (ICROA) and that is in full compliance with the applicable endorsement and assessment criteria. Examples of ICROA-endorsed standards considered by TD include the Verified Carbon Standard, Gold Standard, and American Carbon Registry.

67 The remaining portion of attributed financed emissions that are not covered by our four interim targets stem from other sectors for which we have not yet set targets due to challenges with data or methodologies. We continue to explore ways to enhance our access to and the quality of data in additional sectors, and we support the advancement of methodologies through organizations such as PCAF.

68 Global CO_2 emissions rose in 2022, as did emissions from the combustion of oil and coal. For further information, please see the IEA's report on CO_2 emissions in 2022 available at: https://www.iea.org/reports/co2-emissions-in-2022

69 RMI. December 2024. Climate and Disclosure Setting in the Agriculture Sector: Lessons from the Canadian Market. [online] Available at: https://rmi.org/insight/climate-disclosure-and-target-setting-in-the-agriculture-sector-subtitle-lessons-from-the-canadian-market/

70 More details on PCAF's data quality scoring approach by asset class are available in the Part A: Financed Emissions standards, and can be found on pages. 57, 73, 98 and 106 at https://carbonaccountingfinancials.com/files/downloads/PCAF-Global-GHG-Standard.pdf

71 We leveraged external sources, including S&P Global Trucost for emissions and client financial data, and Environmental Protection Agency (EPA) emissions data for consumer auto loans. Where data was unavailable or presented significant challenges, we used the PCAF guidance and PCAF database for alternative estimation methodologies, as well as internally calculated emissions factors. Our internally-developed emissions factors are revenue- and asset-based averages calculated at the sub-sector level by incorporating all of the North American-based companies in the corresponding sub-sector that have emissions data in S&P Global Trucost. While these factors are volatile to changes in company financials, they provide a more representative estimate of emissions given our North American footprint. Since financed emissions are attributed to a financial institution based on the ratio of the financing commitments to the client and the client's enterprise value, valuation changes can lead to a higher or lower attribution ratio and create volatility in the results year over year.

72 Three emission baselines have been restated to incorporate the available client emissions data: (1) external data vendors reassessed estimated emissions for some clients; and (2) some clients have disclosed emissions for the first time, covering years dating back to 2019. Previous baselines by sector: Energy 2,192 $gCO_2e/\$$ – new baseline is 11% higher; Power Generation 378 $kgCO_2e/MWh$ – new baseline is less than 3% higher; Aviation 88 gCO_2e/pkm – new baseline is 1% higher. The Automotive Manufacturing baseline did not change.

73 International Energy Agency. October 2023. World Energy Outlook 2023. [online] Available at: https://www.iea.org/reports/world-energy-outlook-2023

74 International Energy Agency. October 2024. World Energy Outlook 2024. [online] Available at: https://www.iea.org/reports/world-energy-outlook-2024

75 International Energy Agency. October 2023. World Energy Outlook 2023. [online] Available at: https://www.iea.org/reports/world-energy-outlook-2023

76 World Economic Forum. May 2023. [online] Available at: https://www.weforum.org/stories/2023/05/electric-vehicles-ev-sales-growth-2022/

77 Statistics Canada. 2023. Automotive Statistics. [online] Available at: https://www.statcan.gc.ca/en/topics-start/automotive

78 Statistics Canada. September 2024. Sales of fuel used for road motor vehicles. [online] Available at: https://www150.statcan.gc.ca/t1/tbl1/en/tv.action?pid=2310006601

Endnotes continued

79 International Civil Aviation Organization. The World of Air Transport in 2022. [online] Available at: https://www.icao.int/sustainability/WorldofAirTransport/Pages/the-world-of-air-transport-in-2022.aspx#:~:text=According%20to%20ICAO's%20preliminary%20compilation,a%2023.1%20per%20cent%20increase.

80 International Civil Aviation Organization. The World of Air Transport in 2019. [online] Available at: https://www.icao.int/annual-report-2019/Pages/the-world-of-air-transport-in-2019.aspx#:~:text=The%204.5%20billion%20scheduled%20passengers,some%2090%20million%20in%202040.&text=The%20world's%20major%20manufacturers%20delivered,822%20new%20aircraft%20net%20orders.

81 Load factor is a key determinant in the calculation of TD's chosen target metric for Aviation, which is GHG emissions per passenger kilometre flown. With higher load factors (i.e., a higher percentage of seats that are filled by passengers) the emissions intensity is lower, as the number of passenger kilometres for each journey is higher.

82 International Air Transport Association. December 2019. Air Passenger Market Analysis. [online] Available at: https://www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-monthly---dec-2019/#:~:text=Capacity%20expanded%20by%203.4%25%20in,new%20record%20high%20of%2082.6%25.

83 International Air Transport Association. December 2022. Air Passenger Market Analysis. [online] Available at: https://www.iata.org/en/iata-repository/publications/economic-reports/air-passenger-market-analysis---december-2022/

84 OECD. November 7, 2024. The Climate Action Monitor 2024. [online] Available at: https://www.oecd.org/en/publications/the-climate-action-monitor-2024_787786f6-en.html

85 See TD's 2024-Q4 Supplemental Regulatory Disclosure, page 25, Line #9, where the total (retail and non-retail) gross credit risk exposures (excluding counterparty credit risk exposures to repo-style transactions and over-the-counter (OTC) derivatives), amounts to $1,785,685, and represents Total Assets for the purpose of the Carbon-Related Assets Relative to Total Assets climate-related risk metric.

86 Implementing the Recommendations of the Task Force on Climate-related Financial Disclosures. Available at: https://assets.bbhub.io/company/sites/60/2021/07/2021-TCFD-Implementing_Guidance.pdf. As of 2024, the IFRS Foundation took over responsibility for overseeing corporate climate-related disclosures from the TCFD. The International Sustainability Standards Board (ISSB) finalized the IFRS Sustainability Disclosure Standards in June 2023, which fully integrate TCFD's recommendations. The TCFD recommendations continue to serve as a resource for companies. See more on the IFRS, ISSB and TCFD at https://www.ifrs.org/sustainability/tcfd/

87 Indirect auto lending refers to TD Auto Finance offering automobile financing to customers through a wide network of dealerships.

88 Figures do not include fund investments entered into by TD Cowen prior to March 1, 2023.

89 Longbow Capital Inc. November 5, 2024. Longbow Capital completes initial closing of the Longbow Energy Transition Fund II with $150 million of committed capital. [online] Available at: https://www.globenewswire.com/news-release/2024/11/05/2975142/0/en/Longbow-Capital-completes-initial-closing-of-the-Longbow-Energy-Transition-Fund-II-with-150-million-of-committed-capital.html

90 Business travel includes emissions from commercial air travel, chartered jets, rail travel, car rentals and personal vehicles used for business travel.

91 All carbon credits purchased voluntarily by TD must be verified using a voluntary carbon market standard that is endorsed by the International Carbon Reduction and Offset Alliance (ICROA) and that is in full compliance with the applicable endorsement and assessment criteria. Examples of ICROA-endorsed standards considered by TD include the Verified Carbon Standard, Gold Standard, and American Carbon Registry.

92 United Nations (UN) Race to Zero, Starting Line and Leadership Practices, 2022; Science-Based Targets Initiative (SBTi), SBTi Corporate Net-Zero Standard, 2023; Glasgow Financial Alliance for Net Zero (GFANZ), Financial Institution Net-Zero Transition Plans, 2022; https://climatechampions.unfccc.int/wp-content/uploads/2022/06/Race-to-Zero-Criteria-3.0-4.pdf; https://sciencebasedtargets.org/resources/files/Net-Zero-Standard.pdf; https://assets.bbhub.io/company/sites/63/2022/09/Recommendations-and-Guidance-on-Financial-Institution-Net-zero-Transition-Plans-November-2022.pdf

93 For more information on the Direct Air Capture transaction, please visit: https://td.mediaroom.com/2023-11-01-1PointFive-and-TD-Announce-One-of-the-Finance-Industrys-Largest-Purchases-of-Direct-Air-Capture-Carbon-Removal-Credits

94 Our client engagement efforts focus on the clients who emit 75% of the attributed financed emissions to TD that we aim to reduce through our 2030 interim targets, which cover our corporate and commercial lending and capital markets activities. In 2024, we exceeded our target of engaging with clients who emit 75% of the attributed financed emissions to TD. Since the Bank's financed emissions for these sectors are attributable primarily to clients of TD Securities, our client engagement efforts have been led by TD Securities.

95 For the purposes of quantifying our efforts towards the 75% client engagement target, TD defined engagement as a meeting with representatives of the client, in-person or virtual, to discuss our climate engagement topics, as disclosed in our 2023 Climate Action Report on page 32.

96 Our climate-specific client engagement efforts focus on the clients within our 2030 interim financed emissions target sectors, which cover our corporate and commercial lending and capital markets activities. In 2024, we exceeded our target of engaging with clients responsible for 75% of these financed emissions. Since the Bank's financed emissions for these sectors are attributable primarily to clients of TD Securities, our client engagement efforts have been led by TD Securities.

97 We achieved the client engagement targets within the period (January 1 to December 31, 2024); however, our assessment results include one client that we engaged with in January 2025 due to client availability.

98 The client assessment results shown here are based on the engagement conversations the TD Securities team had with our clients as well as data we have gathered from our third party data provider, S&P Trucost, a reputable source of carbon and environmental data. Some of this data collected from S&P has been independently assured and/or validated. Despite efforts by TD to validate some of these results, we have not independently verified all data points and claims. Furthermore, some of S&P's data includes GHG emission estimation.

99 These results include clients outside of the scope of our Financed Emissions targets, as we work to expand our assessments in our efforts to adapt and protect the Bank.

100 TD's methodology for assessing clients' transition readiness was enhanced in 2024. To ensure the comparability of our Transition Readiness Assessment Results, 2023 client assessment results were recalibrated to the 2024 methodology. This allows for more relevant and accurate year-over-year comparisons.

101 For example, the United Nations has published a report on renewables being the cheapest form of power: https://www.un.org/en/climatechange/renewables-cheapest-form-power. In Canada, the Government of Canada has passed Clean Electricity Regulations – see https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/clean-electricity.html#toc2. In the U.S., numerous states have created policies and incentives to support renewable power generation. A database of these is available here: https://www.dsireusa.org/

102 Percentage of clients with a target set is based on the engagement conversations we had with our clients and data collected by the TD Securities team. Scope 3 targets may include a target set on any category of Scope 3 GHG emissions (as defined by the GHG Protocol).

103 2024 was the first year we collected client assessment data for the Transportation sector and thus year-over-year comparisons will be available next year.

104 The Transportation sector readiness assessment consists of automotive manufacturing and aviation clients, although it is majority automotive manufacturing clients.

105 World Bank Group. April 1, 2023. Social Dimensions of Climate Change. [online] Available at: https://www.worldbank.org/en/topic/social-dimensions-of-climate-change

106 TD exited the NZBA on January 17, 2025.

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Acronyms

Acronym	Definition
2SLGBTQ+	Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer, Plus
AAFC	Agriculture and Agri-Food Canada
AI	artificial intelligence
ALPFA	Association of Latino Professionals for America
TD AMCB	TD America's Most Convenient Bank®
AML	anti-money laundering
APLMA	Asia Pacific Loan Market Association
ASL	American Sign Language
ATF	anti-terrorist financing
BALP	Business Accelerator Loan Program
BCBS	Basel Committee on Banking Supervision
BDC	Business Development Canada
CBA	Canadian Bankers Association
CDR	carbon dioxide removal
CEC	Climate Engagement Canada
CELC	Circular Economy Leadership Canada
CEO	Chief Executive Officer
CGC	Corporate Governance Committee
CIP	Community Impact Plan
CLHIA	Canadian Life and Health Insurance Association
CMHC	Canada Mortgage and Housing Corporation
CO_2e	carbon dioxide equivalent
CRA	Community Reinvestment Act
CRE	Commercial Real Estate
CRI	Cyber Risk Institute
CRO	Chief Risk Officer
CSA	Climate scenario analysis
CSDS	Canadian Sustainability Disclosure Standard
CSSB	Canadian Sustainability Standard Board
CUSO	Combined U.S. Operations
DCM	debt capital markets
D-SIBs	domestic systemically important banks
DXA	Digital Experience Analytics
E&S	environmental and social
EAC	Energy Attribute Certificate
ECM	equity capital markets
EPA	Environmental Protection Agency
ERF	Enterprise Risk Framework
ESG	environmental, social and governance
ETFs	exchange traded funds
EU CSRD	European Union Corporate Sustainability Reporting Directive
EVIC	Enterprise Value Including Cash
EVs	electric vehicles
EWF	Executive Women's Forum
EY	Ernst & Young LLP
FELI	Financed Emissions Lending Intensity
FPIC	free, prior and informed consent
gCO_2e/$	grams of carbon dioxide equivalent per dollar lent
gCO_2e/pkm	grams of carbon dioxide equivalent per passenger kilometre
gCO_2e/vkm	grams of carbon dioxide equivalent per vehicle kilometre
GenAI	Generative AI
GFANZ	Glasgow Financial Alliance for Net Zero
GHG	greenhouse gas
GRESB	Global Real Estate Sustainability Benchmark
GSSS	green, social, sustainability and sustainability-linked
HBCU	historically Black colleges and universities
HELOC	home equity lines of credit
HFCs	hydrofluorocarbons
IBC	Insurance Bureau of Canada
ICMA	International Capital Markets Association
ICROA	International Carbon Reduction and Offset Alliance
IEA	International Energy Agency
IETA	International Emissions Trading Association
IFRS	International Financial Reporting Standards
IIF	Institute of International Finance
IPCC	Intergovernmental Panel on Climate Change
ISF	Institute for Sustainable Finance
ISSB	International Sustainability Standards Board
$kgCO_2e$/MWh	kilograms of carbon dioxide equivalent per megawatt hour of electricity generated
KPIs	Key performance indicators
LEED	Leadership in Energy and Environmental Design

Acronyms continued

LEI	Legendary Experience Index
LMA	Loan Market Association
LMI	low- and moderate-income
LSQ	Quebec Sign Language
LSTA	Loan Syndications and Trading Association
MLI	mortgage loan insurance
$MtCO_2e$	megatons of carbon dioxide equivalent
NAICS	North American Industry Classification System
NGOs	non-governmental organizations
NIST	National Institute of Standards and Technology
OSFI	Office of the Superintendent of Financial Institutions
OSFI SCSE	OSFI Standardized Climate Scenario Exercise
OTC	over the counter
PCAF	Partnership for Carbon Accounting Financials
PEI	Physical Emissions Intensity
PwD	persons with disabilities
RAS	risk appetite statement
RECs	renewable energy certificates
REITs	Real Estate Investment Trusts
RIA	Responsible Investment Association
RMA	Risk Management Association
RMI	Rocky Mountain Institute
S&CC	Sustainability and Corporate Citizenship
SASB	Sustainability Accounting Standards Board
SBA	Small Business Association
SBTi	Science-Based Targets Initiative
SET	senior executive team
SEVP	Senior Executive Vice President
SFAC	Sustainable Finance Action Council
SFEC	Sustainable Finance Executive Council
SLBs	Sustainability-linked bonds
SLLs	Sustainability-linked loans
SPTs	sustainability performance targets
TCFD	Task Force on Climate-related Financial Disclosures
tCO_2e	tonnes of carbon dioxide equivalent
TD CMG	TD Commercial Mortgage Group
TD NREG	TD National Real Estate Group
TD RESL	TD Real Estate Secured Lending
TD SAFE	TD Security Awareness for Everyone
TD SCCO	TD Senior Customer Complaints Office
TD TECE	TD Transformation, Enablement and Customer Experience
TDAM	TD Asset Management
TEG	technical expert group
TNFD	Taskforce on Nature-related Financial Disclosures
TOM	target operating model
UDAAP	unfair, deceptive or abusive acts or practices
UN	United Nations
UN PRI	UN Principles for Responsible Investment
UNEP FI	UN Environment Programme Finance Initiative
UNEP FI PSI	UNEP FI Principles for Sustainable Insurance
VIN	vehicle identification number
WBCSD	World Business Council for Sustainable Development

Caution Regarding Forward-Looking Statements

From time to time, The Toronto-Dominion Bank and its subsidiaries, collectively known as TD Bank Group ("TD" or the "Bank"), makes written and/or oral forward-looking statements, including in this document, in other filings with Canadian regulators or the United States (U.S.) Securities and Exchange Commission (SEC), and in other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the "safe harbour" provisions of, and are intended to be forward-looking statements under, applicable Canadian and U.S. securities legislation, including the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements made in this document regarding the Bank's economic and sustainability (environmental, decarbonization and social)-related objectives, vision, commitments, goals, metrics and targets, including the Bank's net-zero and greenhouse gas (GHG) emissions reduction targets, its Sustainable & Decarbonization Finance Target, its goals and targets pursuant to the Bank's social framework "TD Pathways to Economic Inclusion," and its other sustainability-related goals. Any forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank's stakeholders in understanding the Bank's vision, objectives, metrics and targets as well as its economic and sustainability-related objectives and impacts and such forward-looking statements may not be appropriate for other purposes.

Forward-looking statements are typically identified by words such as "anticipate," "believe," "could," "estimate," "expect," "forecast,", "goal," "intend," "may," "outlook," "plan," "possible," "potential," "predict," "project," "should," "target," "will," and "would" and similar expressions or variations thereof, or the negative thereof, but these terms are not the exclusive means of identifying such statements. By their very nature, these forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the physical, financial, economic, political, and regulatory environments, such risks and uncertainties – many of which are beyond the Bank's control and the effects of which can be difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements.

In particular, because of the limitations and uncertainties inherent in climate science, risk analysis and reporting, the Bank has relied upon various market practices, taxonomies, methodologies, criteria and standards, and made reasonable approximations and assumptions, in establishing its sustainability-related goals. However, there are many factors that the Bank may not foresee or be able to accurately predict which may impact the Bank's ability to achieve its sustainability-related goals or otherwise achieve the results anticipated by such forward-looking statements. Those factors include the absence of a standardized taxonomy regarding sustainability-related terms (including in meaning and scope), the absence of standardized methodologies for classifying sustainability-related activities or for evaluating their impact, the availability of comprehensive and high-quality data (including from the Bank's clients on whom the Bank may be required to rely for information), the assumptions underlying third-party decarbonization scenarios, economic trends (including changes in interest rates), fluctuations in the Bank's clients' enterprise values, the applicable domestic and international regulatory regimes, the need for active and continuing participation of stakeholders (including enterprises, financial institutions and governmental and non-governmental organizations), the development and deployment of new technologies and production methods, border measures, and the availability of sector-specific solutions, among other unforeseen events or conditions.

The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors may cause actual results to differ materially from the Bank's expectations and may result in the Bank modifying its forward-looking statements, including its sustainability-related goals. Additional information regarding the assumptions, risks and uncertainties underlying the Bank's forward-looking statements can be found in the "Risk Factors and Management" section of the Bank's 2024 Management's Discussion and Analysis ("MD&A"), as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable) related to any events or transactions discussed under the headings "Significant Events" or "Significant and Subsequent Events" in the relevant MD&A, which may be found on www.td.com.

All such factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements, should be considered carefully when making decisions with respect to the Bank. The Bank cautions readers not to place undue reliance on the Bank's forward-looking statements.

The Bank does not undertake to update any forward-looking statement, whether written or oral, that may be made from time to time by or on its behalf, except as required by law.

Additional Caution Regarding Sustainability-Related Disclosures

In addition, the Bank cautions readers of the following regarding the sustainability-related disclosures included in this document:

- The terms "sustainability," "sustainable investing,", "sustainable finance," "ESG," "carbon neutral," "decarbonization," "net-zero" and similar terms, taxonomies, methodologies, criteria and standards are evolving in terms of both meaning and scope. As a result, the Bank's use of such terms may vary over time to reflect such changes. Any references to such terms in this document are intended as references to the internally defined criteria of the Bank and not to any jurisdiction-specific regulatory definition or voluntary standard that may exist.
- The Bank has assumed continued growth in its clients' investments in and expenditures on sustainability activities (including environmental, decarbonization and social activities) in light of regulatory, policy, economic, technological, climatic and other trends. The Bank has also assumed ordinary rates of growth and development of the Bank's business, including in its lending, financing, underwriting and advisory services, in its own investments, in all sectors, in its ownership and control of subsidiaries and in its geographic footprint (including through relocations, mergers, acquisitions, or dispositions). If any of these assumptions prove incorrect, it could have a material effect on the Bank's sustainability-related goals and the Bank's ability to meet them.
- There could be changes to the market practices, taxonomies, methodologies, criteria and standards that regulators, non-governmental bodies, the financial sector, civil society, the Bank and its clients use to classify, measure, determine the eligibility of, report on and verify financial transactions and environmental, decarbonization and social activities for inclusion toward the Bank's sustainability-related goals, or to evaluate the impact of such activities. In some cases, these market practices, taxonomies, methodologies, criteria and standards may not yet exist. The Bank may update its sustainability-related goals, its progress toward those goals, and the eligibility of certain transactions and activities, as appropriate, in light of new and evolving market practices, taxonomies, methodologies, criteria and standards.
- In making and implementing its sustainability-related goals, the Bank must rely on data obtained from clients and other third-party sources. The Bank's use of third-party data must not be taken as an endorsement of such third party or its data or be construed as granting any form of intellectual property. Although the Bank believes these sources are reliable, the Bank has not independently verified any third-party data, or assessed the assumptions underlying such data, and cannot guarantee the accuracy, reliability and completeness of such third-party data or assumptions. The data used by the Bank in connection with its sustainability-related goals, including to evaluate clients' intended use of capital, may be limited in quality, unavailable, or inconsistent across sectors. Certain third-party data may also change over time as market practices, taxonomies, methodologies, criteria and standards evolve. These factors and related uncertainties could have a material effect on the Bank's sustainability-related goals and the Bank's ability to meet them.
- The Bank and its clients may need to or elect to purchase carbon and clean energy instruments, including carbon offset and removal credits and renewable energy credits, to meet sustainability-related goals. The market for these instruments is still developing and their availability may be limited. Some of these instruments are also subject to the risk of invalidation or reversal, and the Bank provides no assurance of the treatment of any such instruments in the future. There may also be changes to applicable regulations and standards that impact the market for carbon and clean energy instruments. The maturity, liquidity and economics of this market may make it more difficult for the Bank to achieve its sustainability-related goals.
- Except as otherwise noted, the information contained in this document is unaudited. Ernst & Young LLP ("EY") has performed a limited assurance engagement for a select number of the Bank's sustainability performance indicators, as set out in EY's 2024 Assurance Report for Sustainability Metrics, and a reasonable assurance engagement for the Bank's use of net proceeds from its 2021 Green Bond issuance, as set out in EY's 2024 Assurance Report related to TD Sustainable Financing Report. The remainder of the information contained in this document was not subject to any assurance engagement. You can read more about the scope of EY's work in the Assurance Reports hyperlinked above.

Additional Disclaimers

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