TD Bank Group Reports Third Quarter 2024 Results

Report to Shareholders • *Three and nine months ended July 31, 2024*

The financial information in this document is reported in Canadian dollars and is based on the Bank's unaudited Interim Consolidated Financial Statements and related Notes prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), unless otherwise noted. Certain comparative amounts have been revised to conform with the presentation adopted in the current period.

Reported results conform with generally accepted accounting principles (GAAP), in accordance with IFRS. Adjusted measures are non-GAAP financial measures. For additional information about the Bank's use of non-GAAP financial measures, refer to "Significant and Subsequent Events" and "Non-GAAP and Other Financial Measures" in the "How We Performed" section of this document.

THIRD QUARTER FINANCIAL HIGHLIGHTS, compared with the third quarter last year:
- **Reported diluted earnings (loss) per share were $(0.14), compared with $1.53.**
- **Adjusted diluted earnings per share were $2.05, compared with $1.95.**
- **Reported net income (loss) was $(181) million, compared with $2,881 million.**
- **Adjusted net income was $3,646 million, compared with $3,649 million.**

YEAR-TO-DATE FINANCIAL HIGHLIGHTS, nine months ended July 31, 2024, compared with the corresponding period last year:
- **Reported diluted earnings per share were $2.76, compared with $4.04.**
- **Adjusted diluted earnings per share were $6.09, compared with $6.09.**
- **Reported net income was $5,207 million, compared with $7,768 million.**
- **Adjusted net income was $11,072 million, compared with $11,510 million.**

THIRD QUARTER ADJUSTMENTS (ITEMS OF NOTE)
The third quarter reported earnings figures included the following items of note:
- **Amortization of acquired intangibles of $64 million ($56 million after-tax or 3 cents per share), compared with $88 million ($75 million after-tax or 4 cents per share) in the third quarter last year.**
- **Acquisition and integration charges related to the Schwab transaction of $21 million ($18 million after-tax or 1 cent per share), compared with $54 million ($44 million after-tax or 2 cents per share) in the third quarter last year.**
- **Restructuring charges of $110 million ($81 million after-tax or 5 cents per share).**
- **Acquisition and integration charges related to the Cowen acquisition of $78 million ($60 million after-tax or 3 cents per share), compared with $143 million ($105 million after-tax or 6 cents per share) in the third quarter last year.**
- **Impact from the terminated First Horizon Corporation (FHN) acquisition-related capital hedging strategy of $62 million ($46 million after-tax or 3 cents per share), compared with $177 million ($134 million after-tax or 8 cents per share) in the third quarter last year.**
- **Provision for investigations related to the Bank's AML program of $3,566 million ($3,566 million after-tax or $2.04 per share).**

TORONTO, August 22, 2024 – TD Bank Group ("TD" or the "Bank") today announced its financial results for the third quarter ended July 31, 2024. Reported earnings were a loss of $181 million, compared with reported earnings of $2,881 million in the third quarter last year, and adjusted earnings were $3.6 billion, relatively flat.

The Bank's reported results include the impact of the US$2,600 million provision for investigations related to the Bank's anti-money laundering (AML) program, which, together with the provision taken last quarter in connection with this matter, reflects the Bank's current estimate of the total fines related to this matter.

"TD delivered record revenue and net income in Canadian Personal and Commercial Banking, continued operating momentum in the U.S., and strong results across our markets-driven businesses," said Bharat Masrani, Group President and CEO, TD Bank Group. "We continued to invest in new and innovative capabilities and expanded our product offerings to better serve our customers and clients."

Canadian Personal and Commercial Banking delivered record net income and revenue supported by continued volume growth and strong operating leverage
Canadian Personal and Commercial Banking net income was $1,872 million, an increase of 13% compared to the third quarter last year, reflecting higher revenue, partially offset by higher non-interest expenses and provisions for credit losses. The segment delivered record revenue of $5,003 million, an increase of 9%, primarily reflecting volume growth and margin expansion.

Canadian Personal and Commercial Banking grew its leading deposit franchise with another strong quarter for account openings. TD further expanded its market-leading credit card business to reach a milestone of more than 8 million active accounts and delivered market share gains in Real Estate Secured Lending while supporting its growing customer base. This quarter, TD added more value for New to Canada customers, including offers for both TD Direct Investing and the TD Cash Back Visa Card. The Bank also enhanced its TD Student Line of Credit offering, supporting Canada's next generation of doctors, dentists, and veterinarians. In addition, Business Banking launched TD Innovation Partners, a full-service banking and financing solutions platform for technology and innovation companies.

The U.S. Retail Bank delivered operating momentum in a challenging environment
U.S. Retail reported net loss for the quarter was $2,275 million (US$1,658 million), compared with reported net income of $1,305 million (US$977 million) in the third quarter last year. On an adjusted basis, net income was $1,291 million (US$942 million), a decrease of $77 million (US$83 million). Reported net income for the quarter from the Bank's investment in The Charles Schwab Corporation ("Schwab") was $178 million (US$129 million), a decrease of $13 million (US$13 million).

The U.S. Retail Bank, which excludes the Bank's investment in Schwab, reported net loss was $2,453 million (US$1,787 million), compared with reported net income of $1,114 million (US$835 million) in the third quarter last year, primarily reflecting the impact of the provision for investigations related to the Bank's AML program. On an adjusted basis net income was $1,113 million, a decrease of $64 million from the third quarter last year, primarily reflecting higher PCL and higher non-interest expenses, partially offset by higher revenue. In U.S. dollars, adjusted net income was US$813 million, a decrease of US$70 million, reflecting higher PCL and lower revenue.

This quarter, the U.S. Retail Bank continued to deliver strong operating momentum with stable deposits excluding Schwab sweep deposits, and year-over-year peer-leading loan growth. The Commercial Banking Middle Market loan balances and lending fees grew 18% and 9% respectively year-over-year. In addition, TD Bank, America's Most Convenient Bank® ranked highest among national banks in the J.D. Power 2024 U.S. Online Banking Satisfaction Study[1], reflecting investments in digital banking and continued enhancements to customer experience. For the fifth year in a row, TD Auto Finance ranked #1 in Dealer Satisfaction among Non-Captive National Prime Automotive Finance Lenders in the J.D. Power 2024 U.S. Dealer Financing Satisfaction Study[2].

Wealth Management and Insurance delivered record revenue while net income reflects impact from severe weather events
Wealth Management and Insurance net income was $430 million, relatively flat compared with the third quarter last year. Driven by strong business fundamentals, Wealth Management and Insurance delivered record revenues of $3,349 million reflecting higher insurance premiums, asset growth, higher deposit margins, and increased trades per day in the Direct Investing business. TD Insurance reported higher claims costs due to severe weather events in the Greater Toronto Area and wildfires in Alberta, in addition to increased claims severity.

Wealth Management and Insurance continued to invest in client-centric innovation this quarter. TD Direct Investing was the first bank-owned brokerage in Canada to launch partial shares trading, enabling investors to buy and sell a fraction of stocks and exchange-traded funds. TD Insurance supported customers and communities in their moments of need by providing advice and assistance to those impacted by severe weather-related events this quarter.

Wholesale Banking continued its growth, with revenues up on broader and stronger capabilities
Wholesale Banking reported net income for the quarter was $317 million, an increase of $45 million compared with the third quarter last year, primarily reflecting higher revenues, partially offset by higher PCL and non-interest expenses. On an adjusted basis, net income was $377 million, flat compared to the third quarter last year. Revenue for the quarter was $1,795 million, an increase of $227 million, or 14%, compared with the third quarter last year, reflecting higher trading-related revenue, lending revenue, advisory and underwriting fees.

This quarter, Wholesale Banking continued to gain momentum across its banking and markets businesses. In June, TD Securities colleagues across North America participated in the annual TD Securities Underwriting Hope Campaign, which raised more than $2.1 million in support of children and youth-related charities.

Update on TD's AML remediation program
TD is undertaking a remediation of its U.S. AML Program. As part of this work, the Bank has been making investments in its risk and control infrastructure, including onboarding leadership with deep subject matter expertise supported by increased staffing resources, implementing new cross-functional procedures for preventing, detecting and reporting suspicious activity; and investing in data and technology, training and process design to enable improved transaction monitoring and data analytics capabilities.

Capital
TD's Common Equity Tier 1 Capital ratio was 12.8%.

Conclusion
"Looking ahead, TD is strong and well-positioned to navigate the macroeconomic environment, invest in both our AML remediation program and our business, and continue to deepen our relationships with our nearly 28 million customers and clients," added Masrani. "I want to thank TD bankers around the globe for their hard work and commitment to the Bank and those we serve."

The foregoing contains forward-looking statements. Please refer to the "Caution Regarding Forward-Looking Statements" on page 4.

[1] TD Bank received the highest score among national banks (>$200B in deposits) in the J.D. Power 2024 U.S. Banking Online Satisfaction Study, which measures customer satisfaction with financial institutions' online experience for banking account management. Visit jdpower.com/awards for more details.
[2] TD Auto Finance received the highest score in the non-captive national – prime segment in the J.D. Power 2020-2024 U.S. Dealer Financing Satisfaction Studies of auto dealers' satisfaction with automotive finance providers. Visit jdpower.com/awards for more details.

ENHANCED DISCLOSURE TASK FORCE

The Enhanced Disclosure Task Force (EDTF) was established by the Financial Stability Board in 2012 to identify fundamental disclosure principles, recommendations and leading practices to enhance risk disclosures of banks. The index below includes the recommendations (as published by the EDTF) and lists the location of the related EDTF disclosures presented in the third quarter 2024 Report to Shareholders (RTS), Supplemental Financial Information (SFI), or Supplemental Regulatory Disclosures (SRD). Information on TD's website, SFI, and SRD is not and should not be considered incorporated herein by reference into the third quarter 2024 RTS, Management's Discussion and Analysis, or the Interim Consolidated Financial Statements. Certain disclosure references have been made to the Bank's 2023 Annual Report.

Type of Risk	Topic	EDTF Disclosure	Page			
			RTS Third Quarter 2024	SFI Third Quarter 2024	SRD Third Quarter 2024	Annual Report 2023
General	1	Present all related risk information together in any particular report.	Refer to below for location of disclosures			
	2	The bank's risk terminology and risk measures and present key parameter values used.				83-88, 92, 97, 99-101, 112-114
	3	Describe and discuss top and emerging risks.				76-82
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	6	Description of the bank's risk culture and procedures applied to support the culture.				83-84
	7	Description of key risks that arise from the bank's business models and activities.				71, 83, 88-116
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	15	Tabulate credit risk in the banking book for Basel asset classes and major portfolios.			35-52, 58-64	
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	20	Tabulate consolidated total assets, liabilities and off-balance sheet commitments by remaining contractual maturity at the balance sheet date.	41-43			109-111
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	27	Description of the bank's policies for identifying impaired loans.	70			62, 147-148, 154, 177
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	29	Analysis of the bank's counterparty credit risks that arise from derivative transactions.			53-54, 65-69	91, 159, 181-183, 187, 190-191
	30	Discussion of credit risk mitigation, including collateral held for all sources of credit risk.				91, 151, 159
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MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATING PERFORMANCE

This MD&A is presented to enable readers to assess material changes in the financial condition and operating results of TD Bank Group ("TD" or the "Bank") for the three and nine months ended July 31, 2024, compared with the corresponding periods shown. This MD&A should be read in conjunction with the Bank's unaudited Interim Consolidated Financial Statements and related Notes included in this Report to Shareholders and with the 2023 Consolidated Financial Statements and related Notes and 2023 MD&A. This MD&A is dated August 21, 2024. Unless otherwise indicated, all amounts are expressed in Canadian dollars and have been primarily derived from the Bank's 2023 Consolidated Financial Statements and related Notes or Interim Consolidated Financial Statements and related Notes, prepared in accordance with IFRS as issued by the IASB. Note that certain comparative amounts have been revised to conform with the presentation adopted in the current period. Additional information relating to the Bank, including the Bank's 2023 Annual Information Form, is available on the Bank's website at http://www.td.com as well as on SEDAR+ at http://www.sedarplus.ca and on the SEC's website at http://www.sec.gov (EDGAR filers section).

Caution Regarding Forward-Looking Statements

From time to time, the Bank (as defined in this document) 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, the Management's Discussion and Analysis ("2023 MD&A") in the Bank's 2023 Annual Report under the heading "Economic Summary and Outlook", under the headings "Key Priorities for 2024" and "Operating Environment and Outlook" for the Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, and Wholesale Banking segments, and under the heading "2023 Accomplishments and Focus for 2024" for the Corporate segment, and in other statements regarding the Bank's objectives and priorities for 2024 and beyond and strategies to achieve them, the regulatory environment in which the Bank operates, and the Bank's anticipated financial performance. Forward-looking statements can be 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. Risk factors that could cause, individually or in the aggregate, such differences include: strategic, credit, market (including equity, commodity, foreign exchange, interest rate, and credit spreads), operational (including technology, cyber security, and infrastructure), model, insurance, liquidity, capital adequacy, legal, regulatory compliance and conduct, reputational, environmental and social, and other risks. Examples of such risk factors include general business and economic conditions in the regions in which the Bank operates; geopolitical risk; inflation, rising rates and recession; regulatory oversight and compliance risk; the ability of the Bank to execute on long-term strategies, shorter-term key strategic priorities, including the successful completion of acquisitions and dispositions and integration of acquisitions, the ability of the Bank to achieve its financial or strategic objectives with respect to its investments, business retention plans, and other strategic plans; technology and cyber security risk (including cyber-attacks, data security breaches or technology failures) on the Bank's technologies, systems and networks, those of the Bank's customers (including their own devices), and third parties providing services to the Bank; model risk; fraud activity; insider risk; the failure of third parties to comply with their obligations to the Bank or its affiliates, including relating to the care and control of information, and other risks arising from the Bank's use of third parties; the impact of new and changes to, or application of, current laws, rules and regulations, including without limitation tax laws, capital guidelines and liquidity regulatory guidance; increased competition from incumbents and new entrants (including Fintechs and big technology competitors); shifts in consumer attitudes and disruptive technology; environmental and social risk (including climate change); exposure related to significant litigation and regulatory matters; ability of the Bank to attract, develop, and retain key talent; changes to the Bank's credit ratings; changes in foreign exchange rates, interest rates, credit spreads and equity prices; the interconnectivity of Financial Institutions including existing and potential international debt crises; increased funding costs and market volatility due to market illiquidity and competition for funding; Interbank Offered Rate (IBOR) transition risk; critical accounting estimates and changes to accounting standards, policies, and methods used by the Bank; the economic, financial, and other impacts of pandemics; and the occurrence of natural and unnatural catastrophic events and claims resulting from such events. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results. For more detailed information, please refer to the "Risk Factors and Management" section of the 2023 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 heading "Significant Events" or "Significant and Subsequent Events" in the relevant MD&A, which applicable releases 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.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2023 MD&A under the heading "Economic Summary and Outlook", under the headings "Key Priorities for 2024" and "Operating Environment and Outlook" for the Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, and Wholesale Banking segments, and under the heading "2023 Accomplishments and Focus for 2024" for the Corporate segment, each as may be updated in subsequently filed quarterly reports to shareholders.

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 shareholders and analysts in understanding the Bank's financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf, except as required under applicable law.

This document was reviewed by the Bank's Audit Committee and was approved by the Bank's Board of Directors, on the Audit Committee's recommendation, prior to its release.

TABLE 1: FINANCIAL HIGHLIGHTS

(millions of Canadian dollars, except as noted)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Results of operations					
Total revenue – reported[1]	**$ 14,176**	$ 13,819	$ 12,914	**$ 41,709**	$ 37,512
Total revenue – adjusted[1,2]	**14,238**	13,883	13,148	**41,892**	38,795
Provision for (recovery of) credit losses	**1,072**	1,071	766	**3,144**	2,055
Insurance service expenses (ISE)[1]	**1,669**	1,248	1,386	**4,283**	3,668
Non-interest expenses – reported[1]	**11,012**	8,401	7,359	**27,443**	22,227
Non-interest expenses – adjusted[1,2]	**7,208**	7,084	6,730	**21,417**	19,529
Net income (loss) – reported[1]	**(181)**	2,564	2,881	**5,207**	7,768
Net income – adjusted[1,2]	**3,646**	3,789	3,649	**11,072**	11,510
Financial position (billions of Canadian dollars)					
Total loans net of allowance for loan losses	**$ 938.3**	$ 928.1	$ 867.8	**$ 938.3**	$ 867.8
Total assets	**1,967.2**	1,966.7	1,885.2	**1,967.2**	1,885.2
Total deposits	**1,220.6**	1,203.8	1,159.5	**1,220.6**	1,159.5
Total equity	**111.6**	112.0	112.6	**111.6**	112.6
Total risk-weighted assets[3]	**610.5**	602.8	544.9	**610.5**	544.9
Financial ratios					
Return on common equity (ROE) – reported[1,4]	**(1.0) %**	9.5 %	10.8 %	**6.5 %**	9.7 %
Return on common equity – adjusted[1,2]	**14.1**	14.5	13.8	**14.3**	14.6
Return on tangible common equity (ROTCE)[1,2,4]	**(1.0)**	13.0	14.6	**8.9**	13.1
Return on tangible common equity – adjusted[1,2]	**18.8**	19.2	18.2	**18.9**	19.2
Efficiency ratio – reported[1,4]	**77.7**	60.8	57.0	**65.8**	59.3
Efficiency ratio – adjusted, net of ISE[1,2,4,5]	**57.3**	56.1	57.2	**56.9**	55.6
Provision for (recovery of) credit losses as a % of net average loans and acceptances	**0.46**	0.47	0.35	**0.46**	0.32
Common share information – reported (Canadian dollars)					
Per share earnings (loss)[1]					
Basic	**$ (0.14)**	$ 1.35	$ 1.53	**$ 2.77**	$ 4.05
Diluted	**(0.14)**	1.35	1.53	**2.76**	4.04
Dividends per share	**1.02**	1.02	0.96	**3.06**	2.88
Book value per share[4]	**57.61**	57.69	55.49	**57.61**	55.49
Closing share price[6]	**81.53**	81.67	86.96	**81.53**	86.96
Shares outstanding (millions)					
Average basic	**1,747.8**	1,762.8	1,834.8	**1,762.4**	1,827.9
Average diluted	**1,748.6**	1,764.1	1,836.3	**1,763.6**	1,829.9
End of period	**1,747.9**	1,759.3	1,827.5	**1,747.9**	1,827.5
Market capitalization (billions of Canadian dollars)	**$ 142.5**	$ 143.7	$ 158.9	**$ 142.5**	$ 158.9
Dividend yield[4]	**5.3 %**	5.1 %	4.7 %	**5.1 %**	4.5 %
Dividend payout ratio[4]	**n/m[7]**	75.6	62.6	**110.4**	71.0
Price-earnings ratio[1,4]	**19.2**	13.8	11.4	**19.2**	11.4
Total shareholder return (1 year)[4]	**(1.4)**	4.5	9.4	**(1.4)**	9.4
Common share information – adjusted (Canadian dollars)[1,2]					
Per share earnings[1]					
Basic	**$ 2.05**	$ 2.04	$ 1.95	**$ 6.09**	$ 6.10
Diluted	**2.05**	2.04	1.95	**6.09**	6.09
Dividend payout ratio	**49.7 %**	49.9 %	49.2 %	**50.1 %**	47.2 %
Price-earnings ratio[1]	**10.3**	10.5	10.5	**10.3**	10.5
Capital ratios[3]					
Common Equity Tier 1 Capital ratio	**12.8 %**	13.4 %	15.2 %	**12.8 %**	15.2 %
Tier 1 Capital ratio	**14.6**	15.1	17.2	**14.6**	17.2
Total Capital ratio	**16.3**	17.1	19.6	**16.3**	19.6
Leverage ratio	**4.1**	4.3	4.6	**4.1**	4.6
TLAC ratio	**29.1**	30.6	35.0	**29.1**	35.0
TLAC Leverage ratio	**8.3**	8.7	9.3	**8.3**	9.3

1 For the three and nine months ended July 31, 2023, certain amounts have been restated for the adoption of IFRS 17, *Insurance Contracts* (IFRS 17). Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

2 The Toronto-Dominion Bank ("TD" or the "Bank") prepares its Interim Consolidated Financial Statements in accordance with IFRS, the current GAAP, and refers to results prepared in accordance with IFRS as the "reported" results. The Bank also utilizes non-GAAP financial measures such as "adjusted" results and non-GAAP ratios to assess each of its businesses and to measure overall Bank performance. To arrive at adjusted results, the Bank adjusts reported results for "items of note". Refer to "Significant and Subsequent Events" and "How We Performed" sections of this document for further explanation, a list of the items of note, and a reconciliation of adjusted to reported results. Non-GAAP financial measures and ratios used in this document are not defined terms under IFRS and, therefore, may not be comparable to similar terms used by other issuers.

3 These measures have been included in this document in accordance with the Office of the Superintendent of Financial Institutions Canada's (OSFI's) Capital Adequacy Requirements (CAR), Leverage Requirements (LR), and Total Loss Absorbing Capacity (TLAC) guidelines. Refer to the "Capital Position" section of this document for further details.

4 For additional information about this metric, refer to the Glossary of this document.

5 Efficiency ratio – adjusted, net of ISE is calculated by dividing adjusted non-interest expenses by adjusted total revenue, net of ISE. Adjusted total revenue, net of ISE – Q3 2024: $12,569 million, Q2 2024: $12,635 million, Q3 2023: $11,762 million, 2024 YTD: $37,609 million, 2023 YTD: $35,127 million. Effective the first quarter of 2024, the composition of this non-GAAP ratio and the comparative amounts have been revised.

6 Toronto Stock Exchange closing market price.

7 Not meaningful.

SIGNIFICANT AND SUBSEQUENT EVENTS

a) Investigations Related to the Bank's AML Program
The Bank continues to actively pursue a global resolution of the civil and criminal investigations into its U.S. *Bank Secrecy Act* (BSA)/AML program (the "AML Program") by its U.S. prudential regulators, the Financial Crimes Enforcement Network (FinCEN), and the U.S. Department of Justice (DOJ). For additional information about these matters, including provisions recorded in connection with such investigations, refer to Note 19 of the Bank's third quarter 2024 Interim Consolidated Financial Statements.

As previously disclosed, the Bank is undertaking a remediation of its AML Program. This is a cross-functional undertaking, spanning business lines and control functions, and is a priority for the Bank. As part of this work, the Bank has been making investments in its risk and controls infrastructure, including: (i) onboarding leadership with deep subject matter expertise supported by increased staffing resources; (ii) implementing new cross-functional procedures for preventing, detecting, and reporting suspicious activity; (iii) investing in training and process design; and (iv) investing in data and technology to enable improved transaction monitoring and data analytics capabilities. The Bank has established a dedicated program management infrastructure to monitor execution against the remediation program**.** This work is being overseen by an Interim AML/BSA Committee of the U.S. subsidiary boards and is expected to be a multi-year endeavour, involving additional investments.

b) Restructuring Charges
The Bank continued to undertake certain measures in the third quarter of 2024 to reduce its cost base and achieve greater efficiency. In connection with these measures, the Bank incurred $110 million and $566 million, respectively, of restructuring charges for the three and nine months ended July 31, 2024, which primarily relate to employee severance and other personnel-related costs and real estate optimization. The restructuring program has concluded.

c) Federal Deposit Insurance Corporation Special Assessment
On November 16, 2023, the FDIC announced a final rule that implements a special assessment to recover the losses to the Deposit Insurance Fund arising from the protection of uninsured depositors during the U.S. bank failures in the spring of 2023. The special assessment resulted in the recognition of $411 million (US$300 million) pre-tax in non-interest expenses in the first quarter of the Bank's fiscal 2024.

On February 23, 2024, the FDIC notified all institutions subject to the special assessment that its estimate of total losses increased compared to the amount communicated with the final rule in November 2023. Accordingly, the Bank recognized an additional expense for the special assessment of $103 million (US$75 million) in the second quarter of the Bank's fiscal 2024. The final amount of the Bank's special assessment may be further updated as the FDIC determines the actual losses to the Deposit Insurance Fund.

d) Sale of Schwab Common Shares
On August 21, 2024, the Bank announced that it had sold 40.5 million shares of common stock of Schwab. The shares are sold for proceeds of approximately $3.4 billion (US$2.5 billion). The share sale will reduce the Bank's ownership interest in Schwab from 12.3% to 10.1%. The Bank is expected to recognize approximately $1.0 billion (US$0.7 billion) as other income (net of $0.5 billion (US$0.4 billion) loss from accumulated other comprehensive income (AOCI) reclassified to earnings), in the fourth quarter of fiscal 2024.

HOW WE PERFORMED

CORPORATE OVERVIEW
The Toronto-Dominion Bank and its subsidiaries are collectively known as TD Bank Group ("TD" or the "Bank"). TD is the sixth largest bank in North America by assets and serves more than 27.5 million customers in four key businesses operating in a number of locations in financial centres around the globe: Canadian Personal and Commercial Banking, including TD Canada Trust and TD Auto Finance Canada; U.S. Retail, including TD Bank, America's Most Convenient Bank®, TD Auto Finance U.S., TD Wealth (U.S.), and an investment in The Charles Schwab Corporation; Wealth Management and Insurance, including TD Wealth (Canada), TD Direct Investing, and TD Insurance; and Wholesale Banking, including TD Securities and TD Cowen. TD also ranks among the world's leading online financial services firms, with more than 17 million active online and mobile customers. TD had $1.97 trillion in assets on July 31, 2024. The Toronto-Dominion Bank trades under the symbol "TD" on the Toronto and New York Stock Exchanges.

HOW THE BANK REPORTS
The Bank prepares its Interim Consolidated Financial Statements in accordance with IFRS and refers to results prepared in accordance with IFRS as "reported" results.

Non-GAAP and Other Financial Measures
In addition to reported results, the Bank also presents certain financial measures, including non-GAAP financial measures that are historical, non-GAAP ratios, supplementary financial measures and capital management measures, to assess its results. Non-GAAP financial measures, such as "adjusted" results, are utilized to assess the Bank's businesses and to measure the Bank's overall performance. To arrive at adjusted results, the Bank adjusts for "items of note" from reported results. Items of note are items which management does not believe are indicative of underlying business performance and are disclosed in Table 3. Non-GAAP ratios include a non-GAAP financial measure as one or more of its components. Examples of non-GAAP ratios include adjusted basic and diluted earnings per share (EPS), adjusted dividend payout ratio, adjusted efficiency ratio, net of ISE, and adjusted effective income tax rate. The Bank believes that non-GAAP financial measures and non-GAAP ratios provide the reader with a better understanding of how management views the Bank's performance. Non-GAAP financial measures and non-GAAP ratios used in this document are not defined terms under IFRS and, therefore, may not be comparable to similar terms used by other issuers. Supplementary financial measures depict the Bank's financial performance and position, and capital management measures depict the Bank's capital position, and both are explained in this document where they first appear.

U.S. Strategic Cards
The Bank's U.S. strategic cards portfolio is comprised of agreements with certain U.S. retailers pursuant to which TD is the U.S. issuer of private label and co-branded consumer credit cards to their U.S. customers. Under the terms of the individual agreements, the Bank and the retailers share in the profits generated by the relevant portfolios after credit losses. Under IFRS, TD is required to present the gross amount of revenue and PCL related to these portfolios in the Bank's Interim Consolidated Statement of Income. At the segment level, the retailer program partners' share of revenues and credit losses is presented in the Corporate segment, with an offsetting amount (representing the partners' net share) recorded in Non-interest expenses, resulting in no impact to Corporate's reported net income (loss). The net income (loss) included in the U.S. Retail segment includes only the portion of revenue and credit losses attributable to TD under the agreements.

Investment in The Charles Schwab Corporation and IDA Agreement

On October 6, 2020, the Bank acquired an approximately 13.5% stake in The Charles Schwab Corporation ("Schwab") following the completion of Schwab's acquisition of TD Ameritrade Holding Corporation ("TD Ameritrade") of which the Bank was a major shareholder (the "Schwab transaction"). On August 1, 2022, the Bank sold 28.4 million non-voting common shares of Schwab, which reduced the Bank's ownership interest in Schwab to approximately 12.0%.

The Bank accounts for its investment in Schwab using the equity method. The U.S. Retail segment reflects the Bank's share of net income from its investment in Schwab. The Corporate segment net income (loss) includes amounts for amortization of acquired intangibles, the acquisition and integration charges related to the Schwab transaction, and the Bank's share of restructuring and other charges incurred by Schwab. The Bank's share of Schwab's earnings available to common shareholders is reported with a one-month lag. For further details, refer to Note 7 of the Bank's third quarter 2024 Interim Consolidated Financial Statements.

On November 25, 2019, the Bank and Schwab signed an insured deposit account agreement (the "2019 Schwab IDA Agreement"), with an initial expiration date of July 1, 2031. Under the 2019 Schwab IDA Agreement, starting July 1, 2021, Schwab had the option to reduce the deposits by up to US$10 billion per year (subject to certain limitations and adjustments), with a floor of US$50 billion. In addition, Schwab requested some further operational flexibility to allow for the sweep deposit balances to fluctuate over time, under certain conditions and subject to certain limitations.

On May 4, 2023, the Bank and Schwab entered into an amended insured deposit account agreement (the "2023 Schwab IDA Agreement"), which replaced the 2019 Schwab IDA Agreement. Pursuant to the 2023 Schwab IDA Agreement, the Bank continues to make sweep deposit accounts available to clients of Schwab. Schwab designates a portion of the deposits with the Bank as fixed-rate obligation amounts (FROA). Remaining deposits over FROA are designated as floating-rate obligations. In comparison to the 2019 Schwab IDA Agreement, the 2023 Schwab IDA Agreement extends the initial expiration date by three years to July 1, 2034 and provides for lower deposit balances in its first six years, followed by higher balances in the later years. Specifically, until September 2025, the aggregate FROA will serve as the floor. Thereafter, the floor will be set at US$60 billion. In addition, Schwab has the option to buy down up to $6.8 billion (US$5 billion) of FROA by paying the Bank certain fees in accordance with the 2023 Schwab IDA Agreement, subject to certain limits. Refer to the "Related Party Transactions" section in the 2023 MD&A for further details.

During the first quarter of 2024, Schwab exercised its option to buy down the remaining $0.7 billion (US$0.5 billion) of the US$5 billion FROA buydown allowance and paid $32 million (US$23 million) in termination fees to the Bank in accordance with the 2023 Schwab IDA Agreement. By the end of the first quarter of 2024, Schwab had completed its buy down of the full US$5 billion FROA buydown allowance and had paid a total of $337 million (US$250 million) in termination fees to the Bank. The fees were intended to compensate the Bank for losses incurred from discontinuing certain hedging relationships and for lost revenues. The net impact was recorded in net interest income.

The following table provides the operating results on a reported basis for the Bank.

TABLE 2: OPERATING RESULTS – Reported

(millions of Canadian dollars)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Net interest income	**$ 7,579**	$ 7,465	$ 7,289	**$ 22,532**	$ 22,450
Non-interest income[1]	**6,597**	6,354	5,625	**19,177**	15,062
Total revenue[1]	**14,176**	13,819	12,914	**41,709**	37,512
Provision for (recovery of) credit losses	**1,072**	1,071	766	**3,144**	2,055
Insurance service expenses[1]	**1,669**	1,248	1,386	**4,283**	3,668
Non-interest expenses[1]	**11,012**	8,401	7,359	**27,443**	22,227
Income before income taxes and share of net income from investment in Schwab[1]	**423**	3,099	3,403	**6,839**	9,562
Provision for (recovery of) income taxes[1]	**794**	729	704	**2,157**	2,502
Share of net income from investment in Schwab	**190**	194	182	**525**	708
Net income (loss) – reported[1]	**(181)**	2,564	2,881	**5,207**	7,768
Preferred dividends and distributions on other equity instruments	**69**	190	74	**333**	367
Net income (loss) attributable to common shareholders[1]	**$ (250)**	$ 2,374	$ 2,807	**$ 4,874**	$ 7,401

[1] For the three and nine months ended July 31, 2023, certain amounts have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

The following table provides a reconciliation between the Bank's adjusted and reported results. For further details refer to the "Significant and Subsequent Events" or "How We Performed" sections.

TABLE 3: NON-GAAP FINANCIAL MEASURES – Reconciliation of Adjusted to Reported Net Income

(millions of Canadian dollars)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Operating results – adjusted					
Net interest income[1]	**$ 7,641**	$ 7,529	$ 7,364	**$ 22,715**	$ 22,836
Non-interest income[1,2,3]	**6,597**	6,354	5,784	**19,177**	15,959
Total revenue[2]	**14,238**	13,883	13,148	**41,892**	38,795
Provision for (recovery of) credit losses	**1,072**	1,071	766	**3,144**	2,055
Insurance service expenses[2]	**1,669**	1,248	1,386	**4,283**	3,668
Non-interest expenses[2,4]	**7,208**	7,084	6,730	**21,417**	19,529
Income before income taxes and share of net income from investment in Schwab	**4,289**	4,480	4,266	**13,048**	13,543
Provision for income taxes	**868**	920	845	**2,660**	2,872
Share of net income from investment in Schwab[5]	**225**	229	228	**684**	839
Net income – adjusted[2]	**3,646**	3,789	3,649	**11,072**	11,510
Preferred dividends and distributions on other equity instruments	**69**	190	74	**333**	367
Net income available to common shareholders – adjusted	**3,577**	3,599	3,575	**10,739**	11,143
Pre-tax adjustments for items of note					
Amortization of acquired intangibles[6]	**(64)**	(72)	(88)	**(230)**	(221)
Acquisition and integration charges related to the Schwab transaction[4,5]	**(21)**	(21)	(54)	**(74)**	(118)
Share of restructuring and other charges from investment in Schwab[5]	**–**	–	–	**(49)**	–
Restructuring charges[4]	**(110)**	(165)	–	**(566)**	–
Acquisition and integration-related charges[4]	**(78)**	(102)	(143)	**(297)**	(237)
Charges related to the terminated FHN acquisition[4]	**–**	–	(84)	**–**	(344)
Payment related to the termination of the FHN transaction[4]	**–**	–	(306)	**–**	(306)
Impact from the terminated FHN acquisition-related capital hedging strategy[1]	**(62)**	(64)	(177)	**(183)**	(1,187)
Impact of retroactive tax legislation on payment card clearing services[3]	**–**	–	(57)	**–**	(57)
Civil matter provision/Litigation settlement[3,4]	**–**	(274)	–	**(274)**	(1,642)
FDIC special assessment[4]	**–**	(103)	–	**(514)**	–
Provision for investigations related to the Bank's AML program[4]	**(3,566)**	(615)	–	**(4,181)**	–
Less: Impact of income taxes					
Amortization of acquired intangibles	**(8)**	(10)	(13)	**(33)**	(33)
Acquisition and integration charges related to the Schwab transaction	**(3)**	(5)	(10)	**(14)**	(20)
Restructuring charges	**(29)**	(43)	–	**(150)**	–
Acquisition and integration-related charges	**(18)**	(22)	(38)	**(64)**	(53)
Charges related to the terminated FHN acquisition	**–**	–	(21)	**–**	(85)
Impact from the terminated FHN acquisition-related capital hedging strategy	**(16)**	(16)	(43)	**(46)**	(292)
Impact of retroactive tax legislation on payment card clearing services	**–**	–	(16)	**–**	(16)
Civil matter provision/Litigation settlement	**–**	(69)	–	**(69)**	(456)
FDIC special assessment	**–**	(26)	–	**(127)**	–
Canada Recovery Dividend (CRD) and federal tax rate increase for fiscal 2022[7]	**–**	–	–	**–**	585
Total adjustments for items of note	**(3,827)**	(1,225)	(768)	**(5,865)**	(3,742)
Net income (loss) attributable to common shareholders – reported	**$ (250)**	$ 2,374	$ 2,807	**$ 4,874**	$ 7,401

[1] Prior to May 4, 2023, the impact shown covers periods before the termination of the FHN transaction and includes the following components, reported in the Corporate segment: i) mark-to-market gains (losses) on interest rate swaps recorded in non-interest income – Q3 2023: ($125) million, 2023 YTD: ($1,386) million ii) basis adjustment amortization related to de-designated fair value hedge accounting relationships, recorded in net interest income – Q3 2023: $11 million, 2023 YTD: $262 million and iii) interest income (expense) recognized on the interest rate swaps, reclassified from non-interest income to net interest income with no impact to total adjusted net income – Q3 2023: $23 million, 2023 YTD: $585 million. After the termination of the merger agreement, the residual impact of the strategy is reversed through net interest income – Q3 2024: ($62) million, Q2 2024: ($64) million, 2024 YTD: ($183) million, Q3 2023: ($63) million, 2023 YTD: ($63) million.

[2] For the three and nine months ended July 31, 2023, certain amounts have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

[3] Adjusted non-interest income excludes the following items of note:
i. Stanford litigation settlement – 2023 YTD: $39 million. This reflects the foreign exchange loss and is reported in the Corporate segment; and
ii. Impact of retroactive tax legislation on payment card clearing services – Q3 2023: $57 million, reported in the Corporate segment.

[4] Adjusted non-interest expenses exclude the following items of note:
i. Amortization of acquired intangibles – Q3 2024: $34 million, Q2 2024: $42 million, 2024 YTD: $139 million, Q3 2023: $58 million, 2023 YTD: $131 million, reported in the Corporate segment;
ii. The Bank's own acquisition and integration charges related to the Schwab transaction – Q3 2024: $16 million, Q2 2024: $16 million, 2024 YTD: $55 million, Q3 2023: $38 million, 2023 YTD: $77 million, reported in the Corporate segment;
iii. Restructuring charges – Q3 2024: $110 million, Q2 2024: $165 million, 2024 YTD: $566 million, reported in the Corporate segment;
iv. Acquisition and integration-related charges – Q3 2024: $78 million, Q2 2024: $102 million, 2024 YTD: $297 million, Q3 2023: $143 million, 2023 YTD: $237 million, reported in the Wholesale Banking segment;
v. Charges related to the terminated FHN acquisition – Q3 2023: $84 million, 2023 YTD: $344 million, reported in the U.S. Retail segment;
vi. Payment related to the termination of the First Horizon transaction – Q3 2023: $306 million, reported in the Corporate segment;
vii. Civil matter provision/Litigation settlement – Q2 2024: $274 million, 2024 YTD $274 million in respect of a civil matter, 2023 YTD: $1,603 million in respect of the Stanford litigation settlement, reported in the Corporate segment;
viii. FDIC special assessment – Q2 2024: $103 million, 2024 YTD: $514 million, reported in the U.S. Retail segment; and
ix. Provision for investigations related to the Bank's AML program – Q3 2024: $3,566 million, Q2 2024: $615 million, 2024 YTD: $4,181 million, reported in the U.S. Retail segment.

[5] Adjusted share of net income from investment in Schwab excludes the following items of note on an after-tax basis. The earnings impact of these items is reported in the Corporate segment:
i. Amortization of Schwab-related acquired intangibles – Q3 2024: $30 million, Q2 2024: $30 million, 2024 YTD: $91 million, Q3 2023: $30 million, 2023 YTD: $90 million;
ii. The Bank's share of acquisition and integration charges associated with Schwab's acquisition of TD Ameritrade – Q3 2024: $5 million, Q2 2024: $5 million, 2024 YTD: $19 million, Q3 2023: $16 million, 2023 YTD: $41 million;
iii. The Bank's share of restructuring charges incurred by Schwab – 2024 YTD: $27 million; and
iv. The Bank's share of the FDIC special assessment charge incurred by Schwab – 2024 YTD: $22 million.

[6] Amortization of acquired intangibles relates to intangibles acquired as a result of asset acquisitions and business combinations, including the after-tax amounts for amortization of acquired intangibles relating to the Share of net income from investment in Schwab, reported in the Corporate segment. Refer to footnotes 4 and 5 for amounts.

[7] CRD and impact from increase in the Canadian federal tax rate for fiscal 2022 recognized in the first quarter of 2023, reported in the Corporate segment.

TABLE 4: RECONCILIATION OF REPORTED TO ADJUSTED EARNINGS PER SHARE[1]					
(Canadian dollars)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Basic earnings (loss) per share – reported[2]	**$ (0.14)**	$ 1.35	$ 1.53	**$ 2.77**	$ 4.05
Adjustments for items of note	**2.19**	0.69	0.42	**3.32**	2.05
Basic earnings per share – adjusted[2]	**$ 2.05**	$ 2.04	$ 1.95	**$ 6.09**	$ 6.10
Diluted earnings (loss) per share – reported[2]	**$ (0.14)**	$ 1.35	$ 1.53	**$ 2.76**	$ 4.04
Adjustments for items of note	**2.19**	0.69	0.42	**3.32**	2.05
Diluted earnings per share – adjusted[2]	**$ 2.05**	$ 2.04	$ 1.95	**$ 6.09**	$ 6.09

[1] EPS is computed by dividing net income available to common shareholders by the weighted-average number of shares outstanding during the period. Numbers may not add due to rounding.
[2] For the three and nine months ended July 31, 2024, certain amounts have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

TABLE 5: AMORTIZATION OF INTANGIBLES, NET OF INCOME TAXES					
(millions of Canadian dollars)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Schwab[1]	**$ 30**	$ 30	$ 30	**$ 91**	$ 90
Wholesale Banking related intangibles	**20**	27	37	**89**	71
Other	**6**	5	8	**17**	27
Included as items of note	**56**	62	75	**197**	188
Software and asset servicing rights	**115**	104	90	**315**	272
Amortization of intangibles, net of income taxes	**$ 171**	$ 166	$ 165	**$ 512**	$ 460

[1] Included in Share of net income from investment in Schwab.

Return on Common Equity

The consolidated Bank ROE is calculated as reported net income available to common shareholders as a percentage of average common equity. The consolidated Bank adjusted ROE is calculated as adjusted net income available to common shareholders as a percentage of average common equity. Adjusted ROE is a non-GAAP financial ratio and can be utilized in assessing the Bank's use of equity.

ROE for the business segments is calculated as the segment net income attributable to common shareholders as a percentage of average allocated capital. The Bank's methodology for allocating capital to its business segments is largely aligned with the common equity capital requirements under Basel III. Capital allocated to the business segments was increased to 11.5% Common Equity Tier 1 (CET1) Capital effective the first quarter of 2024, compared with 11% in fiscal 2023.

TABLE 6: RETURN ON COMMON EQUITY					
(millions of Canadian dollars, except as noted)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Average common equity	**$ 100,677**	$ 101,137	$ 102,750	**$ 100,523**	$ 101,832
Net income (loss) attributable to common shareholders – reported[1]	**(250)**	2,374	2,807	**4,874**	7,401
Items of note, net of income taxes	**3,827**	1,225	768	**5,865**	3,742
Net income available to common shareholders – adjusted[1]	**$ 3,577**	$ 3,599	$ 3,575	**$ 10,739**	$ 11,143
Return on common equity – reported[1]	**(1.0) %**	9.5 %	10.8 %	**6.5 %**	9.7 %
Return on common equity – adjusted[1]	**14.1**	14.5	13.8	**14.3**	14.6

[1] For the three and nine months ended July 31, 2023, certain amounts have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

Return on Tangible Common Equity

Tangible common equity (TCE) is calculated as common shareholders' equity less goodwill, imputed goodwill and intangibles on the investments in Schwab and other acquired intangible assets, net of related deferred tax liabilities. ROTCE is calculated as reported net income available to common shareholders after adjusting for the after-tax amortization of acquired intangibles, which are treated as an item of note, as a percentage of average TCE. Adjusted ROTCE is calculated using reported net income available to common shareholders, adjusted for all items of note, as a percentage of average TCE. TCE, ROTCE, and adjusted ROTCE can be utilized in assessing the Bank's use of equity. TCE is a non-GAAP financial measure, and ROTCE and adjusted ROTCE are non-GAAP ratios.

TABLE 7: RETURN ON TANGIBLE COMMON EQUITY					
(millions of Canadian dollars, except as noted)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Average common equity	**$ 100,677**	$ 101,137	$ 102,750	**$ 100,523**	$ 101,832
Average goodwill	**18,608**	18,380	18,018	**18,403**	17,788
Average imputed goodwill and intangibles on investments in Schwab	**6,087**	6,051	6,058	**6,066**	6,123
Average other acquired intangibles[1]	**544**	574	683	**578**	569
Average related deferred tax liabilities	**(228)**	(228)	(132)	**(230)**	(165)
Average tangible common equity	**75,666**	76,360	78,123	**75,706**	77,517
Net income (loss) attributable to common shareholders – reported[2]	**(250)**	2,374	2,807	**4,874**	7,401
Amortization of acquired intangibles, net of income taxes	**56**	62	75	**197**	188
Net income (loss) attributable to common shareholders adjusted for amortization of acquired intangibles, net of income taxes[2]	**(194)**	2,436	2,882	**5,071**	7,589
Other items of note, net of income taxes	**3,771**	1,163	693	**5,668**	3,554
Net income available to common shareholders – adjusted[2]	**$ 3,577**	$ 3,599	$ 3,575	**$ 10,739**	$ 11,143
Return on tangible common equity[2]	**(1.0) %**	13.0 %	14.6 %	**8.9 %**	13.1 %
Return on tangible common equity – adjusted[2]	**18.8**	19.2	18.2	**18.9**	19.2

[1] Excludes intangibles relating to software and asset servicing rights.
[2] For the three and nine months ended July 31, 2023, certain amounts have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

IMPACT OF FOREIGN EXCHANGE RATE ON U.S. RETAIL SEGMENT TRANSLATED EARNINGS

The following table reflects the estimated impact of foreign currency translation on key U.S. Retail segment income statement items. The impact is calculated as the difference in translated earnings using the average U.S. to Canadian dollars exchange rates in the periods noted.

TABLE 8: IMPACT OF FOREIGN EXCHANGE RATE ON U.S. RETAIL SEGMENT TRANSLATED EARNINGS		
(millions of Canadian dollars, except as noted)	*For the three months ended*	*For the nine months ended*
	July 31, 2024 vs. July 31, 2023 Increase (Decrease)	**July 31, 2024 vs. July 31, 2023 Increase (Decrease)**
U.S. Retail Bank		
Total revenue – reported	**$ 92**	**$ 109**
Total revenue – adjusted[1]	**92**	**109**
Non-interest expenses – reported	**143**	**155**
Non-interest expenses – adjusted[1]	**50**	**59**
Net income (loss) – reported, after-tax	**(63)**	**(60)**
Net income – adjusted, after-tax[1]	**29**	**34**
Share of net income from investment in Schwab[2]	**3**	**4**
U.S. Retail segment net income (loss) – reported, after-tax	**(60)**	**(56)**
U.S. Retail segment net income – adjusted, after-tax[1]	**32**	**38**
Earnings (loss) per share (Canadian dollars)		
Basic – reported	**$ (0.03)**	**$ (0.03)**
Basic – adjusted[1]	**0.02**	**0.02**
Diluted – reported	**(0.03)**	**(0.03)**
Diluted – adjusted[1]	**0.02**	**0.02**

Average foreign exchange rate (equivalent of CAD $1.00)	*For the three months ended*		*For the nine months ended*	
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023
U.S. dollar	**$ 0.730**	$ 0.750	**$ 0.735**	$ 0.743

[1] For additional information about the Bank's use of non-GAAP financial measures, refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section of this document.
[2] Share of net income from investment in Schwab and the foreign exchange impact are reported with a one-month lag.

FINANCIAL RESULTS OVERVIEW

Performance Summary

Outlined below is an overview of the Bank's performance for the third quarter of 2024. Shareholder performance indicators help guide and benchmark the Bank's accomplishments. For the purposes of this analysis, the Bank utilizes adjusted earnings, which excludes items of note from the reported results that are prepared in accordance with IFRS. Reported and adjusted results and items of note are explained in "Non-GAAP and Other Financial Measures" in the "How We Performed" section of this document.

- Adjusted diluted EPS for the nine months ended July 31, 2024 is flat from the same period last year.
- Adjusted ROTCE for the nine months ended July 31, 2024, was 18.9%.
- For the twelve months ended July 31, 2024, the total shareholder return was -1.4% compared to the Canadian peer[3] average of +14.3%.

Net Income

Quarterly comparison – Q3 2024 vs. Q3 2023

Reported net loss for the quarter was $181 million, compared with reported net income of $2,881 million in the third quarter last year, primarily reflecting the impact of the provision for investigations related to the Bank's AML program in U.S. Retail, higher non-interest expenses, higher PCL, and higher insurance service expenses, partially offset by higher revenues and the prior year payment related to the termination of the First Horizon transaction in the Corporate segment. On an adjusted basis, net income for the quarter was $3,646 million, relatively flat compared with the third quarter last year.

[3] Canadian peers include Bank of Montreal, Canadian Imperial Bank of Commerce, Royal Bank of Canada, and The Bank of Nova Scotia.

By segment, the decrease in reported net income reflects decreases in U.S. Retail of $3,580 million and in Wealth Management and Insurance of $1 million, partially offset by increases in the Corporate segment of $257 million, in Canadian Personal and Commercial Banking of $217 million, and in Wholesale Banking of $45 million.

Quarterly comparison – Q3 2024 vs. Q2 2024
Reported net loss for the quarter was $181 million, compared with reported net income of $2,564 million in the prior quarter, primarily reflecting the impact of the provision for investigations related to the Bank's AML program in U.S. Retail and higher insurance service expenses, partially offset by higher revenues and the prior quarter impact of a civil matter provision in the Corporate segment. Adjusted net income for the quarter decreased $143 million, or 4%.

By segment, the decrease in reported net income reflects decreases in U.S. Retail of $2,855 million, in Wealth Management and Insurance of $191 million, and in Wholesale Banking of $44 million, partially offset by increases in the Corporate segment of $212 million and in Canadian Personal and Commercial Banking of $133 million.

Year-to-date comparison – Q3 2024 vs. Q3 2023
Reported net income of $5,207 million decreased $2,561 million, or 33%, compared with the same period last year. The decrease reflects the impact of the provision for investigations related to the Bank's AML program in U.S. Retail, higher non-interest expenses, and higher PCL, partially offset by higher revenues, and the prior period impacts of the Stanford litigation settlement and the terminated FHN acquisition-related capital hedging strategy in the Corporate segment. Adjusted net income was $11,072 million, a decrease of $438 million, or 4%.

By segment, the decrease in reported net income reflects a decrease in U.S. Retail of $5,083 million, partially offset by increases in the Corporate segment of $1,908 million, in Canadian Personal and Commercial Banking of $387 million, in Wholesale Banking of $130 million, and in Wealth Management and Insurance of $97 million.

Net Interest Income

Quarterly comparison – Q3 2024 vs. Q3 2023
Reported net interest income for the quarter was $7,579 million, an increase of $290 million, or 4%, compared with the third quarter last year, primarily reflecting volume growth and higher deposit margins in Canadian Personal and Commercial Banking, the prior period impact of the terminated FHN acquisition-related capital hedging strategy in the Corporate segment, and higher loan volumes in U.S. Retail, partially offset by lower net interest income in Wholesale Banking. On an adjusted basis, net interest income was $7,641 million, an increase of $277 million, or 4%.

By segment, the increase in reported net interest income reflects increases in Canadian Personal and Commercial Banking of $423 million, in U.S. Retail of $59 million, in Wealth Management and Insurance of $58 million, and in the Corporate segment of $46 million, partially offset by a decrease in Wholesale Banking of $296 million.

Quarterly comparison – Q3 2024 vs. Q2 2024
Reported net interest income for the quarter increased $114 million, or 2%, compared with the prior quarter, primarily reflecting volume growth in Canadian Personal and Commercial Banking, and the impact of fewer days in the prior quarter, partially offset by lower net interest income in Wholesale Banking. On an adjusted basis, net interest income increased $112 million, or 1%.

By segment, the increase in reported net interest income reflects increases in Canadian Personal and Commercial Banking of $182 million, in U.S. Retail of $95 million, in the Corporate segment of $40 million, and in Wealth Management and Insurance of $12 million, partially offset by a decrease in Wholesale Banking of $215 million.

Year-to-date comparison – Q3 2024 vs. Q3 2023
Reported net interest income was $22,532 million, an increase of $82 million, compared with the same period last year, reflecting volume growth and higher deposit margins in Canadian Personal and Commercial Banking, higher loan volumes in U.S. Retail, and higher deposit margins in Wealth Management, partially offset by lower net interest income in Wholesale Banking, lower deposit volumes in U.S. Retail, and the prior period impact of the terminated FHN acquisition-related capital hedging strategy in the Corporate segment. On an adjusted basis, net interest income was $22,715 million, a decrease of $121 million, or 1%.

By segment, the increase in reported net interest income reflects increases in Canadian Personal and Commercial Banking of $1,152 million, in the Corporate segment of $158 million, and in Wealth Management and Insurance of $106 million, partially offset by decreases in Wholesale Banking of $932 million and in U.S. Retail of $402 million.

Non-Interest Income

Quarterly comparison – Q3 2024 vs. Q3 2023
Reported non-interest income for the quarter was $6,597 million, an increase of $972 million, or 17%, compared with the third quarter last year, primarily reflecting higher trading-related revenue, lending revenue, advisory fees, and underwriting fees in Wholesale Banking and higher insurance premiums. On an adjusted basis, non-interest income was $6,597 million, an increase of $813 million, or 14%.

By segment, the increase in reported non-interest income reflects increases in Wholesale Banking of $523 million, in Wealth Management and Insurance of $333 million, in the Corporate segment of $96 million, in U.S. Retail of $10 million, and in Canadian Personal and Commercial Banking of $10 million.

Quarterly comparison – Q3 2024 vs. Q2 2024
Non-interest income for the quarter increased $243 million, or 4%, compared with the prior quarter, primarily reflecting higher trading-related revenue in Wholesale Banking and seasonally higher insurance premiums, partially offset by the net change in fair value of loan underwriting commitments recorded in the prior quarter in Wholesale Banking.

By segment, the increase in non-interest income reflects increases in Wealth Management and Insurance of $223 million, Wholesale Banking of $70 million, and in U.S. Retail of $10 million, partially offset by decreases in the Corporate segment of $42 million and in Canadian Personal and Commercial Banking of $18 million.

Year-to-date comparison – Q3 2024 vs. Q3 2023
Reported non-interest income was $19,177 million, an increase of $4,115 million, or 27%, compared with the same period last year, primarily reflecting higher interest rate and credit trading-related revenue, lending revenue, advisory, and underwriting fees in Wholesale Banking, the prior period impact of the terminated FHN acquisition-related capital hedging strategy in the Corporate segment, higher insurance premiums, and fee-based revenue commensurate with market growth and transaction revenue in Wealth Management. Adjusted non-interest income was $19,177 million, an increase of $3,218 million, or 20%.

By segment, the increase in reported non-interest income reflects increases in Wholesale Banking of $2,117 million, in the Corporate segment of $1,032 million, in Wealth Management and Insurance of $818 million, in U.S. Retail of $137 million, and in Canadian Personal and Commercial Banking of $11 million.

Provision for Credit Losses
Quarterly comparison – Q3 2024 vs. Q3 2023
PCL for the quarter was $1,072 million, an increase of $306 million compared with the third quarter last year. PCL – impaired was $920 million, an increase of $257 million, or 39%, largely reflecting credit migration in the consumer and Wholesale lending portfolios. PCL – performing was $152 million, an increase of $49 million. The performing provisions this quarter largely reflect current credit conditions including some further credit migration in the commercial and Canadian consumer lending portfolios. Total PCL for the quarter as an annualized percentage of credit volume was 0.46%.

By segment, PCL was higher by $129 million in U.S. Retail, by $93 million in Wholesale Banking, by $56 million in Canadian Personal and Commercial Banking, and by $28 million in the Corporate segment.

Quarterly comparison – Q3 2024 vs. Q2 2024
PCL for the quarter was $1,072 million, an increase of $1 million compared with the prior quarter. PCL – impaired was $920 million, an increase of $50 million, or 6%, largely reflecting credit migration in the Wholesale segment, partially offset by lower provisions in the Canadian commercial and consumer lending portfolios. PCL – performing was $152 million, a decrease of $49 million. The performing provisions this quarter largely reflect current credit conditions including some further credit migration in the commercial and Canadian consumer lending portfolios. Total PCL for the quarter as an annualized percentage of credit volume was 0.46%.

By segment, PCL was higher by $63 million in Wholesale Banking, and lower by $32 million in Canadian Personal and Commercial Banking, by $28 million in the Corporate segment, and by $2 million in U.S. Retail.

Year-to-date comparison – Q3 2024 vs. Q3 2023
PCL was $3,144 million, an increase of $1,089 million compared with the same period last year. PCL – impaired was $2,724 million, an increase of $957 million, reflecting credit migration in the consumer, commercial, and Wholesale lending portfolios. PCL – performing was $420 million, an increase of $132 million. The current year performing provisions reflect credit conditions including credit migration, and volume growth. Total PCL as an annualized percentage of credit volume was 0.46%.

By segment, PCL was higher in U.S. Retail by $504 million, in Canadian Personal and Commercial Banking by $372 million, in Wholesale Banking by $114 million, in the Corporate segment by $100 million, and lower in Wealth Management and Insurance by $1 million.

TABLE 9: PROVISION FOR CREDIT LOSSES[1]

(millions of Canadian dollars)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Provision for (recovery of) credit losses – Stage 3 (impaired)					
Canadian Personal and Commercial Banking	**$ 338**	$ 397	$ 285	**$ 1,099**	$ 739
U.S. Retail	**331**	311	259	**1,019**	657
Wealth Management and Insurance	**–**	–	–	**–**	1
Wholesale Banking	**109**	(1)	10	**113**	16
Corporate[2]	**142**	163	109	**493**	354
Total provision for (recovery of) credit losses – Stage 3	**920**	870	663	**2,724**	1,767
Provision for (recovery of) credit losses – Stage 1 and Stage 2 (performing)					
Canadian Personal and Commercial Banking	**97**	70	94	**226**	214
U.S. Retail	**47**	69	(10)	**124**	(18)
Wealth Management and Insurance	**–**	–	–	**–**	–
Wholesale Banking	**9**	56	15	**70**	53
Corporate[2]	**(1)**	6	4	**–**	39
Total provision for (recovery of) credit losses – Stage 1 and Stage 2	**152**	201	103	**420**	288
Total provision for (recovery of) credit losses	**$ 1,072**	$ 1,071	$ 766	**$ 3,144**	$ 2,055

[1] Includes PCL for off-balance sheet instruments.
[2] Includes PCL on the retailer program partners' share of the U.S. strategic cards portfolio.

Insurance Service Expenses
Quarterly comparison – Q3 2024 vs. Q3 2023
Insurance service expenses for the quarter were $1,669 million, an increase of $283 million, or 20%, compared with the third quarter last year, primarily reflecting increased claims severity, less favourable prior years' claims development and larger impact of severe weather-related events.

Quarterly comparison – Q3 2024 vs. Q2 2024
Insurance service expenses for the quarter increased $421 million, or 34%, compared with the prior quarter, reflecting more severe weather-related events, increased claims severity, seasonally higher claims and less favourable prior years' claims development.

Year-to-date comparison – Q3 2024 vs. Q3 2023
Insurance service expenses were $4,283 million, an increase of $615 million, or 17%, compared with the same period last year, primarily reflecting increased claims severity, less favourable prior years' claims development and larger impact of severe weather-related events.

Non-Interest Expenses and Efficiency Ratio
Quarterly comparison – Q3 2024 vs. Q3 2023
Reported non-interest expenses were $11,012 million, an increase of $3,653 million, or 50%, compared with the third quarter last year, primarily reflecting the impact of the provision for investigations related to the Bank's AML program in U.S. Retail, investments in risk and control infrastructure, higher employee-related expenses, and restructuring charges, partially offset by a prior year payment related to termination of the First Horizon transaction in the Corporate segment. On an adjusted basis, non-interest expenses were $7,208 million, an increase of $478 million, or 7%.

By segment, the increase in reported non-interest expenses reflects increases in U.S. Retail of $3,526 million, in Wealth Management and Insurance of $125 million, in Canadian Personal and Commercial Banking of $72 million, and in Wholesale Banking of $63 million, partially offset by a decrease in the Corporate segment of $133 million.

The Bank's reported efficiency ratio was 77.7%, compared to 57.0% in the third quarter last year. The Bank's adjusted efficiency ratio, net of ISE was 57.3%, compared with 57.2% in the third quarter last year.

Quarterly comparison – Q3 2024 vs. Q2 2024

Reported non-interest expenses increased $2,611 million, or 31%, compared with the prior quarter, primarily reflecting the impact of the provision for investigations related to the Bank's AML program in U.S. Retail and higher investments in risk and control infrastructure, partially offset by the prior quarter impact of a civil matter provision in the Corporate segment and lower employee-related expenses. Adjusted non-interest expenses increased $124 million, or 2%.

By segment, the increase in reported non-interest expenses reflects increases in U.S. Retail of $2,901 million, in Wealth Management and Insurance of $77 million, and in Canadian Personal and Commercial Banking of $10 million, partially offset by decreases in the Corporate segment of $257 million and in Wholesale Banking of $120 million.

The Bank's reported efficiency ratio was 77.7%, compared with 60.8% in the prior quarter. The Bank's adjusted efficiency ratio, net of ISE was 57.3%, compared with 56.1% in the prior quarter.

Year-to-date comparison – Q3 2024 vs. Q3 2023

Reported non-interest expenses of $27,443 million increased $5,216 million, or 23%, compared with the same period last year, primarily reflecting the impact of the provision for investigations related to the Bank's AML program in U.S. Retail, higher employee-related expenses, including TD Cowen, restructuring charges in the Corporate segment, FDIC special assessment in U.S. Retail, and investments in risk and control infrastructure in the current period, partially offset by the prior period impacts of the Stanford litigation settlement and payment related to termination of the First Horizon transaction in the Corporate segment. On an adjusted basis, non-interest expenses were $21,417 million, an increase of $1,888 million, or 10%.

By segment, the increase in reported non-interest expenses reflects increases in U.S. Retail of $4,471 million, in Wholesale Banking of $921 million, in Canadian Personal and Commercial Banking of $247 million, and in Wealth Management and Insurance of $227 million, partially offset by a decrease in the Corporate segment of $650 million.

The Bank's reported efficiency ratio was 65.8%, compared with 59.3% in the same period last year. The Bank's adjusted efficiency ratio, net of ISE was 56.9%, compared with 55.6% in the same period last year.

Income Taxes

The Bank's effective income tax rate on a reported basis was 187.7% for the current quarter, compared with 20.7% in the third quarter last year and 23.5% in the prior quarter. The high rate in the current quarter reflects the tax impact of the non-deductible provision for investigations related to the Bank's AML program.

To allow for an after-tax calculation of adjusted income, the adjusted provision for income taxes is calculated by adjusting the taxes for each item of note using the statutory income tax rate of the applicable legal entity. The adjusted effective income tax rate is calculated as the adjusted provision for income taxes as a percentage of adjusted net income before taxes. The Bank's adjusted effective income tax rate was 20.2% for the current quarter, compared with 19.8% in the third quarter last year and 20.5% in the prior quarter. The year-over-year increase primarily reflects lower tax exempt dividend income in the current quarter and the recognition of historical tax losses at a higher Canadian tax rate in the prior year. The quarter over quarter change primarily reflects earnings mix.

TABLE 10: INCOME TAXES – Reconciliation of Reported to Adjusted Provision for Income Taxes

(millions of Canadian dollars, except as noted)	*For the three months ended*						*For the nine months ended*			
	July 31 2024		April 30 2024		July 31 2023		**July 31 2024**		July 31 2023	
Income taxes at Canadian statutory income tax rate	**$ 118**	**27.8 %**	$ 861	27.8 %	$ 944	27.7 %	**$ 1,899**	**27.8 %**	$ 2,653	27.7 %
Increase (decrease) resulting from:										
Dividends received	**(3)**	**(0.8)**	(3)	(0.1)	(28)	(0.8)	**(25)**	**(0.4)**	(81)	(0.8)
Rate differentials on international operations[1]	**698**	**165.2**	(124)	(4.0)	(267)	(7.8)	**303**	**4.4**	(711)	(7.4)
Other	**(19)**	**(4.5)**	(5)	(0.2)	55	1.6	**(20)**	**(0.3)**	641	6.7
Provision for income taxes and effective income tax rate – reported[2]	**$ 794**	**187.7 %**	$ 729	23.5 %	$ 704	20.7 %	**$ 2,157**	**31.5 %**	$ 2,502	26.2 %
Total adjustments for items of note	**74**		191		141		**503**		370	
Provision for income taxes and effective income tax rate – adjusted[2]	**$ 868**	**20.2 %**	$ 920	20.5 %	$ 845	19.8 %	**$ 2,660**	**20.4 %**	$ 2,872	21.2 %

[1] These amounts reflect tax credits as well as international earnings mix.

[2] For the three and nine months ended July 31 2023, certain amounts have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

Canadian Tax Measures

Bill C-59 was substantively enacted on May 28, 2024 and received royal assent on June 20, 2024. The legislation advances certain tax measures originally introduced in the Canadian Federal budget presented on March 28, 2023. In particular, Bill C-59 denies the dividend received deduction in respect of dividends received by certain financial institutions on shares that are mark-to-market property, subject to a minor carve out for dividends on certain preferred shares, as well as imposes a 2% tax on the net value of share repurchases by public corporations in Canada. These measures are effective and have been implemented by the Bank as of January 1, 2024.

International Tax Reform – Pillar Two Global Minimum Tax

The Organisation for Economic Co-operation and Development (OECD) published Pillar Two model rules as part of its efforts toward international tax reform. The Pillar Two model rules provide for the implementation of a 15% global minimum tax for large multinational enterprises, which is to be applied on a jurisdiction-by-jurisdiction basis. Pillar Two legislation was enacted in Canada on June 20, 2024 under Bill C-69, which includes the *Global Minimum Tax Act* addressing the Pillar Two model rules. The rules will be effective for the Bank for the fiscal year beginning on November 1, 2024. Similar legislation has also passed in other jurisdictions in which the Bank operates. The Bank is currently assessing the impact of the new legislation.

ECONOMIC SUMMARY AND OUTLOOK

The global economy remains on track to slow modestly in calendar 2024, reflecting the impact of past interest rate increases. Inflation across the G-7 has cooled as a result, and many central banks have started to lower interest rates. However, TD Economics expects future interest rate reductions to be gradual, with central banks vigilant on inflation risks. In addition, the evolution of geopolitical risks maintains a degree of uncertainty on both the economic outlook and the inflation trajectory.

The U.S. economy has downshifted from a rapid 4% annualized pace of growth in the second half of calendar 2023 to a solid 2% pace in the first half of 2024. Slower growth is largely a result of cooler consumer spending, as elevated borrowing costs and slower growth in real income pinch consumers. In contrast, business investment has gained momentum through the first half of calendar 2024.

Based on the July 2024 data, a softening U.S. job market has lifted the unemployment rate to 4.3%. However, this can still be characterized as a normalization following tight conditions that persisted for longer than expected after the pandemic. So far, the U.S. economy carries the markings of a “soft landing” that is allowing inflation pressures to gradually drift lower, which should pave the way for interest rate cuts in September.

TD Economics expects the U.S. Federal Reserve will lower interest rates from the current restrictive level of 5.25-5.50% to 4.50-4.75% by the end of calendar 2024. This means that interest rates are still expected to weigh on demand through the year.

In contrast, Canada’s economy had slowed notably in calendar 2023, but strong population growth has lifted economic growth in the first half of 2024. Strong population growth has also contributed to labour force growth outpacing job creation, taking the unemployment rate higher and cooling labour market conditions. The unemployment rate was 6.4% in July, above its pre-pandemic level, but still below its long-run average. TD Economics expects economic momentum to pick up in the second half of the year boosted by demographics and lower interest rates, but to remain modest overall.

As a result of favourable inflation dynamics alongside a softening economy, the Bank of Canada has cut interest rates twice, taking the overnight rate to 4.50% in July. TD Economics expects the Bank of Canada to lower interest rates gradually, to 3.75% by the end of calendar 2024. With interest rates differentials between Canada and the U.S. holding roughly steady, TD Economics expects the Canadian dollar will hover in the 72 to 76 U.S. cent range over the next few quarters.

HOW OUR BUSINESSES PERFORMED

For management reporting purposes, the Bank’s business operations and activities are organized around the following four key business segments: Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, and Wholesale Banking. The Bank’s other activities are grouped into the Corporate segment.

Results of each business segment reflect revenue, expenses, assets, and liabilities generated by the businesses in that segment. Where applicable, the Bank measures and evaluates the performance of each segment based on adjusted results and ROE, and for those segments, the Bank indicates that the measure is adjusted. For further details, refer to the “How We Performed” section of this document, the “Business Focus” section in the Bank’s 2023 MD&A, and Note 28 of the Bank’s Consolidated Financial Statements for the year ended October 31, 2023. Effective the first quarter of 2024, certain asset management businesses which were previously reported in the U.S. Retail segment are now reported in the Wealth Management and Insurance segment. Comparative period information has been adjusted to reflect the new alignment.

PCL related to performing (Stage 1 and Stage 2) and impaired (Stage 3) financial assets, loan commitments, and financial guarantees is recorded within the respective segment.

Net interest income within Wholesale Banking is calculated on a taxable equivalent basis (TEB), which means that the value of non-taxable or tax-exempt income, including certain dividends, is adjusted to its equivalent pre-tax value. Using TEB allows the Bank to measure income from all securities and loans consistently and makes for a more meaningful comparison of net interest income with similar institutions. The TEB increase to net interest income and provision for income taxes reflected in Wholesale Banking results is reversed in the Corporate segment. The TEB adjustment for the quarter was $27 million, compared with $4 million in the prior quarter and $40 million in the third quarter last year.

Share of net income from investment in Schwab is reported in the U.S. Retail segment. Amounts for amortization of acquired intangibles, the acquisition and integration charges related to the Schwab transaction, and the Bank’s share of restructuring and other charges incurred by Schwab are recorded in the Corporate segment.

TABLE 11: CANADIAN PERSONAL AND COMMERCIAL BANKING

(millions of Canadian dollars, except as noted)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Net interest income	**$ 3,994**	$ 3,812	$ 3,571	**$ 11,639**	$ 10,487
Non-interest income	**1,009**	1,027	999	**3,087**	3,076
Total revenue	**5,003**	4,839	4,570	**14,726**	13,563
Provision for (recovery of) credit losses – impaired	**338**	397	285	**1,099**	739
Provision for (recovery of) credit losses – performing	**97**	70	94	**226**	214
Total provision for (recovery of) credit losses	**435**	467	379	**1,325**	953
Non-interest expenses	**1,967**	1,957	1,895	**5,908**	5,661
Provision for (recovery of) income taxes	**729**	676	641	**2,097**	1,940
Net income	**$ 1,872**	$ 1,739	$ 1,655	**$ 5,396**	$ 5,009
Selected volumes and ratios					
Return on common equity[1]	**34.1 %**	32.9 %	35.4 %	**33.9 %**	37.5 %
Net interest margin (including on securitized assets)[2]	**2.81**	2.84	2.74	**2.83**	2.76
Efficiency ratio	**39.3**	40.4	41.5	**40.1**	41.7
Number of Canadian retail branches	**1,060**	1,062	1,060	**1,060**	1,060
Average number of full-time equivalent staff	**28,465**	29,053	29,172	**28,929**	28,925

[1] Capital allocated to the business segment was increased to 11.5% CET1 Capital effective the first quarter of 2024 compared with 11% in the prior year.

[2] Net interest margin is calculated by dividing net interest income by average interest-earning assets. Average interest-earning assets used in the calculation of net interest margin is a non-GAAP financial measure. Refer to “Non-GAAP and Other Financial Measures” in the “How We Performed” section and the Glossary of this document for additional information about these metrics.

Quarterly comparison – Q3 2024 vs. Q3 2023
Canadian Personal and Commercial Banking net income for the quarter was $1,872 million, an increase of $217 million, or 13%, compared with the third quarter last year, reflecting higher revenue, partially offset by higher non-interest expenses and PCL. The annualized ROE for the quarter was 34.1%, compared with 35.4% in the third quarter last year.

Revenue for the quarter was $5,003 million, an increase of $433 million, or 9%, compared with the third quarter last year. Net interest income was $3,994 million, an increase of $423 million, or 12%, primarily reflecting volume growth and higher deposit margins. Average loan volumes increased $33 billion, or 6%, reflecting 6% growth in personal loans and 7% growth in business loans. Average deposit volumes increased $22 billion, or 5%, reflecting 7% growth in personal deposits and 2% growth in business deposits. Net interest margin was 2.81%, an increase of 7 basis points (bps), primarily due to higher margins on deposits, partially offset by lower margins on loans and changes to balance sheet mix reflecting the transition of Bankers' Acceptances to Canadian Overnight Repo Rate Average (CORRA)-based loans. Non-interest income was $1,009 million, an increase of $10 million, or 1%, compared with the third quarter last year.

PCL for the quarter was $435 million, an increase of $56 million compared with the third quarter last year. PCL – impaired was $338 million, an increase of $53 million, or 19%, largely related to credit migration in the consumer lending portfolios. PCL – performing was $97 million, an increase of $3 million. The performing provisions this quarter largely reflect credit conditions, including credit migration in the commercial and consumer lending portfolios, and volume growth. Total PCL as an annualized percentage of credit volume was 0.30%, an increase of 2 bps compared with the third quarter last year.

Non-interest expenses for the quarter were $1,967 million, an increase of $72 million, or 4%, compared with the third quarter last year, reflecting higher spend supporting business growth, including higher employee-related expenses and technology costs.

The efficiency ratio for the quarter was 39.3%, compared with 41.5% in the third quarter last year.

Quarterly comparison – Q3 2024 vs. Q2 2024
Canadian Personal and Commercial Banking net income for the quarter was $1,872 million, an increase of $133 million, or 8%, compared with the prior quarter, primarily reflecting higher revenue. The annualized ROE for the quarter was 34.1%, compared with 32.9% in the prior quarter.

Revenue increased $164 million, or 3%, compared with the prior quarter. Net interest income increased $182 million, or 5%, reflecting volume growth and two more days in the third quarter. Average loan volumes increased $8 billion, or 1%, reflecting 1% growth in personal loans and 1% growth in business loans. Average deposit volumes increased $8 billion, or 2%, reflecting 1% growth in personal deposits and 3% growth in business deposits. Net interest margin was 2.81%, a decrease of 3 bps, primarily due to balance sheet mix, reflecting the transition of Bankers' Acceptances to CORRA-based loans. Non-interest income decreased $18 million, or 2%, compared with the prior quarter, reflecting lower fee revenue.

PCL for the quarter was $435 million, a decrease of $32 million compared with the prior quarter. PCL – impaired was $338 million, a decrease of $59 million, or 15%, reflecting lower provisions in both the commercial and consumer lending portfolios. PCL – performing was $97 million, an increase of $27 million. The performing provisions this quarter largely reflect credit conditions, including credit migration in the commercial and consumer lending portfolios, and volume growth. Total PCL as an annualized percentage of credit volume was 0.30%, a decrease of 4 bps compared with the prior quarter.

Non-interest expenses increased $10 million, or 1% compared with the prior quarter, primarily reflecting higher technology costs, partially offset by lower employee-related expenses.

The efficiency ratio was 39.3%, compared with 40.4% in the prior quarter.

Year-to-date comparison – Q3 2024 vs. Q3 2023
Canadian Personal and Commercial Banking net income for the nine months ended July 31, 2024, was $5,396 million, an increase of $387 million, or 8%, compared with the same period last year, reflecting higher revenue, partially offset by higher PCL and non-interest expenses. The annualized ROE for the period was 33.9%, compared with 37.5%, in the same period last year.

Revenue for the period was $14,726 million, an increase of $1,163 million, or 9%, compared with the same period last year. Net interest income was $11,639 million, an increase of $1,152 million, or 11%, reflecting volume growth and higher deposit margins. Average loan volumes increased $35 billion, or 7%, reflecting 6% growth in personal loans and 7% growth in business loans. Average deposit volumes increased $17 billion, or 4%, reflecting 6% growth in personal deposits and business deposits were relatively flat compared with the same period last year. Net interest margin was 2.83%, an increase of 7 bps, primarily due to higher margins on deposits, partially offset by changes to balance sheet mix reflecting the transition of Bankers' Acceptances to CORRA-based loans and lower margins on loans. Non-interest income was $3,087 million, relatively flat compared with the same period last year.

PCL was $1,325 million, an increase of $372 million compared with the same period last year. PCL – impaired was $1,099 million, an increase of $360 million, or 49%, reflecting credit migration in the consumer and commercial lending portfolios. PCL – performing was $226 million, an increase of $12 million. The current year performing provisions largely reflect current credit conditions, including credit migration in the consumer and commercial lending portfolios, and volume growth. Total PCL as an annualized percentage of credit volume was 0.31%, an increase of 7 bps compared with the same period last year.

Non-interest expenses were $5,908 million, an increase of $247 million, or 4%, compared with the same period last year, reflecting higher spend supporting business growth, including higher employee-related expenses and technology costs, partially offset by higher non-credit provisions in the second quarter last year.

The efficiency ratio was 40.1%, compared with 41.7%, for the same period last year.

TABLE 12: U.S. RETAIL					
(millions of dollars, except as noted)	*For the three months ended*			*For the nine months ended*	
Canadian Dollars	**July 31 2024**	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Net interest income	**$ 2,936**	$ 2,841	$ 2,877	**$ 8,676**	$ 9,078
Non-interest income	**616**	606	606	**1,826**	1,689
Total revenue	**3,552**	3,447	3,483	**10,502**	10,767
Provision for (recovery of) credit losses – impaired	**331**	311	259	**1,019**	657
Provision for (recovery of) credit losses – performing	**47**	69	(10)	**124**	(18)
Total provision for (recovery of) credit losses	**378**	380	249	**1,143**	639
Non-interest expenses – reported	**5,498**	2,597	1,972	**10,505**	6,034
Non-interest expenses – adjusted[1,2]	**1,932**	1,879	1,888	**5,810**	5,690
Provision for (recovery of) income taxes – reported	**129**	73	148	**197**	541
Provision for (recovery of) income taxes – adjusted[1]	**129**	99	169	**324**	626
U.S. Retail Bank net income (loss) – reported	**(2,453)**	397	1,114	**(1,343)**	3,553
U.S. Retail Bank net income – adjusted[1]	**1,113**	1,089	1,177	**3,225**	3,812
Share of net income from investment in Schwab[3,4]	**178**	183	191	**555**	742
Net income (loss) – reported	**$ (2,275)**	$ 580	$ 1,305	**$ (788)**	$ 4,295
Net income – adjusted[1]	**1,291**	1,272	1,368	**3,780**	4,554
U.S. Dollars					
Net interest income	**$ 2,144**	$ 2,094	$ 2,155	**$ 6,379**	$ 6,744
Non-interest income	**450**	446	454	**1,342**	1,256
Total revenue	**2,594**	2,540	2,609	**7,721**	8,000
Provision for (recovery of) credit losses – impaired	**242**	229	193	**750**	488
Provision for (recovery of) credit losses – performing	**34**	51	(8)	**91**	(14)
Total provision for (recovery of) credit losses	**276**	280	185	**841**	474
Non-interest expenses – reported	**4,011**	1,909	1,478	**7,699**	4,483
Non-interest expenses – adjusted[1,2]	**1,411**	1,384	1,415	**4,274**	4,229
Provision for (recovery of) income taxes – reported	**94**	54	111	**145**	402
Provision for (recovery of) income taxes – adjusted[1]	**94**	73	126	**238**	464
U.S. Retail Bank net income (loss) – reported	**(1,787)**	297	835	**(964)**	2,641
U.S. Retail Bank net income – adjusted[1]	**813**	803	883	**2,368**	2,833
Share of net income from investment in Schwab[3,4]	**129**	136	142	**409**	549
Net income (loss) – reported	**$ (1,658)**	$ 433	$ 977	**$ (555)**	$ 3,190
Net income – adjusted[1]	**942**	939	1,025	**2,777**	3,382
Selected volumes and ratios					
Return on common equity – reported[5]	**(19.8) %**	5.4 %	12.7 %	**(2.3) %**	14.1 %
Return on common equity – adjusted[1,5]	**11.3**	11.7	13.3	**11.4**	15.0
Net interest margin[1,6]	**3.02**	2.99	3.00	**3.01**	3.18
Efficiency ratio – reported	**154.6**	75.2	56.7	**99.7**	56.0
Efficiency ratio – adjusted[1]	**54.4**	54.5	54.2	**55.4**	52.9
Assets under administration (billions of U.S. dollars)[7]	**$ 41**	$ 40	$ 40	**$ 41**	$ 40
Assets under management (billions of U.S. dollars)[7,8]	**8**	7	8	**8**	8
Number of U.S. retail stores	**1,150**	1,167	1,171	**1,150**	1,171
Average number of full-time equivalent staff	**27,627**	27,957	28,375	**27,855**	28,119

1 For additional information about the Bank's use of non-GAAP financial measures, refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section of this document.

2 Adjusted non-interest expenses exclude the following items of note:

i. Charges related to the terminated First Horizon acquisition – Q3 2023: $84 million or US$63 million ($63 million or US$48 million after-tax), 2023 YTD: $344 million or US$254 million ($259 million or US$192 million after-tax);

ii. FDIC special assessment – Q2 2024: $103 million or US$75 million ($77 million or US$56 million after-tax), 2024 YTD: $514 million or US$375 million ($387 million or US$282 million after-tax); and

iii. Provision for investigations related to the Bank's AML program – Q3 2024: $3,566 million or US$2,600 million (before and after tax), Q2 2024: $615 million or US$450 million (before and after tax), 2024 YTD: $4,181 million or US$3,050 million (before and after tax).

3 The Bank's share of Schwab's earnings is reported with a one-month lag. Refer to Note 7 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

4 The after-tax amounts for amortization of acquired intangibles, the Bank's share of acquisition and integration charges associated with Schwab's acquisition of TD Ameritrade, the Bank's share of Schwab's restructuring charges, and the Bank's share of Schwab's FDIC special assessment charge are recorded in the Corporate segment.

5 Capital allocated to the business segment was increased to 11.5% CET1 Capital effective the first quarter of 2024, compared with 11% in the prior year.

6 Net interest margin is calculated by dividing U.S. Retail segment's net interest income by average interest-earning assets. For the U.S. Retail segment, this calculation excludes the impact related to sweep deposits arrangements, intercompany deposits, and cash collateral. The value of tax-exempt interest income is adjusted to its equivalent before-tax value. For investment securities, the adjustment to fair value is included in the calculation of average interest-earning assets. Management believes this calculation better reflects segment performance. Net interest income and average interest-earning assets used in the calculation are non-GAAP financial measures.

7 For additional information about this metric, refer to the Glossary of this document.

8 Refer to "How Our Businesses Performed" section regarding alignment of certain asset management businesses from the U.S. Retail segment to the Wealth Management and Insurance segment.

Quarterly comparison – Q3 2024 vs. Q3 2023

U.S. Retail reported net loss for the quarter was $2,275 million (US$1,658 million), compared with reported net income of $1,305 million (US$977 million) in the third quarter last year. On an adjusted basis, net income for the quarter was $1,291 million (US$942 million), a decrease of $77 million (US$83 million), or 6% (8% in U.S. dollars). The reported and adjusted annualized ROE for the quarter were (19.8)% and 11.3%, respectively, compared with 12.7% and 13.3%, respectively, in the third quarter last year.

U.S. Retail net income includes contributions from the U.S. Retail Bank and the Bank's investment in Schwab. Reported net income for the quarter from the Bank's investment in Schwab was $178 million (US$129 million), a decrease of $13 million (US$13 million), or 7% (9% in U.S. dollars), compared with the third quarter last year.

U.S. Retail Bank reported net loss was $2,453 million (US$1,787 million), compared with reported net income of $1,114 million (US$835 million) in the third quarter last year, primarily reflecting the impact of the provision for investigations related to the Bank's AML program. U.S. Retail Bank adjusted net income was $1,113 million, a decrease of $64 million, or 5%, compared with the third quarter last year, reflecting higher PCL and higher non-interest expenses, partially offset by higher revenue. In U.S. dollars, U.S. Retail Bank adjusted net income was US$813 million, a decrease of US$70 million, or 8%, compared with the third quarter last year, reflecting higher PCL and lower revenue.

Revenue for the quarter was US$2,594 million, a decrease of US$15 million, or 1%, compared with the third quarter last year. Net interest income of US$2,144 million, decreased US$11 million, or 1%, driven by lower deposit volumes and loan margins, partially offset by higher loan volumes. Net interest margin of 3.02% increased 2 bps due to higher deposit margins. Non-interest income of US$450 million decreased US$4 million, or 1%, compared with the third quarter last year.

Average loan volumes increased US$10 billion, or 5%, compared with the third quarter last year. Personal loans increased 8%, reflecting strong mortgage and auto originations and lower prepayments in the higher rate environment. Business loans increased 3%, reflecting good originations from new customer growth and slower payment rates. Average deposit volumes decreased US$17 billion, or 5%, reflecting a 17% decrease in sweep deposits, a 3% decrease in business deposits, partially offset by a 3% increase in personal deposit volumes. Excluding sweep deposits, average deposits remained relatively stable.

Assets under administration (AUA) were US$41 billion as at July 31, 2024, an increase of US$1 billion, or 3%, compared with the third quarter last year, reflecting net asset growth. Assets under management (AUM) were US$8 billion as at July 31, 2024, flat compared with the third quarter last year.

PCL for the quarter was US$276 million, an increase of US$91 million compared with the third quarter last year. PCL – impaired was US$242 million, an increase of US$49 million, or 25%, largely reflecting credit migration in the consumer lending portfolios. PCL – performing was US$34 million compared with a recovery of US$8 million in the prior year. The performing provisions this quarter were largely recorded in the commercial lending portfolio, reflecting credit conditions, including credit migration. U.S. Retail PCL including only the Bank's share of PCL in the U.S. strategic cards portfolio, as an annualized percentage of credit volume was 0.58%, an increase of 17 bps, compared with the third quarter last year.

Reported non-interest expenses for the quarter were US$4,011 million, compared with US$1,478 million in the third quarter last year, reflecting the impact of the provision for investigations related to the Bank's AML program, partially offset by the impact of acquisition and integration-related charges for the terminated First Horizon transaction in the third quarter last year. On an adjusted basis, non-interest expenses were US$1,411 million, relatively flat compared with the third quarter last year, primarily due to higher operating expenses, offset by ongoing productivity initiatives.

The reported and adjusted efficiency ratios for the quarter were 154.6% and 54.4%, respectively, compared with 56.7% and 54.2%, respectively, in the third quarter last year.

Quarterly comparison – Q3 2024 vs. Q2 2024

U.S. Retail reported net loss was $2,275 million (US$1,658 million), compared with reported net income of $580 million (US$433 million) in the prior quarter. On an adjusted basis, net income for the quarter was $1,291 million (US$942 million), an increase of $19 million (US$3 million), or 1% (relatively flat in U.S. dollars). The reported and adjusted annualized ROE for the quarter were (19.8)% and 11.3%, respectively, compared with 5.4% and 11.7%, respectively, in the prior quarter.

The contribution from Schwab of $178 million (US$129 million) decreased $5 million (US$7 million), or 3% (5% in U.S. dollars), compared with the prior quarter.

U.S. Retail Bank reported net loss was $2,453 million (US$1,787 million), compared with reported net income of $397 million (US$297 million) in the prior quarter, primarily reflecting the impact of higher provision for investigations related to the Bank's AML program, partially offset by the impact of the FDIC special assessment charge in the prior quarter and higher net interest income. U.S. Retail Bank adjusted net income was $1,113 million (US$813 million), an increase of $24 million (US$10 million), or 2% (1% in U.S. dollars), primarily reflecting higher revenue, partially offset by higher non-interest expenses.

Revenue increased US$54 million, or 2%, compared with the prior quarter. Net interest income of US$2,144 million increased US$50 million, or 2%, reflecting higher deposit margins and loan volumes, partially offset by lower deposit volumes. Net interest margin of 3.02% increased 3 bps quarter over quarter due to higher deposit margins. Non-interest income of US$450 million increased US$4 million or 1%, primarily reflecting fee income growth from increased customer activity.

Average loan volumes were relatively flat compared with the prior quarter with personal loans increase of 1%. Business loans were relatively flat. Average deposit volumes decreased US$7 billion, or 2%, compared with the prior quarter, reflecting a 6% decrease in sweep deposits and a 2% decrease in business deposits. Personal deposits were relatively flat.

AUA were US$41 billion as at July 31, 2024, an increase of $1 billion, or 3%, compared with the prior quarter. AUM were US$8 billion, an increase of $1 billion, or 14%, compared with the prior quarter.

PCL for the quarter was US$276 million, a decrease of US$4 million compared with the prior quarter. PCL – impaired was US$242 million, an increase of US$13 million, or 6%, reflecting credit migration in the consumer and commercial lending portfolios. PCL – performing was US$34 million, a decrease of US$17 million. The performing provisions this quarter were largely recorded in the commercial lending portfolio, reflecting credit conditions, including credit migration. U.S. Retail PCL including only the Bank's share of PCL in the U.S. strategic cards portfolio, as an annualized percentage of credit volume was 0.58%, a decrease of 2 bps, compared with the prior quarter.

Reported non-interest expenses for the quarter were US$4,011 million, compared with reported non-interest expenses of US$1,909 million in the prior quarter, primarily reflecting the impact of a higher provision for investigations related to the Bank's AML program, and higher operating expenses, partially offset by the impact of FDIC special assessment charge in the prior quarter. On an adjusted basis, non-interest expenses increased US$27 million, or 2%, due to higher operating expenses.

The reported and adjusted efficiency ratios for the quarter were 154.6% and 54.4%, respectively, compared with 75.2% and 54.5%, respectively, in the prior quarter.

Year-to-date comparison – Q3 2024 vs. Q3 2023

U.S. Retail reported net loss for the nine months ended July 31, 2024, was $788 million (US$555 million), compared with reported net income of $4,295 million (US$3,190 million) in the same period last year. On an adjusted basis, net income for the period was $3,780 million (US$2,777 million), a decrease of $774 million (US$605 million), or 17% (18% in U.S. dollars). The reported and adjusted annualized ROE for the period were (2.3)% and 11.4%, respectively, compared with 14.1% and 15.0%, respectively, in the same period last year.

The contribution from Schwab of $555 million (US$409 million), decreased $187 million (US$140 million), or 25% (26% in U.S. dollars), compared with the same period last year.

U.S. Retail Bank reported net loss for the period was $1,343 million (US$964 million), compared with reported net income of $3,553 million (US$2,641 million) in the same period last year, reflecting the impact of the provision for investigations related to the Bank's AML program, the impact of the FDIC special assessment charge, higher PCL and lower net interest income, partially offset by acquisition and integration-related charges for the terminated First Horizon transaction in the same period last year. U.S. Retail Bank adjusted net income was $3,225 million (US$2,368 million), a decrease of $587 million (US$465 million), or 15% (16% in U.S. dollars), primarily reflecting higher PCL and non-interest expenses, and lower net interest income.

Revenue for the period was US$7,721 million, a decrease of US$279 million, or 3%, compared with the same period last year. Net interest income of US$6,379 million decreased US$365 million, or 5%, primarily reflecting lower deposit margins and volumes, partially offset by higher loan volumes. Net interest margin of 3.01%, decreased 17 bps, due to lower deposit margins reflecting higher deposit costs. Non-interest income of US$1,342 million increased US$86 million, or 7%, primarily reflecting fee income growth from increased customer activity.

Average loan volumes increased US$13 billion, or 7%, compared with the same period last year. Personal loans increased 9% and business loans increased 5%, reflecting good originations and slower payment rates across portfolios. Average deposit volumes decreased US$24 billion, or 7%, reflecting a 19% decrease in sweep deposits and a 3% decrease in business deposits, partially offset by 1% increase in personal deposit volumes. Excluding sweep deposits, average deposits decreased 1%.

PCL was US$841 million, an increase of US$367 million compared with the same period last year. PCL – impaired was US$750 million, an increase of US$262 million, or 54%, reflecting credit migration in the consumer and commercial lending portfolios. PCL – performing was US$91 million, compared with a recovery of US$14 million in the prior year. The current year performing provisions largely reflect current credit conditions, including credit migration, and volume growth. U.S. Retail PCL including only the Bank's share of PCL in the U.S. strategic cards portfolio, as an annualized percentage of credit volume was 0.59%, an increase of 23 bps, compared with the same period last year.

Reported non-interest expenses for the period were US$7,699 million, an increase of US$3,216 million, or 72%, compared with the same period last year, primarily reflecting the impact of the provision for investigations related to the Bank's AML program, the impact of the FDIC special assessment charge, and higher operating expenses, partially offset by the impact of acquisition and integration-related charges for the terminated First Horizon transaction in the same period last year. On an adjusted basis, non-interest expenses increased US$45 million, or 1%, reflecting higher operating expenses, partially offset by ongoing productivity initiatives.

The reported and adjusted efficiency ratios for the quarter were 99.7% and 55.4%, respectively, compared with 56.0% and 52.9%, respectively, for the same period last year.

THE CHARLES SCHWAB CORPORATION

Refer to Note 7, Investment in Associates and Joint Ventures of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further information on Schwab.

TABLE 13: WEALTH MANAGEMENT AND INSURANCE

(millions of Canadian dollars, except as noted)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Net interest income	**$ 316**	$ 304	$ 258	**$ 905**	$ 799
Non-interest income[1]	**3,033**	2,810	2,700	**8,693**	7,875
Total revenue	**3,349**	3,114	2,958	**9,598**	8,674
Provision for (recovery of) credit losses – impaired	**–**	–	–	**–**	1
Provision for (recovery of) credit losses – performing	**–**	–	–	**–**	–
Total provision for (recovery of) credit losses	**–**	–	–	**–**	1
Insurance service expenses[1]	**1,669**	1,248	1,386	**4,283**	3,668
Non-interest expenses[1]	**1,104**	1,027	979	**3,178**	2,951
Provision for (recovery of) income taxes	**146**	218	162	**531**	545
Net income	**$ 430**	$ 621	$ 431	**$ 1,606**	$ 1,509
Selected volumes and ratios					
Return on common equity[1,2]	**27.1 %**	40.8 %	29.0 %	**35.0 %**	35.5 %
Efficiency ratio[1]	**33.0**	33.0	33.1	**33.1**	34.0
Efficiency ratio, net of ISE[1,3]	**65.7**	55.0	62.3	**59.8**	58.9
Assets under administration (billions of Canadian dollars)[4]	**$ 632**	$ 596	$ 559	**$ 632**	$ 559
Assets under management (billions of Canadian dollars)	**523**	489	460	**523**	460
Average number of full-time equivalent staff	**14,887**	15,163	16,002	**15,145**	16,283

[1] For the three and nine months ended July 31, 2023, certain amounts have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

[2] Capital allocated to the business segment was increased to 11.5% CET1 Capital effective the first quarter of 2024, compared with 11% in the prior year.

[3] Efficiency ratio, net of ISE is calculated by dividing non-interest expenses by total revenue, net of ISE. Total revenue, net of ISE – Q3 2024: $1,680 million, Q2 2024: $1,866 million, Q3 2023: $1,572 million, 2024 YTD: $5,315 million, 2023 YTD: $5,006 million. Total revenue, net of ISE is a non-GAAP financial measure. Refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section and the Glossary of this document for additional information about this metric.

[4] Includes AUA administered by TD Investor Services, which is part of the Canadian Personal and Commercial Banking segment.

<u>Quarterly comparison – Q3 2024 vs. Q3 2023</u>

Wealth Management and Insurance net income for the quarter was $430 million, relatively flat compared with the third quarter last year, reflecting higher insurance service expenses and non-interest expenses, offset by higher revenue. The annualized ROE for the quarter was 27.1%, compared with 29.0% in the third quarter last year.

Revenue for the quarter was $3,349 million, an increase of $391 million, or 13%, compared with the third quarter last year. Non-interest income was $3,033 million, an increase of $333 million, or 12%, reflecting higher insurance premiums, fee-based revenue, and transaction revenue. Net interest income was $316 million, an increase of $58 million, or 22%, compared with the third quarter last year, reflecting higher deposit margins.

AUA were $632 billion as at July 31, 2024, an increase of $73 billion, or 13%, and AUM were $523 billion as at July 31, 2024, an increase of $63 billion, or 14%, compared with the third quarter last year, both reflecting market appreciation and net asset growth.

Insurance service expenses for the quarter were $1,669 million, an increase of $283 million, or 20%, compared with the third quarter last year, primarily reflecting increased claims severity, less favourable prior years' claims development and larger impact of severe weather-related events.

Non-interest expenses for the quarter were $1,104 million, an increase of $125 million, or 13%, compared with the third quarter last year, reflecting provisions related to ongoing litigation matters and higher variable compensation.

The efficiency ratio for the quarter was 33.0%, compared with 33.1% in the third quarter last year. The efficiency ratio, net of ISE for the quarter was 65.7%, compared with 62.3% in the third quarter last year.

<u>Quarterly comparison – Q3 2024 vs. Q2 2024</u>

Wealth Management and Insurance net income for the quarter was $430 million, a decrease of $191 million, or 31%, compared with the prior quarter, primarily reflecting higher insurance service expenses and non-interest expenses, partially offset by higher revenue. The annualized ROE for the quarter was 27.1%, compared with 40.8% in the prior quarter.

Revenue increased $235 million, or 8%, compared with the prior quarter. Non-interest income increased $223 million, or 8%, reflecting seasonally higher insurance premiums and higher fee-based revenue. Net interest income increased $12 million, or 4%, reflecting higher deposit margins.

AUA increased $36 billion, or 6%, and AUM increased $34 billion, or 7%, compared with the prior quarter, both reflecting market appreciation and net asset growth.

Insurance service expenses for the quarter increased $421 million, or 34%, compared with the prior quarter, reflecting more severe weather-related events, increased claims severity, seasonally higher claims, and less favourable prior years' claims development.

Non-interest expenses increased $77 million, or 7%, compared with the prior quarter, primarily reflecting provisions related to ongoing litigation matters.

The efficiency ratio for the quarter was 33.0%, flat, compared with the prior quarter. The efficiency ratio, net of ISE for the quarter was 65.7%, compared with 55.0% in the prior quarter.

Year-to-date comparison – Q3 2024 vs. Q3 2023

Wealth Management and Insurance net income for the nine months ended July 31, 2024, was $1,606 million, an increase of $97 million, or 6%, compared with the same period last year, reflecting higher revenue, partially offset by higher insurance service expenses and non-interest expenses. The annualized ROE for the period was 35.0%, compared with 35.5%, in the same period last year.

Revenue for the period was $9,598 million, an increase of $924 million, or 11%, compared with same period last year. Non-interest income increased $818 million, or 10%, reflecting higher insurance premiums, fee-based revenue, and transaction revenue. Net interest income increased $106 million, or 13%, reflecting higher deposit margins and higher investment income in the insurance business, partially offset by lower deposit volumes in the wealth management business.

Insurance service expenses were $4,283 million, an increase of $615 million, or 17%, compared with the same period last year, primarily reflecting increased claims severity, less favourable prior years' claims development and larger impact of severe weather-related events.

Non-interest expenses were $3,178 million, an increase of $227 million, or 8%, compared with the same period last year, reflecting higher variable compensation and provisions related to ongoing litigation matters.

The efficiency ratio for the period was 33.1%, compared with 34.0% for the same period last year. The efficiency ratio, net of ISE for the period was 59.8%, compared with 58.9% in the same period last year.

TABLE 14: WHOLESALE BANKING[1]

(millions of Canadian dollars, except as noted)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Net interest income (loss) (TEB)	**$ (26)**	$ 189	$ 270	**$ 361**	$ 1,293
Non-interest income	**1,821**	1,751	1,298	**5,154**	3,037
Total revenue	**1,795**	1,940	1,568	**5,515**	4,330
Provision for (recovery of) credit losses – impaired	**109**	(1)	10	**113**	16
Provision for (recovery of) credit losses – performing	**9**	56	15	**70**	53
Total provision for (recovery of) credit losses	**118**	55	25	**183**	69
Non-interest expenses – reported	**1,310**	1,430	1,247	**4,240**	3,319
Non-interest expenses – adjusted[2,3]	**1,232**	1,328	1,104	**3,943**	3,082
Provision for (recovery of) income taxes (TEB) – reported	**50**	94	24	**209**	189
Provision for (recovery of) income taxes (TEB) – adjusted[2]	**68**	116	62	**273**	242
Net income – reported	**$ 317**	$ 361	$ 272	**$ 883**	$ 753
Net income – adjusted[2]	**377**	441	377	**1,116**	937
Selected volumes and ratios					
Trading-related revenue (TEB)[4]	**$ 726**	$ 693	$ 626	**$ 2,149**	$ 1,770
Average gross lending portfolio (billions of Canadian dollars)[5]	**97.4**	96.3	93.8	**96.6**	95.3
Return on common equity – reported[6]	**7.8 %**	9.2 %	7.4 %	**7.5 %**	7.1 %
Return on common equity – adjusted[2,6]	**9.4**	11.3	10.3	**9.4**	8.9
Efficiency ratio – reported	**73.0**	73.7	79.5	**76.9**	76.7
Efficiency ratio – adjusted[2]	**68.6**	68.5	70.4	**71.5**	71.2
Average number of full-time equivalent staff	**7,018**	7,077	7,233	**7,065**	7,081

[1] Effective March 1, 2023, Wholesale Banking results include the acquisition of Cowen Inc.

[2] For additional information about the Bank's use of non-GAAP financial measures, refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section of this document.

[3] Adjusted non-interest expenses exclude the acquisition and integration-related charges primarily for the Cowen acquisition – Q3 2024: $78 million ($60 million after-tax), Q2 2024: $102 million ($80 million after-tax), 2024 YTD: $297 million ($233 million after-tax), Q3 2023: $143 million ($105 million after-tax), 2023 YTD: $237 million ($184 million after-tax).

[4] Includes net interest income (loss) TEB of ($332) million (Q2 2024: ($118) million, 2024 YTD: $(504) million, Q3 2023: $8 million, 2023 YTD: $554 million), and trading income (loss) of $1,058 million (Q2 2024: $811 million, 2024 YTD: $2,653 million, Q3 2023: $618 million, 2023 YTD: $1,216 million). Trading-related revenue (TEB) is a non-GAAP financial measure. Refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section and the Glossary of this document for additional information about this metric.

[5] Includes gross loans and bankers' acceptances relating to Wholesale Banking, excluding letters of credit, cash collateral, credit default swaps, and allowance for credit losses.

[6] Capital allocated to the business segment was increased to 11.5% CET1 Capital effective the first quarter of 2024 compared with 11% in the prior year.

Quarterly comparison – Q3 2024 vs. Q3 2023

Wholesale Banking reported net income for the quarter was $317 million, an increase of $45 million, or 17%, compared with the third quarter last year, primarily reflecting higher revenues, partially offset by higher PCL, and non-interest expenses. On an adjusted basis, net income was $377 million, flat to the third quarter last year.

Revenue for the quarter was $1,795 million, an increase of $227 million, or 14%, compared with the third quarter last year. Higher revenue primarily reflects higher trading-related revenue, lending revenue, advisory fees, and underwriting fees.

PCL for the quarter was $118 million, an increase of $93 million compared with the third quarter last year. PCL – impaired was $109 million, an increase of $99 million compared to the prior year, primarily reflecting a few new impairments across various industries. PCL – performing was $9 million, a decrease of $6 million.

Reported non-interest expenses for the quarter were $1,310 million, an increase of $63 million, or 5%, compared with the third quarter last year, primarily reflecting higher variable compensation commensurate with higher revenues, partially offset by lower acquisition and integration-related costs. On an adjusted basis, non-interest expenses were $1,232 million, an increase of $128 million, or 12%.

Quarterly comparison – Q3 2024 vs. Q2 2024

Wholesale Banking reported net income for the quarter was $317 million, a decrease of $44 million, or 12%, compared with the prior quarter, primarily reflecting lower revenues and higher PCL, partially offset by lower non-interest expenses. On an adjusted basis, net income was $377 million, a decrease of $64 million, or 15%.

Revenue for the quarter decreased $145 million, or 7%, compared with the prior quarter. Lower revenue primarily reflects lower interest rate and credit trading-related revenue, underwriting fees, and the net change in fair value of loan underwriting commitments recorded in the prior quarter, partially offset by higher foreign exchange trading-related revenue and equity trading-related revenue.

PCL for the quarter was $118 million, an increase of $63 million compared with the prior quarter. PCL – impaired was $109 million, an increase of $110 million, primarily reflecting a few new impairments across various industries. PCL – performing was $9 million, a decrease of $47 million.

Reported non-interest expenses for the quarter decreased $120 million, or 8%, compared with the prior quarter, primarily reflecting lower variable compensation commensurate with lower revenues, and lower acquisition and integration-related costs. On an adjusted basis, non-interest expenses decreased $96 million, or 7%.

Year-to-date comparison – Q3 2024 vs. Q3 2023

Wholesale Banking reported net income for the nine months ended July 31, 2024, was $883 million, an increase of $130 million, or 17%, compared with the same period last year, reflecting higher revenues, partially offset by higher non-interest expenses, and PCL. On an adjusted basis, net income was $1,116 million, an increase of $179 million, or 19%.

Revenue, including TD Cowen, was $5,515 million, an increase of $1,185 million, or 27%, compared with the same period last year. Higher revenue primarily reflects higher interest rate and credit trading-related revenue, lending revenue, advisory, and underwriting fees.

PCL was $183 million, an increase of $114 million compared with the same period last year. PCL – impaired was $113 million, an increase of $97 million, primarily reflecting a few new impairments across various industries. PCL – performing was $70 million, an increase of $17 million. The current year performing provisions largely reflect current credit conditions, including credit migration.

Reported non-interest expenses were $4,240 million, an increase of $921 million, or 28%, compared with the same period last year, reflecting higher variable compensation commensurate with higher revenues, TD Cowen and the associated acquisition and integration-related costs, as well as a provision taken in connection with the U.S. record keeping matter. On an adjusted basis, non-interest expenses were $3,943 million, an increase of $861 million or 28%.

TABLE 15: CORPORATE

(millions of Canadian dollars)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Net income (loss) – reported	**$ (525)**	$ (737)	$ (782)	**$ (1,890)**	$ (3,798)
Adjustments for items of note					
Amortization of acquired intangibles	**64**	72	88	**230**	221
Acquisition and integration charges related to the Schwab transaction	**21**	21	54	**74**	118
Share of restructuring and other charges from investment in Schwab	**–**	–	–	**49**	–
Restructuring charges	**110**	165	–	**566**	–
Payment related to the termination of the FHN transaction	**–**	–	306	**–**	306
Impact from the terminated FHN acquisition-related capital hedging strategy	**62**	64	177	**183**	1,187
Impact of retroactive tax legislation on payment card clearing services	**–**	–	57	**–**	57
Civil matter provision/Litigation settlement	**–**	274	–	**274**	1,642
Less: impact of income taxes					
CRD and federal tax rate increase for fiscal 2022	**–**	–	–	**–**	(585)
Other items of note	**56**	143	82	**312**	817
Net income (loss) – adjusted[1]	**$ (324)**	$ (284)	$ (182)	**$ (826)**	$ (499)
Decomposition of items included in net income (loss) – adjusted					
Net corporate expenses[2]	**$ (426)**	$ (411)	$ (333)	**$ (1,091)**	$ (715)
Other	**102**	127	151	**265**	216
Net income (loss) – adjusted[1]	**$ (324)**	$ (284)	$ (182)	**$ (826)**	$ (499)
Selected volumes					
Average number of full-time equivalent staff	**22,881**	23,270	23,486	**23,196**	22,686

[1] For additional information about the Bank's use of non-GAAP financial measures, refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section of this document.

[2] For additional information about this metric, refer to the Glossary of this document.

Quarterly comparison – Q3 2024 vs. Q3 2023

Corporate segment's reported net loss for the quarter was $525 million, compared with a reported net loss of $782 million in the third quarter last year. The lower net loss primarily reflects the prior year payment related to the termination of the First Horizon transaction and impact from the terminated FHN acquisition-related capital hedging strategy, partially offset by the current quarter's higher investments in risk and control infrastructure and restructuring charges. Net corporate expenses increased $93 million compared to the prior year, primarily reflecting investments in risk and control infrastructure, partially offset by litigation expenses in the prior year. The adjusted net loss for the quarter was $324 million, compared with an adjusted net loss of $182 million in the third quarter last year.

Quarterly comparison – Q3 2024 vs. Q2 2024

Corporate segment's reported net loss for the quarter was $525 million, compared with a reported net loss of $737 million in the prior quarter. The lower net loss primarily reflects the prior quarter impact of a civil matter provision and the current quarter's lower restructuring charges. Net corporate expenses increased $15 million compared to the prior quarter, primarily reflecting higher investments in risk and control infrastructure. The adjusted net loss for the quarter was $324 million, compared with an adjusted net loss of $284 million in the prior quarter.

Year-to-date comparison – Q3 2024 vs. Q3 2023

Corporate segment's reported net loss for the nine months ended July 31, 2024 was $1,890 million, compared with a reported net loss of $3,798 million in the same period last year. The lower net loss primarily reflects the prior period impacts of the Stanford litigation settlement, the terminated FHN acquisition-related capital hedging strategy and provision for income taxes in connection with the CRD and federal tax rate increase for fiscal 2022, partially offset by restructuring charges and higher investments in risk and control infrastructure in the current period. The adjusted net loss for the nine months ended July 31, 2024 was $826 million, compared with an adjusted net loss of $499 million in the same period last year.

QUARTERLY RESULTS

The following table provides summary information related to the Bank's eight most recently completed quarters.

TABLE 16: QUARTERLY RESULTS

(millions of Canadian dollars, except as noted)								*For the three months ended*
			2024				2023	2022
	Jul. 31	Apr. 30	Jan. 31	Oct. 31	Jul. 31	Apr. 30	Jan. 31	Oct. 31
Net interest income	**$ 7,579**	$ 7,465	$ 7,488	$ 7,494	$ 7,289	$ 7,428	$ 7,733	$ 7,630
Non-interest income[1]	**6,597**	6,354	6,226	5,684	5,625	4,969	4,468	7,933
Total revenue[1]	**14,176**	13,819	13,714	13,178	12,914	12,397	12,201	15,563
Provision for (recovery of) credit losses	**1,072**	1,071	1,001	878	766	599	690	617
Insurance service expenses[1]	**1,669**	1,248	1,366	1,346	1,386	1,118	1,164	723
Non-interest expenses[1]	**11,012**	8,401	8,030	7,628	7,359	6,756	8,112	6,545
Provision for (recovery of) income taxes[1]	**794**	729	634	616	704	859	939	1,297
Share of net income from investment in Schwab	**190**	194	141	156	182	241	285	290
Net income (loss) – reported[1]	**(181)**	2,564	2,824	2,866	2,881	3,306	1,581	6,671
Pre-tax adjustments for items of note[2]								
Amortization of acquired intangibles	**64**	72	94	92	88	79	54	57
Acquisition and integration charges related to the Schwab transaction	**21**	21	32	31	54	30	34	18
Share of restructuring and other charges from investment in Schwab	**–**	–	49	35	–	–	–	–
Restructuring charges	**110**	165	291	363	–	–	–	–
Acquisition and integration-related charges	**78**	102	117	197	143	73	21	18
Charges related to the terminated FHN acquisition	**–**	–	–	–	84	154	106	67
Payment related to the termination of the FHN transaction	**–**	–	–	–	306	–	–	–
Impact from the terminated FHN acquisition-related capital hedging strategy	**62**	64	57	64	177	134	876	(2,319)
Impact of retroactive tax legislation on payment card clearing services	**–**	–	–	–	57	–	–	–
Civil matter provision/Litigation settlement	**–**	274	–	–	–	39	1,603	–
FDIC special assessment	**–**	103	411	–	–	–	–	–
Provision for investigations related to the Bank's AML program	**3,566**	615	–	–	–	–	–	–
Gain on sale of Schwab shares[3]	**–**	–	–	–	–	–	–	(997)
Total pre-tax adjustments for items of note	**3,901**	1,416	1,051	782	909	509	2,694	(3,156)
Less: Impact of income taxes[2,4]	**74**	191	238	163	141	108	121	(550)
Net income – adjusted[1,2]	**3,646**	3,789	3,637	3,485	3,649	3,707	4,154	4,065
Preferred dividends and distributions on other equity instruments	**69**	190	74	196	74	210	83	107
Net income available to common shareholders – adjusted[1,2]	**$ 3,577**	$ 3,599	$ 3,563	$ 3,289	$ 3,575	$ 3,497	$ 4,071	$ 3,958
(Canadian dollars, except as noted)								
Basic earnings (loss) per share[1]								
Reported	**$ (0.14)**	$ 1.35	$ 1.55	$ 1.48	$ 1.53	$ 1.69	$ 0.82	$ 3.62
Adjusted[2]	**2.05**	2.04	2.01	1.82	1.95	1.91	2.24	2.18
Diluted earnings (loss) per share[1]								
Reported	**(0.14)**	1.35	1.55	1.48	1.53	1.69	0.82	3.62
Adjusted[2]	**2.05**	2.04	2.00	1.82	1.95	1.91	2.23	2.18
Return on common equity – reported	**(1.0) %**	9.5 %	10.9 %	10.5 %	10.8 %	12.4 %	5.9 %	26.5 %
Return on common equity – adjusted[1,2]	**14.1**	14.5	14.1	12.9	13.8	14.0	16.1	16.0
(billions of Canadian dollars, except as noted)								
Average total assets	**$ 1,968**	$ 1,938	$ 1,934	$ 1,910	$ 1,898	$ 1,944	$ 1,931	$ 1,893
Average interest-earning assets[5]	**1,778**	1,754	1,729	1,715	1,716	1,728	1,715	1,677
Net interest margin – reported	**1.70 %**	1.73 %	1.72 %	1.73 %	1.69 %	1.76 %	1.79 %	1.81 %
Net interest margin – adjusted[2]	**1.71**	1.75	1.74	1.75	1.70	1.81	1.82	1.80

[1] The Bank adopted IFRS 17 on November 1, 2023. Comparative periods prior to fiscal 2023 have not been restated and are based on *Insurance Contracts* (IFRS 4).

[2] For explanations of items of note, refer to the "Significant and Subsequent Events" and "Non-GAAP Financial Measures – Reconciliation of Adjusted to Reported Net Income" table in the "How We Performed" section of this document as well as footnote 3.

[3] Adjusted non-interest income excludes the following item of note:
i. The Bank sold 28.4 million non-voting common shares of Schwab and recognized a gain on the sale. The amount is reported in the Corporate segment.

[4] Includes the CRD and impact from increase in the Canadian federal tax rate for fiscal 2022.

[5] Average interest-earning assets used in the calculation of net interest margin is a non-GAAP financial measure. Refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section and the Glossary of this document for additional information about these metrics.

BALANCE SHEET REVIEW

TABLE 17: SELECTED INTERIM CONSOLIDATED BALANCE SHEET ITEMS

(millions of Canadian dollars)		*As at*
	July 31, 2024	October 31, 2023
Assets		
Cash and Interest-bearing deposits with banks	**$ 99,396**	$ 105,069
Trading loans, securities, and other	**173,175**	152,090
Non-trading financial assets at fair value through profit or loss	**5,600**	7,340
Derivatives	**69,827**	87,382
Financial assets designated at fair value through profit or loss	**5,771**	5,818
Financial assets at fair value through other comprehensive income	**75,841**	69,865
Debt securities at amortized cost, net of allowance for credit losses	**281,320**	308,016
Securities purchased under reverse repurchase agreements	**212,918**	204,333
Loans, net of allowance for loan losses	**938,325**	895,947
Investment in Schwab	**10,031**	8,907
Other[1]	**94,977**	110,372
Total assets[1]	**$ 1,967,181**	$ 1,955,139
Liabilities		
Trading deposits	**$ 32,021**	$ 30,980
Derivatives	**60,113**	71,640
Financial liabilities designated at fair value through profit or loss	**196,078**	192,130
Deposits	**1,220,550**	1,198,190
Obligations related to securities sold under repurchase agreements	**182,813**	166,854
Subordinated notes and debentures	**9,913**	9,620
Other[1]	**154,117**	173,654
Total liabilities[1]	**1,855,605**	1,843,068
Total equity[1]	**111,576**	112,071
Total liabilities and equity[1]	**$ 1,967,181**	$ 1,955,139

[1] Balances as at October 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

Total assets were $1,967 billion as at July 31, 2024, an increase of $12 billion, from October 31, 2023. The impact of foreign exchange translation from the appreciation in the Canadian dollar decreased total assets by $5 billion.

The increase in total assets reflects an increase in loans, net of allowances for loan losses of $42 billion, trading loans, securities, and other of $21 billion, securities purchased under reverse repurchase agreements of $9 billion, financial assets at fair value through other comprehensive income of $6 billion and investment in Schwab of $1 billion. The increase was partially offset by a decrease in debt securities at amortized cost, net of allowance for credit losses of $27 billion, derivative assets of $17 billion, other assets of $15 billion, cash and interest-bearing deposits with banks of $6 billion and non-trading financial assets at fair value through profit or loss of $2 billion.

Cash and interest-bearing deposits with banks decreased $6 billion primarily reflecting cash management activities.

Trading loans, securities, and other increased $21 billion primarily in equity securities, securitized mortgages and commodities held for trading, partially offset by government securities held for trading.

Non-trading financial assets at fair value through profit or loss decreased $2 billion reflecting maturities and sales.

Derivative assets decreased $17 billion primarily reflecting changes in mark-to-market values of foreign exchange and interest rate contracts.

Financial assets at fair value through other comprehensive income increased $6 billion primarily reflecting new investments, partially offset by maturities and sales.

Debt securities at amortized cost, net of allowance for credit losses decreased $27 billion primarily reflecting maturities and sales and the impact of foreign exchange translation, partially offset by new investments and the impact of risk management activities.

Securities purchased under reverse repurchase agreements increased $9 billion primarily reflecting an increase in volume, partially offset by the impact of foreign exchange translation.

Loans, net of allowance for loan losses increased $42 billion primarily reflecting volume growth in business and government loans, including the transition of bankers' acceptances to business and government loans following the cessation of the Canadian Dollar Offered Rate (CDOR), and volume growth in residential real estate secured lending, partially offset by the impact of foreign exchange translation.

Investment in Schwab increased $1 billion primarily reflecting the impact of the Bank's share of Schwab's other comprehensive income.

Other assets decreased $15 billion primarily reflecting a volume decrease in customers' liabilities under acceptances as a result of the transition to business and government loans following the cessation of CDOR, partially offset by an increase in amounts receivable from brokers, dealers, and clients due to higher volumes of pending trades.

Total liabilities were $1,856 billion as at July 31, 2024, an increase of $13 billion from October 31, 2023. The impact of foreign exchange translation from the appreciation in the Canadian dollar decreased total liabilities by $5 billion.

The increase in total liabilities reflects an increase in deposits of $22 billion, obligations related to securities sold under repurchase agreements of $16 billion, financial liabilities designated at fair value through profit or loss of $4 billion and trading deposits of $1 billion. The increase was partially offset by a decrease in other liabilities of $19 billion and derivative liabilities of $11 billion

Trading deposits increased $1 billion primarily reflecting new issuances.

Derivative liabilities decreased $11 billion primarily reflecting changes in mark-to-market values of foreign exchange and interest rate contracts.

Financial liabilities designated at fair value through profit or loss increased $4 billion reflecting issuances, partially offset by maturities.

Deposits increased $22 billion primarily reflecting a volume increase in business and government and personal deposits, partially offset by the impact of foreign exchange translation.

Obligations related to securities sold under repurchase agreements increased $16 billion primarily reflecting an increase in volume.

Other liabilities decreased $19 billion primarily reflecting a volume decrease in acceptances due to the cessation of CDOR, amounts payable to brokers, dealers, and clients and obligations related to securities sold short, partially offset by a volume increase in securitization liabilities at fair value, liabilities related to structured entities, and increase in provision for investigations related to the Bank's AML program.

Equity was $112 billion as at July 31, 2024 and October 31, 2023, reflecting an increase in accumulated other comprehensive income, offset by lower retained earnings. The increase in accumulated other comprehensive income is primarily driven by gains on cash flow hedges and the Bank's share of the other comprehensive income from investment in Schwab. The retained earnings decreased primarily from dividends paid and the premium on the repurchase of common shares, partially offset by net income.

CREDIT PORTFOLIO QUALITY

Quarterly comparison – Q3 2024 vs. Q3 2023

Gross impaired loans excluding acquired credit-impaired (ACI) loans were $4,170 million as at July 31, 2024, an increase of $1,190 million, or 40%, compared with the third quarter last year. Canadian Personal and Commercial Banking gross impaired loans increased $367 million, or 28%, compared with the third quarter last year, reflecting formations outpacing resolutions in the commercial and consumer lending portfolios. U.S. Retail gross impaired loans increased $689 million, or 44%, compared with the third quarter last year, reflecting formations outpacing resolutions in the commercial and consumer lending portfolios, and the impact of foreign exchange. Wholesale gross impaired loans increased $133 million, compared with the third quarter last year, largely related to a few new formations in the current quarter, across various industries. Net impaired loans were $2,905 million as at July 31, 2024, an increase of $909 million, or 46%, compared with the third quarter last year.

The allowance for credit losses of $8,838 million as at July 31, 2024 was comprised of Stage 3 allowance for impaired loans of $1,278 million, Stage 2 allowance of $4,647 million and Stage 1 allowance of $2,909 million, and the allowance for debt securities of $4 million. The Stage 1 and 2 allowances are for performing loans and off-balance sheet instruments.

The Stage 3 allowance for loan losses increased $289 million, or 29%, reflective of credit migration in the Canadian Personal and Commercial Banking, Wholesale, and U.S. consumer lending portfolios, and the impact of foreign exchange. The Stage 1 and Stage 2 allowance for loan losses increased $773 million, or 11%, reflecting current credit conditions, including credit migration, volume growth, and the impact of foreign exchange. The allowance change included an increase of $96 million attributable to the retailer program partners' share of the U.S. strategic cards portfolio.

The allowance for debt securities increased by $2 million, compared with the third quarter last year.

Forward-looking information, including macroeconomic variables deemed to be predictive of expected credit losses (ECLs) based on the Bank's experience, is used to determine ECL scenarios and associated probability weights to determine the probability-weighted ECLs. Each quarter, all base forecast macroeconomic variables are refreshed, resulting in new upside and downside macroeconomic scenarios. The probability weightings assigned to each ECL scenario are also reviewed each quarter and updated as required, as part of the Bank's ECL governance process. As a result of periodic reviews and quarterly updates, the allowance for credit losses may be revised to reflect updates in loss estimates based on the Bank's recent loss experience and its forward-looking views. The Bank periodically reviews the methodology and has performed certain additional quantitative and qualitative portfolio and loan level assessments of significant increase in credit risk. Refer to Note 3 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details on forward-looking information.

The probability-weighted allowance for credit losses reflects the Bank's forward-looking views. To the extent that certain anticipated effects cannot be fully incorporated into quantitative models, management continues to exercise expert credit judgment in determining the amount of ECLs. The allowance for credit losses will be updated in future quarters as additional information becomes available. Refer to Note 3 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for additional details.

The Bank calculates allowances for ECLs on debt securities measured at amortized cost and fair value through other comprehensive income (FVOCI). The Bank has $354 billion in such debt securities, all of which are performing (Stage 1 and 2) and none are impaired (Stage 3). The allowance for credit losses on debt securities at amortized cost (DSAC) and debt securities at FVOCI was $3 million and $1 million, respectively.

Quarterly comparison – Q3 2024 vs. Q2 2024

Gross impaired loans increased $275 million, or 7%, compared with the prior quarter, largely related to new formations outpacing resolutions in the Wholesale and U.S. Commercial lending portfolios. Impaired loans net of allowance increased $161 million, or 6%, compared with the prior quarter.

The allowance for credit losses of $8,838 million as at July 31, 2024 was comprised of Stage 3 allowance for impaired loans of $1,278 million, Stage 2 allowance of $4,647 million and Stage 1 allowance of $2,909 million, and the allowance for debt securities of $4 million. The Stage 1 and 2 allowances are for performing loans and off-balance sheet instruments. The Stage 3 allowance for loan losses increased $116 million, or 10%, compared with the prior quarter, largely driven by credit migration in the Wholesale lending portfolio. The Stage 1 and Stage 2 allowance for loan losses increased $171 million, or 2%, compared with the prior quarter.

The allowance for debt securities increased by $1 million, compared to the prior quarter.

For further details on loans, impaired loans, allowance for credit losses, and on the Bank's use of forward-looking information and macroeconomic variables in determining its allowance for credit losses, refer to Note 6 of the Bank's third quarter 2024 Interim Consolidated Financial Statements.

TABLE 18: CHANGES IN GROSS IMPAIRED LOANS AND ACCEPTANCES[1,2,3]

(millions of Canadian dollars)	*For the three months ended*			*For the nine months ended*	
	July 31 2024	April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
Personal, Business, and Government Loans					
Impaired loans as at beginning of period	**$ 3,895**	$ 3,709	$ 2,659	**$ 3,299**	$ 2,503
Classified as impaired during the period	**2,056**	1,937	1,599	**5,998**	4,208
Transferred to performing during the period	**(264)**	(261)	(224)	**(840)**	(668)
Net repayments	**(541)**	(465)	(324)	**(1,314)**	(1,019)
Disposals of loans	**–**	–	–	**(10)**	–
Amounts written off	**(979)**	(1,080)	(687)	**(2,976)**	(1,991)
Exchange and other movements	**3**	55	(43)	**13**	(53)
Impaired loans as at end of period	**$ 4,170**	$ 3,895	$ 2,980	**$ 4,170**	$ 2,980

[1] Includes customers' liability under acceptances.
[2] Excludes ACI loans.
[3] Includes loans that are measured at FVOCI.

TABLE 19: ALLOWANCE FOR CREDIT LOSSES

(millions of Canadian dollars, except as noted)			*As at*
	July 31 2024	April 30 2024	July 31 2023
Allowance for loan losses for on-balance sheet loans			
Stage 1 allowance for loan losses	**$ 2,481**	$ 2,479	$ 2,618
Stage 2 allowance for loan losses	**4,065**	3,915	3,179
Stage 3 allowance for loan losses	**1,265**	1,151	987
Total allowance for loan losses for on-balance sheet loans[1]	**7,811**	7,545	6,784
Allowance for off-balance sheet instruments			
Stage 1 allowance for loan losses	**428**	423	469
Stage 2 allowance for loan losses	**582**	568	517
Stage 3 allowance for loan losses	**13**	11	2
Total allowance for off-balance sheet instruments	**1,023**	1,002	988
Allowance for loan losses	**8,834**	8,547	7,772
Allowance for debt securities	**4**	3	2
Allowance for credit losses	**$ 8,838**	$ 8,550	$ 7,774
Impaired loans, net of allowance[2]	**$ 2,905**	$ 2,744	$ 1,996
Net impaired loans as a percentage of net loans[2]	**0.31 %**	0.29 %	0.22 %
Total allowance for credit losses as a percentage of gross loans and acceptances	**0.93**	0.91	0.87
Provision for (recovery of) credit losses as a percentage of net average loans and acceptances	**0.46**	0.47	0.35

[1] Includes allowance for loan losses related to loans that are measured at FVOCI of nil as at July 31 2024 (April 30, 2024 – nil, July 31, 2023 – nil).
[2] Credit cards are considered impaired when they are 90 days past due and written off at 180 days past due.

Real Estate Secured Lending

Retail real estate secured lending includes mortgages and lines of credit to North American consumers to satisfy financing needs including home purchases and refinancing. While the Bank retains first lien on the majority of properties held as security, there is a small portion of loans with second liens, but most of these are behind a TD mortgage that is in first position. In Canada, credit policies are designed so that the combined exposure of all uninsured facilities on one property does not exceed 80% of the collateral value at origination. Lending at a higher loan-to-value ratio is permitted by legislation but requires default insurance. This insurance is contractual coverage for the life of eligible facilities and protects the Bank's real estate secured lending portfolio against potential losses caused by borrowers' default. The Bank may also purchase default insurance on lower loan-to-value ratio loans. The insurance is provided by either government-backed entities or approved private mortgage insurers. In the U.S., for residential mortgage originations, mortgage insurance is usually obtained from either government-backed entities or approved private mortgage insurers when the loan-to-value exceeds 80% of the collateral value at origination.

The Bank regularly performs stress tests on its real estate lending portfolio as part of its overall stress testing program. This is done with a view to determine the extent to which the portfolio would be vulnerable to a severe downturn in economic conditions. The effect of severe changes in house prices, interest rates, and unemployment levels are among the factors considered when assessing the impact on credit losses and the Bank's overall profitability. A variety of portfolio segments, including dwelling type and geographical regions, are examined during the exercise to determine whether specific vulnerabilities exist.

TABLE 20: CANADIAN REAL ESTATE SECURED LENDING[1,2]

(millions of Canadian dollars)					*As at*
			Amortizing	**Non-amortizing**	**Total**
	Residential mortgages	**Home equity lines of credit**	**Total amortizing real estate secured lending**	**Home equity lines of credit**	
					July 31, 2024
Total	**$ 271,325**	**$ 88,543**	**$ 359,868**	**$ 32,655**	**$ 392,523**
					October 31, 2023
Total	$ 263,733	$ 86,943	$ 350,676	$ 30,675	$ 381,351

[1] Excludes loans classified as trading as the Bank intends to sell the loans immediately or in the near term, and loans designated at fair value through profit or loss (FVTPL) for which no allowance is recorded.
[2] Amortizing includes loans where the fixed contractual payments are no longer sufficient to cover the interest based on the rates in effect at July 31, 2024 and October 31, 2023.

TABLE 21: REAL ESTATE SECURED LENDING[1,2]

(millions of Canadian dollars, except as noted)												*As at*
	Residential mortgages				**Home equity lines of credit**				**Total**			
	Insured[3]		**Uninsured**		**Insured[3]**		**Uninsured**		**Insured[3]**		**Uninsured**	
											July 31, 2024	
Canada												
Atlantic provinces	**$ 2,475**	**0.9 %**	**$ 4,685**	**1.7 %**	**$ 163**	**0.1 %**	**$ 2,119**	**1.7 %**	**$ 2,638**	**0.7 %**	**$ 6,804**	**1.7 %**
British Columbia[4]	**8,404**	**3.1**	**47,809**	**17.6**	**832**	**0.7**	**22,464**	**18.5**	**9,236**	**2.4**	**70,273**	**17.9**
Ontario[4]	**22,134**	**8.2**	**124,831**	**46.0**	**2,828**	**2.3**	**66,403**	**54.9**	**24,962**	**6.3**	**191,234**	**48.7**
Prairies[4]	**17,929**	**6.6**	**21,685**	**8.0**	**1,566**	**1.4**	**12,257**	**10.1**	**19,495**	**5.0**	**33,942**	**8.6**
Québec	**6,808**	**2.5**	**14,565**	**5.4**	**527**	**0.4**	**12,039**	**9.9**	**7,335**	**1.9**	**26,604**	**6.8**
Total Canada	**57,750**	**21.3 %**	**213,575**	**78.7 %**	**5,916**	**4.9 %**	**115,282**	**95.1 %**	**63,666**	**16.3 %**	**328,857**	**83.7 %**
United States	**1,500**		**56,437**		**–**		**11,117**		**1,500**		**67,554**	
Total	**$ 59,250**		**$ 270,012**		**$ 5,916**		**$ 126,399**		**$ 65,166**		**$ 396,411**	
											October 31, 2023	
Canada												
Atlantic provinces	$ 2,561	1.0 %	$ 4,557	1.7 %	$ 181	0.2 %	$ 1,938	1.6 %	$ 2,742	0.7 %	$ 6,495	1.7 %
British Columbia[4]	8,642	3.3	46,003	17.4	920	0.8	21,642	18.4	9,562	2.5	67,645	17.7
Ontario[4]	22,559	8.6	118,882	45.1	3,126	2.7	64,095	54.4	25,685	6.8	182,977	48.1
Prairies[4]	18,621	7.1	20,385	7.7	1,746	1.5	11,956	10.2	20,367	5.3	32,341	8.5
Québec	7,221	2.7	14,302	5.4	590	0.5	11,424	9.7	7,811	2.0	25,726	6.7
Total Canada	59,604	22.7 %	204,129	77.3 %	6,563	5.7 %	111,055	94.3 %	66,167	17.3 %	315,184	82.7 %
United States	1,439		55,169		–		10,591		1,439		65,760	
Total	$ 61,043		$ 259,298		$ 6,563		$ 121,646		$ 67,606		$ 380,944	

[1] Geographic location is based on the address of the property mortgaged.
[2] Excludes loans classified as trading as the Bank intends to sell the loans immediately or in the near term, and loans designated at FVTPL for which no allowance is recorded.
[3] Default insurance is contractual coverage for the life of eligible facilities whereby the Bank's exposure to real estate secured lending, all or in part, is protected against potential losses caused by borrower default. It is provided by either government-backed entities or other approved private mortgage insurers.
[4] The territories are included as follows: Yukon is included in British Columbia; Nunavut is included in Ontario; and the Northwest Territories is included in the Prairies region.

The following table provides a summary of the period over which the Bank's residential mortgages would be fully repaid based on the amount of the most recent payment received. All figures are calculated based on current customer payment amounts, including voluntary payments larger than the original contractual amounts and/or other voluntary prepayments. The most recent customer payment amount may exceed the original contractual amount due.

Balances with a remaining amortization longer than 30 years primarily reflect Canadian variable rate mortgages where interest rate increases relative to current customer payment levels have resulted in a longer current amortization period. At renewal, the amortization period for Canadian mortgages reverts to the remaining contractual amortization, which may require increased payments.

TABLE 22: RESIDENTIAL MORTGAGES BY REMAINING AMORTIZATION[1,2,3]

									As at
	<=5 years	**>5 – 10 years**	**>10 – 15 years**	**>15 – 20 years**	**>20 – 25 years**	**>25 – 30 years**	**>30 – 35 years**	**>35 years**	**Total**
									July 31, 2024
Canada	**0.8 %**	**2.7 %**	**6.1 %**	**15.4 %**	**32.2 %**	**27.6 %**	**1.9 %**	**13.3 %**	**100.0 %**
United States	**2.4**	**1.3**	**3.4**	**7.7**	**12.8**	**71.3**	**0.6**	**0.5**	**100.0**
Total	**1.1 %**	**2.4 %**	**5.6 %**	**14.0 %**	**28.8 %**	**35.4 %**	**1.6 %**	**11.1 %**	**100.0 %**
									October 31, 2023
Canada	0.8 %	2.7 %	5.7 %	14.1 %	31.5 %	24.6 %	1.4 %	19.2 %	100.0 %
United States	5.3	1.4	3.8	7.8	10.6	69.5	1.1	0.5	100.0
Total	1.6 %	2.5 %	5.3 %	13.0 %	27.8 %	32.6 %	1.4 %	15.8 %	100.0 %

[1] Excludes loans classified as trading as the Bank intends to sell the loans immediately or in the near term, and loans designated at FVTPL for which no allowance is recorded.
[2] Percentage based on outstanding balance.
[3] $22.3 billion or 8% of the mortgage portfolio in Canada (October 31, 2023: $37.4 billion or 14%) relates to mortgages in which the fixed contractual payments are no longer sufficient to cover the interest based on the rates in effect at July 31, 2024 and October 31, 2023, respectively.

TABLE 23: UNINSURED AVERAGE LOAN-TO-VALUE – Newly Originated and Newly Acquired[1,2,3]

						For the three months ended
	Residential mortgages	**Home equity lines of credit[4,5]**	**Total**	Residential mortgages	Home equity lines of credit[4,5]	Total
			July 31, 2024			October 31, 2023
Canada						
Atlantic provinces	**68 %**	**66 %**	**67 %**	69 %	67 %	68 %
British Columbia[6]	**66**	**62**	**64**	65	59	63
Ontario[6]	**67**	**62**	**65**	66	60	63
Prairies[6]	**73**	**69**	**71**	72	69	71
Québec	**70**	**69**	**69**	69	67	68
Total Canada	**68**	**63**	**66**	67	62	65
United States	**76**	**61**	**70**	75	63	72
Total	**69 %**	**63 %**	**66 %**	68 %	62 %	66 %

[1] Geographic location is based on the address of the property mortgaged.
[2] Excludes loans classified as trading as the Bank intends to sell the loans immediately or in the near term, and loans designated at FVTPL for which no allowance is recorded.
[3] Based on house price at origination.
[4] Home equity lines of credit (HELOCs) loan-to-value includes first position collateral mortgage if applicable.
[5] HELOC fixed rate advantage option is included in loan-to-value calculation.
[6] The territories are included as follows: Yukon is included in British Columbia; Nunavut is included in Ontario; and the Northwest Territories is included in the Prairies region.

Sovereign Risk

The table below provides a summary of the Bank's direct credit exposures outside of Canada and the U.S. (Europe excludes United Kingdom).

TABLE 24: Total Net Exposure by Region and Counterparty

(millions of Canadian dollars) *As at*

	Loans and commitments[1]				Derivatives, repos, and securities lending[2]				Trading and investment portfolio[3]				Total
	Corporate	Sovereign	Financial	Total	Corporate	Sovereign	Financial	Total	Corporate	Sovereign	Financial	Total	Exposure[4]
													July 31, 2024
Region													
Europe	**$ 8,214**	**$ 8**	**$ 5,439**	**$ 13,661**	**$ 4,502**	**$ 2,311**	**$ 8,806**	**$ 15,619**	**$ 1,053**	**$ 25,202**	**$ 2,524**	**$ 28,779**	**$ 58,059**
United Kingdom	**8,665**	**2,997**	**2,495**	**14,157**	**3,282**	**784**	**15,997**	**20,063**	**958**	**1,017**	**671**	**2,646**	**36,866**
Asia	**239**	**29**	**2,371**	**2,639**	**365**	**745**	**2,667**	**3,777**	**492**	**9,029**	**910**	**10,431**	**16,847**
Other[5]	**205**	**–**	**601**	**806**	**340**	**544**	**3,348**	**4,232**	**176**	**991**	**2,989**	**4,156**	**9,194**
Total	**$ 17,323**	**$ 3,034**	**$ 10,906**	**$ 31,263**	**$ 8,489**	**$ 4,384**	**$ 30,818**	**$ 43,691**	**$ 2,679**	**$ 36,239**	**$ 7,094**	**$ 46,012**	**$ 120,966**
													October 31, 2023
Region													
Europe	$ 7,577	$ 7	$ 5,324	$ 12,908	$ 3,763	$ 1,945	$ 6,736	$ 12,444	$ 777	$ 25,015	$ 2,001	$ 27,793	$ 53,145
United Kingdom	8,928	7,965	2,131	19,024	2,759	490	13,431	16,680	491	596	257	1,344	37,048
Asia	254	20	2,167	2,441	262	706	2,640	3,608	325	10,728	830	11,883	17,932
Other[5]	233	8	517	758	233	720	2,883	3,836	209	1,205	3,443	4,857	9,451
Total	$ 16,992	$ 8,000	$ 10,139	$ 35,131	$ 7,017	$ 3,861	$ 25,690	$ 36,568	$ 1,802	$ 37,544	$ 6,531	$ 45,877	$ 117,576

[1] Exposures, including interest-bearing deposits with banks, are presented net of impairment charges where applicable.
[2] Exposures are calculated on a fair value basis and presented net of collateral. Derivatives are presented as net exposures where there is an International Swaps and Derivatives Association master netting agreement.
[3] Trading exposures are net of eligible short positions.
[4] In addition to the exposures identified above, the Bank also has $35.9 billion (October 31, 2023 – $40.8 billion) of exposure to supranational entities.
[5] Other regional exposure largely attributable to Australia.

CAPITAL POSITION

REGULATORY CAPITAL

Capital requirements of the Basel Committee on Banking Supervision (BCBS) are commonly referred to as Basel III. Under Basel III, Total Capital consists of three components, namely CET1, Additional Tier 1, and Tier 2 Capital. Risk sensitive regulatory capital ratios are calculated by dividing CET1, Tier 1, and Total Capital by risk-weighted assets (RWA), inclusive of any minimum requirements outlined under the regulatory floor. In 2015, Basel III introduced a non-risk sensitive leverage ratio to act as a supplementary measure to the risk-sensitive capital requirements. The leverage ratio is calculated by dividing Tier 1 Capital by leverage exposure which is primarily comprised of on-balance sheet assets with adjustments made to derivative and securities financing transaction exposures, and credit equivalent amounts of off-balance sheet exposures. TD manages its regulatory capital in accordance with OSFI's implementation of the Basel III Capital Framework.

OSFI's Capital Requirements under Basel III

OSFI's CAR and LR guidelines detail how the Basel III capital rules apply to Canadian banks.

The Domestic Stability Buffer (DSB) level was increased to 3.5% as of November 1, 2023. The 50 bps increase from the previous level of 3% reflects OSFI's view of appropriate actions to enhance the resilience of Canada's largest banks against vulnerabilities. The current DSB range is 0 to 4% and the DSB level may change in response to developments in Canada's financial system and the broader economic environment.

On February 1, 2023, OSFI implemented revised capital rules that incorporate the Basel III reforms with adjustments to make them suitable for domestic implementation. These revised rules include revisions to the calculation of credit risk and operational risk requirements, and revisions to the LR Guideline to include a requirement for domestic systemically important banks (D-SIBs) to hold a leverage ratio buffer of 0.50% in addition to the regulatory minimum requirement of 3.0%. This buffer will also apply to the TLAC leverage ratio.

On November 1, 2023, the Bank implemented OSFI's Parental Stand-Alone (Solo) Total Loss Absorbing Capacity (TLAC) Framework for D-SIBs, which establishes a risk-based measure intended to ensure a non-viable D-SIB has sufficient loss absorbing capacity on a stand-alone, legal entity basis to support its resolution. The Bank is compliant with the requirements set out in this new framework.

The table below summarizes OSFI's current regulatory minimum capital targets for the Bank as at July 31, 2024.

REGULATORY CAPITAL AND TLAC TARGET RATIOS

	Minimum	Capital Conservation Buffer	D-SIB / G-SIB Surcharge[1]	Pillar 1 Regulatory Target[2]	DSB	Pillar 1 & 2 Regulatory Target
CET1	4.5 %	2.5 %	1.0 %	8.0 %	3.5 %	11.5 %
Tier 1	6.0	2.5	1.0	9.5	3.5	13.0
Total Capital	8.0	2.5	1.0	11.5	3.5	15.0
Leverage	3.0	n/a[3]	0.5	3.5	n/a	3.5
TLAC	18.0	2.5	1.0	21.5	3.5	25.0
TLAC Leverage	6.75	n/a	0.50	7.25	n/a	7.25

[1] The higher of the D-SIB and Global Systemically Important Bank (G-SIB) surcharge applies to risk weighted capital. The D-SIB surcharge is currently equivalent to the Bank's 1% G-SIB additional common equity requirement for risk weighted capital. The G-SIB surcharge may increase above 1% if the Bank's G-SIB score increases above certain thresholds to a maximum of 4.5%. OSFI's Leverage Requirements Guideline includes a requirement for D-SIBs to hold a leverage ratio buffer set at 50% of a D-SIB's higher loss absorbency risk-weighted requirements, effectively 0.50%. This buffer also applies to the TLAC Leverage ratio.
[2] The Bank's countercyclical buffer requirement is 0% as of July 31, 2024.
[3] Not applicable.

The following table provides details of the Bank's regulatory capital position.

TABLE 25: CAPITAL STRUCTURE AND RATIOS – Basel III

(millions of Canadian dollars, except as noted)			*As at*
	July 31 2024	October 31 2023	July 31 2023
Common Equity Tier 1 Capital			
Common shares plus related contributed surplus	**$ 25,369**	$ 25,522	$ 26,026
Retained earnings	**69,316**	73,044	74,659
Accumulated other comprehensive income	**6,015**	2,750	735
Common Equity Tier 1 Capital before regulatory adjustments	**100,700**	101,316	101,420
Common Equity Tier 1 Capital regulatory adjustments			
Goodwill (net of related tax liability)	**(18,504)**	(18,424)	(17,641)
Intangibles (net of related tax liability)	**(2,842)**	(2,606)	(2,545)
Deferred tax assets excluding those arising from temporary differences	**(121)**	(207)	(114)
Cash flow hedge reserve	**3,285**	5,571	5,116
Shortfall of provisions to expected losses	**–**	–	–
Gains and losses due to changes in own credit risk on fair valued liabilities	**(204)**	(379)	(229)
Defined benefit pension fund net assets (net of related tax liability)	**(908)**	(908)	(1,001)
Investment in own shares	**(8)**	(21)	(16)
Non-significant investments in the capital of banking, financial, and insurance entities, net of eligible short positions (amount above 10% threshold)	**(2,982)**	(1,976)	(2,000)
Significant investments in the common stock of banking, financial, and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	**–**	–	–
Equity investments in funds subject to the fall-back approach	**(51)**	(49)	(37)
Other deductions or regulatory adjustments to CET1 as determined by OSFI	**12**	–	–
Total regulatory adjustments to Common Equity Tier 1 Capital	**(22,323)**	(18,999)	(18,467)
Common Equity Tier 1 Capital	**78,377**	82,317	82,953
Additional Tier 1 Capital instruments			
Directly issued qualifying Additional Tier 1 instruments plus stock surplus	**10,876**	10,791	11,244
Additional Tier 1 Capital instruments before regulatory adjustments	**10,876**	10,791	11,244
Additional Tier 1 Capital instruments regulatory adjustments			
Non-significant investments in the capital of banking, financial, and insurance entities, net of eligible short positions (amount above 10% threshold)	**(5)**	(6)	(6)
Significant investments in the capital of banking, financial, and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	**(350)**	(350)	(350)
Total regulatory adjustments to Additional Tier 1 Capital	**(355)**	(356)	(356)
Additional Tier 1 Capital	**10,521**	10,435	10,888
Tier 1 Capital	**88,898**	92,752	93,841
Tier 2 Capital instruments and provisions			
Directly issued qualifying Tier 2 instruments plus related stock surplus	**9,716**	9,424	11,067
Collective allowances	**1,378**	1,964	2,150
Tier 2 Capital before regulatory adjustments	**11,094**	11,388	13,217
Tier 2 regulatory adjustments			
Investments in own Tier 2 instruments	**–**	–	–
Non-significant investments in the capital of banking, financial, and insurance entities, net of eligible short positions (amount above 10% threshold)[1]	**(332)**	(196)	(194)
Non-significant investments in the other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs, where the institution does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions	**(19)**	(136)	(125)
Significant investments in the capital of banking, financial, and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	**(160)**	(160)	(160)
Total regulatory adjustments to Tier 2 Capital	**(511)**	(492)	(479)
Tier 2 Capital	**10,583**	10,896	12,738
Total Capital	**$ 99,481**	$ 103,648	$ 106,579
Risk-weighted assets	**$ 610,482**	$ 571,161	$ 544,880
Capital Ratios and Multiples			
Common Equity Tier 1 Capital (as percentage of risk-weighted assets)	**12.8 %**	14.4 %	15.2 %
Tier 1 Capital (as percentage of risk-weighted assets)	**14.6**	16.2	17.2
Total Capital (as percentage of risk-weighted assets)	**16.3**	18.1	19.6
Leverage ratio[2]	**4.1**	4.4	4.6

[1] Includes other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs that are outside the scope of regulatory consolidation, where the institution does not own more than 10% of the issued common share capital of the entity.
[2] The Leverage ratio is calculated as Tier 1 Capital divided by leverage exposure, as defined in the "Regulatory Capital" section of this document.

The impact to CET1 capital upon adoption of IFRS 17 is immaterial to the Bank.

As at July 31, 2024, the Bank's CET1, Tier 1, and Total Capital ratios were 12.8%, 14.6%, and 16.3%, respectively. The decrease in the Bank's CET1 Capital ratio from 14.4% as at October 31, 2023, was primarily attributable to the provision for investigations related to the Bank's AML program, common shares repurchased for cancellation, and RWA growth across various segments. CET1 was also impacted by regulatory changes related to the Fundamental Review of the Trading Book and Negatively amortizing mortgages and the FDIC special assessment booked in the fiscal year. The impact of the foregoing items was partially offset by internal capital generation, the sale of TD's common share holdings in First Horizon, and the issuance of common shares pursuant to the Bank's dividend reinvestment plan.

As at July 31, 2024, the Bank's leverage ratio was 4.1%. The decrease in the Bank's leverage ratio from 4.4% as at October 31, 2023 was primarily attributable to the provision for investigations related to the Bank's AML program, exposure increases across various segments, and common shares repurchased for cancellation. The impact of the foregoing items was partially offset by internal capital generation and the issuance of common shares pursuant to the Bank's dividend reinvestment plan.

Future Regulatory Capital Developments

Future regulatory capital developments, in addition to those described in the "Future Regulatory Capital Developments" section of the Bank's 2023 Annual Report, are noted below.

On July 5, 2024, OSFI announced a one-year delay to the increase of the capital floor level. With this delay, the floor is expected to be fully transitioned in fiscal 2027. The capital floor subjects banks using internal model-based approaches to a floor, where the floor is calculated as a percentage of RWA under the standardized approach.

TABLE 26: EQUITY AND OTHER SECURITIES[1]

(millions of shares/units and millions of Canadian dollars, except as noted)				*As at*
	July 31, 2024		October 31, 2023	
	Number of shares/units	**Amount**	Number of shares/units	Amount
Common shares				
Common shares outstanding	**1,748.3**	**$ 25,222**	1,791.4	$ 25,434
Treasury – common shares	**(0.4)**	**(35)**	(0.7)	(64)
Total common shares	**1,747.9**	**$ 25,187**	1,790.7	$ 25,370
Stock options				
Vested	**5.7**		5.1	
Non-vested	**9.3**		9.0	
Preferred shares – Class A				
Series 1	**20.0**	**$ 500**	20.0	$ 500
Series 3[2]	**–**	**–**	20.0	500
Series 5	**20.0**	**500**	20.0	500
Series 7	**14.0**	**350**	14.0	350
Series 9	**8.0**	**200**	8.0	200
Series 16	**14.0**	**350**	14.0	350
Series 18	**14.0**	**350**	14.0	350
Series 22[3]	**–**	**–**	14.0	350
Series 24[4]	**–**	**–**	18.0	450
Series 27	**0.8**	**850**	0.8	850
Series 28	**0.8**	**800**	0.8	800
	91.6	**$ 3,900**	143.6	$ 5,200
Other equity instruments[5]				
Limited Recourse Capital Notes Series 1	**1.8**	**1,750**	1.8	1,750
Limited Recourse Capital Notes Series 2	**1.5**	**1,500**	1.5	1,500
Limited Recourse Capital Notes Series 3[6,7]	**1.7**	**2,403**	1.7	2,403
Limited Recourse Capital Notes Series 4[7,8]	**0.7**	**1,023**	–	–
Perpetual Subordinated Capital Notes AT1[9]	**0.1**	**312**	–	–
	97.4	**$ 10,888**	148.6	$ 10,853
Treasury – preferred shares and other equity instruments	**(0.5)**	**(17)**	(0.1)	(65)
Total preferred shares and other equity instruments	**96.9**	**$ 10,871**	148.5	$ 10,788

[1] For further details, including the conversion and exchange features, and distributions, refer to Note 20 of the Bank's 2023 Consolidated Financial Statements.

[2] On July 31, 2024, the Bank redeemed all of its 20 million outstanding Non-Cumulative 5-Year Rate Reset Class A First Preferred Shares Non-Viability Contingent Capital (NVCC), Series 3 ("Series 3 Preferred Shares"), at a redemption price of $25.00 per Series 3 Preferred Share, for a total redemption cost of approximately $500 million.

[3] On April 30, 2024, the Bank redeemed all of its 14 million outstanding Non-Cumulative 5-Year Rate Reset Class A First Preferred Shares NVCC, Series 22 ("Series 22 Preferred Shares"), at a redemption price of $25.00 per Series 22 Preferred Share, for a total redemption cost of $350 million.

[4] On July 31, 2024, the Bank redeemed all of its 18 million outstanding Non-Cumulative 5-Year Rate Reset Class A First Preferred Shares NVCC, Series 24 ("Series 24 Preferred Shares"), at a redemption price of $25.00 per Series 24 Preferred Share, for a total redemption cost of approximately $450 million.

[5] For Limited Recourse Capital Notes (LRCNs) and Additional Tier 1 Perpetual Notes, the number of shares/units represents the number of notes issued.

[6] Refer to the "Preferred Shares and Other Equity Instruments – Significant Terms and Conditions" table in Note 20 of the Bank's 2023 Consolidated Financial Statements for further details on LRCNs.

[7] For LRCNs – Series 3 and Series 4, the amount represents the Canadian dollar equivalent of the U.S. dollar notional amount.

[8] On July 3, 2024, the Bank issued US$750 million 7.250% Fixed Rate Reset Limited Recourse Capital Notes, Series 4 NVCC (the "LRCNs"). The LRCNs will bear interest at a rate of 7.250 per cent annually, payable quarterly, for the initial period ending on, but excluding, July 31, 2029. Thereafter, the interest rate on the LRCNs will reset every five years at a rate equal to the prevailing U.S. Treasury Rate plus 2.977 per cent. The LRCNs will mature on July 31, 2084. Concurrently with the issuance of the LRCNs, the Bank will issue 750,000 Non-Cumulative 7.250% Fixed Rate Reset Preferred Shares, Series 31 NVCC ("Preferred Shares Series 31"). The Preferred Shares Series 31 are eliminated on the Bank's consolidated financial statements.

[9] On July 10, 2024, the Bank issued SGD 310 million of Fixed Rate Reset Perpetual Subordinated Additional Tier 1 Capital Notes, Series 2023-9 NVCC (the "AT1 Perpetual Notes"). The AT1 Perpetual Notes will bear interest at a rate of 5.700 per cent annually, payable semi-annually, for the initial period ending on, but excluding, July 31, 2029. Thereafter, the interest rate on the AT1 Perpetual Notes will reset every five years at a rate equal to the prevailing 5-year SORA-OIS Rate plus 2.652 per cent. The AT1 Perpetual Notes have no scheduled maturity or redemption date. With the prior written approval of OSFI, the Bank may redeem the AT1 Perpetual Notes on July 31, 2029 and every January 31st and July 31st thereafter, in whole or in part, on not less than 10 nor more than 60 days' prior notice to holders. For AT1 Perpetual Notes, the amount represents the Canadian dollar equivalent of the Singapore dollar notional amount.

DIVIDENDS

On August 21, 2024, the Board approved a dividend in an amount of one dollar and two cents ($1.02) per fully paid common share in the capital stock of the Bank for the quarter ending October 31, 2024, payable on and after October 31, 2024, to shareholders of record at the close of business on October 10, 2024.

DIVIDEND REINVESTMENT PLAN

The Bank offers a dividend reinvestment plan for its common shareholders. Participation in the plan is optional and under the terms of the plan, cash dividends on common shares are used to purchase additional common shares. At the option of the Bank, the common shares may be issued from treasury at an average market price based on the last five trading days before the date of the dividend payment, with a discount of between 0% to 5% at the Bank's discretion or purchased from the open market at market price.

During the three and nine months ended July 31, 2024, the Bank issued 1.6 million and 4.9 million common shares, respectively, from treasury with no discount. During the three months ended July 31, 2023, the Bank issued 2.0 million common shares from treasury with no discount and during the nine months ended July 31, 2023 the Bank issued 2.0 million common shares from treasury with no discount and 16.8 million common shares from treasury with a 2% discount.

NORMAL COURSE ISSUER BID

On August 28, 2023, the Bank announced that the Toronto Stock Exchange and OSFI approved a normal course issuer bid (NCIB) to repurchase for cancellation up to 90 million of its common shares. The NCIB commenced on August 31, 2023, and during the three months ended July 31, 2024, the Bank repurchased 13.3 million common shares under the NCIB at an average price of $76.68 per share for a total amount of $1.0 billion. During the nine months ended July 31, 2024, the Bank repurchased 49.4 million common shares under the NCIB, at an average price of $80.15 per share for a total amount of $4.0 billion. From the commencement of the NCIB to July 31, 2024, the Bank repurchased 71.4 million shares under the program.

NON-VIABILITY CONTINGENT CAPITAL PROVISION

If an NVCC trigger event were to occur, for all series of Class A First Preferred Shares excluding the preferred shares issued with respect to LRCNs, the maximum number of common shares that could be issued, assuming there are no declared and unpaid dividends on the respective series of preferred shares at the time of conversion, would be 0.8 billion in aggregate.

The LRCNs, by virtue of the recourse to the preferred shares held in the Limited Recourse Trust, include NVCC provisions. For LRCNs, if an NVCC trigger were to occur, the maximum number of common shares that could be issued, assuming there are no declared and unpaid dividends on the preferred shares series issued in connection with such LRCNs, would be 1.3 billion in aggregate.

For all other NVCC subordinated notes and debentures including Additional Tier 1 Perpetual Notes, if an NVCC trigger event were to occur, the maximum number of common shares that could be issued, assuming there is no accrued and unpaid interest on the respective subordinated notes and debentures, would be 3.5 billion in aggregate.

MANAGING RISK

EXECUTIVE SUMMARY

Growing profitability in financial results based on balanced revenue, expense and capital growth services involves selectively taking and managing risks within the Bank's risk appetite. The Bank's goal is to earn a stable and sustainable rate of return for every dollar of risk it takes, while putting significant emphasis on investing in its businesses to meet its future strategic objectives.

The Bank's businesses and operations are exposed to a broad number of risks that have been identified and defined in the Enterprise Risk Framework. The Bank's tolerance to those risks is defined in the Enterprise Risk Appetite which has been developed within a comprehensive framework that takes into consideration current conditions in which the Bank operates and the impact that emerging risks will have on TD's strategy and risk profile. The Bank's risk appetite states that it takes risks required to build its business, but only if those risks: (1) fit the 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. Each business is responsible for setting and aligning its individual risk appetites with that of the enterprise based on a thorough examination of the specific risks to which it is exposed.

The Bank considers it critical to regularly assess its operating environment and highlight top and emerging risks. These are risks with a potential to have a material effect on the Bank and where the attention of senior leaders is focused due to the potential magnitude or immediacy of their impact.

Risks are identified, discussed, and actioned by senior leaders and reported quarterly to the Risk Committee. Specific plans to mitigate top and emerging risks are prepared, monitored, and adjusted as required.

The Bank's risk governance structure and risk management approach have not substantially changed from that described in the Bank's 2023 Annual Report. Additional information on risk factors can be found in this document and the 2023 MD&A under the heading "Risk Factors and Management". For a complete discussion of the risk governance structure and the risk management approach, refer to the "Managing Risk" section in the Bank's 2023 Annual Report.

The shaded sections of this MD&A represent a discussion relating to market and liquidity risks and form an integral part of the Interim Consolidated Financial Statements for the period ended July 31, 2024.

CREDIT RISK

Gross credit risk exposure, also referred to as exposure at default (EAD), is the total amount the Bank is exposed to at the time of default of a loan and is measured before counterparty-specific provisions or write-offs. Gross credit risk exposure does not reflect the effects of credit risk mitigation (CRM) and includes both on-balance sheet and off-balance sheet exposures. On-balance sheet exposures consist primarily of outstanding loans, non-trading securities, derivatives, and certain other repo-style transactions. Off-balance sheet exposures consist primarily of undrawn commitments, guarantees, and certain other repo-style transactions.

Gross credit risk exposures for the two approaches the Bank uses to measure credit risk are included in the following table.

TABLE 27: GROSS CREDIT RISK EXPOSURE – Standardized and Internal Ratings-Based (IRB) Approaches[1]

(millions of Canadian dollars)						*As at*
		July 31, 2024				October 31, 2023
	Standardized	**IRB**	**Total**	Standardized	IRB	Total
Retail						
Residential secured	**$ 4,238**	**$ 531,257**	**$ 535,495**	$ 4,815	$ 515,152	$ 519,967
Qualifying revolving retail	**846**	**176,068**	**176,914**	810	169,183	169,993
Other retail	**3,588**	**102,832**	**106,420**	3,368	99,253	102,621
Total retail	**8,672**	**810,157**	**818,829**	8,993	783,588	792,581
Non-retail						
Corporate	**2,091**	**696,513**	**698,604**	3,496	654,369	657,865
Sovereign	**123**	**500,388**	**500,511**	116	527,423	527,539
Bank	**4,527**	**155,854**	**160,381**	5,272	171,180	176,452
Total non-retail	**6,741**	**1,352,755**	**1,359,496**	8,884	1,352,972	1,361,856
Gross credit risk exposures	**$ 15,413**	**$ 2,162,912**	**$ 2,178,325**	$ 17,877	$ 2,136,560	$ 2,154,437

[1] Gross credit risk exposures represent EAD and are before the effects of CRM. This table excludes securitization, equity, and certain other credit RWA.

MARKET RISK

Market risk capital is calculated using the Standardized Approach. The Bank continues to use Value-at-Risk (VaR) as an internal management metric to monitor and control market risk.

Market Risk Linkage to the Balance Sheet

The following table provides a breakdown of the Bank's balance sheet assets and liabilities exposed to trading and non-trading market risks. Market risk of assets and liabilities included in the calculation of VaR and metrics used for regulatory market risk capital purposes is classified as trading market risk.

TABLE 28: MARKET RISK LINKAGE TO THE BALANCE SHEET

(millions of Canadian dollars)									*As at*
	July 31, 2024				October 31, 2023				
	Balance sheet	**Trading market risk**	**Non-trading market risk**	**Other**	Balance sheet	Trading market risk	Non-trading market risk	Other	Non-trading market risk – primary risk sensitivity
Assets subject to market risk									
Interest-bearing deposits with banks	**$ 92,151**	**$ 112**	**$ 92,039**	**$ –**	$ 98,348	$ 327	$ 98,021	$ –	Interest rate
Trading loans, securities, and other	**173,175**	**171,956**	**1,219**	**–**	152,090	151,011	1,079	–	Interest rate
Non-trading financial assets at fair value through profit or loss	**5,600**	**–**	**5,600**	**–**	7,340	–	7,340	–	Equity, foreign exchange, interest rate
Derivatives	**69,827**	**63,539**	**6,288**	**–**	87,382	81,526	5,856	–	Equity, foreign exchange, interest rate
Financial assets designated at fair value through profit or loss	**5,771**	**–**	**5,771**	**–**	5,818	–	5,818	–	Interest rate
Financial assets at fair value through other comprehensive income	**75,841**	**–**	**75,841**	**–**	69,865	–	69,865	–	Equity, foreign exchange, interest rate
Debt securities at amortized cost, net of allowance for credit losses	**281,320**	**–**	**281,320**	**–**	308,016	–	308,016	–	Foreign exchange, interest rate
Securities purchased under reverse repurchase agreements	**212,918**	**10,438**	**202,480**	**–**	204,333	9,649	194,684	–	Interest rate
Loans, net of allowance for loan losses	**938,325**	**–**	**938,325**	**–**	895,947	–	895,947	–	Interest rate
Customers' liability under acceptances	**19**	**–**	**19**	**–**	17,569	–	17,569	–	Interest rate
Investment in Schwab	**10,031**	**–**	**10,031**	**–**	8,907	–	8,907	–	Equity
Other assets[1,2]	**2,007**	**–**	**2,007**	**–**	1,956	–	1,956	–	Interest rate
Assets not exposed to market risk	**100,196**	**–**	**–**	**100,196**	97,568	–	–	97,568	
Total Assets	**$ 1,967,181**	**$ 246,045**	**$ 1,620,940**	**$ 100,196**	$ 1,955,139	$ 242,513	$ 1,615,058	$ 97,568	
Liabilities subject to market risk									
Trading deposits	**$ 32,021**	**$ 27,387**	**$ 4,634**	**$ –**	$ 30,980	$ 27,059	$ 3,921	$ –	Equity, interest rate
Derivatives	**60,113**	**58,908**	**1,205**	**–**	71,640	70,382	1,258	–	Equity, foreign exchange, interest rate
Securitization liabilities at fair value	**18,382**	**18,382**	**–**	**–**	14,422	14,422	–	–	Interest rate
Financial liabilities designated at fair value through profit or loss	**196,078**	**2**	**196,076**	**–**	192,130	2	192,128	–	Interest rate
Deposits	**1,220,550**	**–**	**1,220,550**	**–**	1,198,190	–	1,198,190	–	Interest rate, foreign exchange
Acceptances	**19**	**–**	**19**	**–**	17,569	–	17,569	–	Interest rate
Obligations related to securities sold short	**40,556**	**39,206**	**1,350**	**–**	44,661	43,993	668	–	Interest rate
Obligations related to securities sold under repurchase agreements	**182,813**	**13,612**	**169,201**	**–**	166,854	12,641	154,213	–	Interest rate
Securitization liabilities at amortized cost	**12,374**	**–**	**12,374**	**–**	12,710	–	12,710	–	Interest rate
Subordinated notes and debentures	**9,913**	**–**	**9,913**	**–**	9,620	–	9,620	–	Interest rate
Other liabilities[1,2]	**30,869**	**–**	**30,869**	**–**	27,062	–	27,062	–	Equity, interest rate
Liabilities and Equity not exposed to market risk	**163,493**	**–**	**–**	**163,493**	169,301	–	–	169,301	
Total Liabilities and Equity	**$ 1,967,181**	**$ 157,497**	**$ 1,646,191**	**$ 163,493**	$ 1,955,139	$ 168,499	$ 1,617,339	$ 169,301	

[1] Relates to retirement benefits, insurance, and structured entity liabilities.

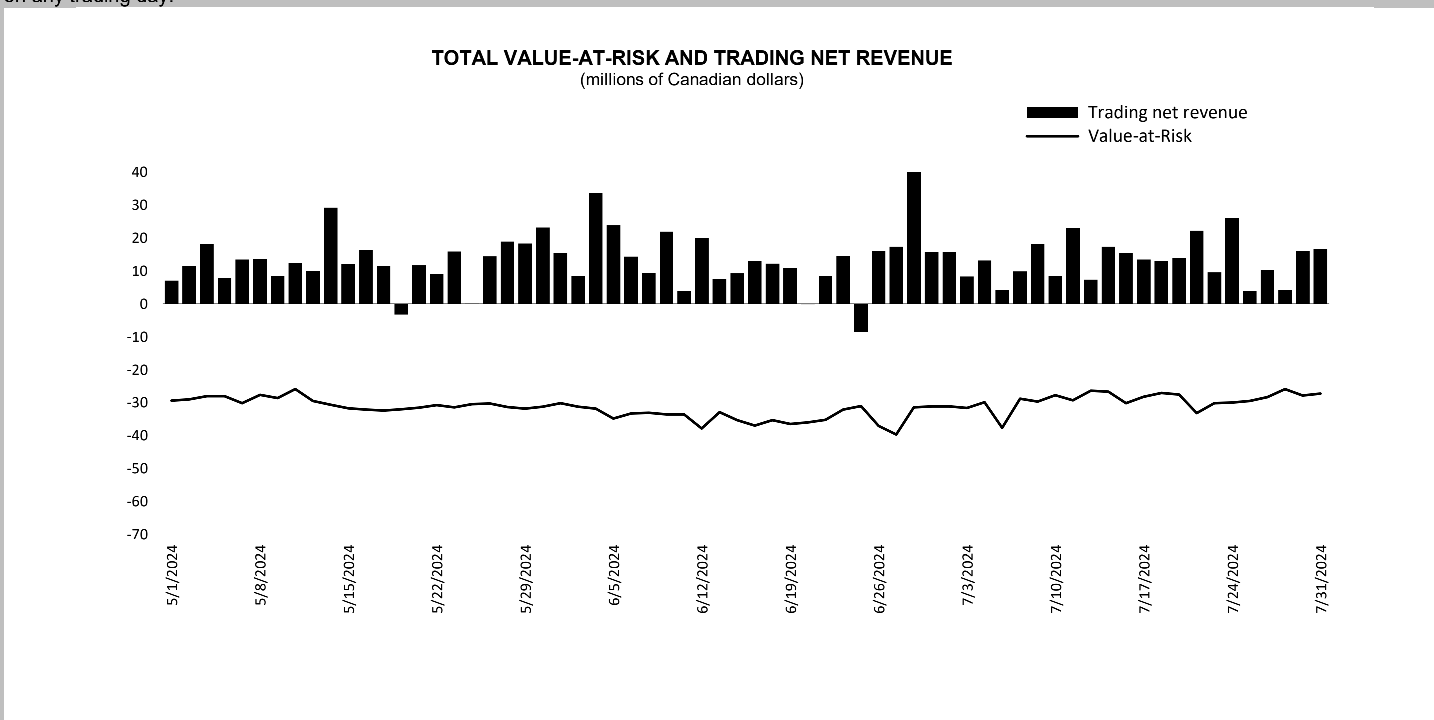
[2] Balances as at October 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.

Calculating VaR
The Bank computes total VaR on a daily basis by combining the General Market Risk (GMR) and Idiosyncratic Debt Specific Risk (IDSR) associated with the Bank's trading positions.

GMR is determined by creating a distribution of potential changes in the market value of the current portfolio using historical simulation. The Bank values the current portfolio using the market price and rate changes of the most recent 259 trading days for equity, interest rate, foreign exchange, credit, and commodity products. GMR is computed as the threshold level that portfolio losses are not expected to exceed more than one out of every 100 trading days. A one-day holding period is used for GMR calculation.

IDSR measures idiosyncratic (single-name) credit spread risk for credit exposures in the trading portfolio using Monte Carlo simulation. The IDSR model is based on the historical behaviour of five-year idiosyncratic credit spreads. Similar to GMR, IDSR is computed as the threshold level that portfolio losses are not expected to exceed more than one out of every 100 trading days. IDSR is measured for a ten-day holding period.

The following graph discloses daily one-day VaR usage and trading net revenue, reported on a TEB, within Wholesale Banking. Trading net revenue includes trading income and net interest income related to positions within the Bank's market risk capital trading books. For the quarter ended July 31, 2024, there were 3 days of trading losses and trading net revenue was positive for 95% of the trading days, reflecting normal trading activity. Losses in the year did not exceed VaR on any trading day.



VaR is a valuable risk measure but it should be used in the context of its limitations, for example:

- VaR uses historical data to estimate future events, which limits its forecasting abilities;
- it does not provide information on losses beyond the selected confidence level; and
- it assumes that all positions can be liquidated during the holding period used for VaR calculation.

The Bank continuously improves its VaR methodologies and incorporates new risk measures in line with market conventions, industry best practices, and regulatory requirements.

To mitigate some of the shortcomings of VaR, the Bank uses additional metrics designed for risk management purposes. This includes Stress Testing as well as sensitivities to various market risk factors.

The following table presents the end of quarter, average, high, and low usage of TD's VaR metric.

TABLE 29: PORTFOLIO MARKET RISK MEASURES

(millions of Canadian dollars)							*For the three months ended*		*For the nine months ended*	
					July 31 2024		April 30 2024	July 31 2023	**July 31 2024**	July 31 2023
	As at	**Average**	**High**	**Low**			Average	Average	**Average**	Average
Interest rate risk	**$ 9.0**	**$ 16.9**	**$ 27.3**	**$ 9.0**			$ 20.8	$ 25.6	**$ 18.5**	$ 26.1
Credit spread risk	**32.6**	**30.2**	**36.5**	**25.7**			26.5	34.5	**28.7**	31.9
Equity risk	**7.9**	**9.0**	**12.0**	**7.1**			7.5	8.9	**7.9**	10.3
Foreign exchange risk	**3.5**	**3.4**	**7.8**	**1.5**			3.1	2.0	**3.0**	3.7
Commodity risk	**6.2**	**4.8**	**7.6**	**2.3**			3.9	3.7	**4.1**	5.1
Idiosyncratic debt specific risk	**17.2**	**21.5**	**27.1**	**16.5**			18.9	31.9	**20.5**	35.6
Diversification effect[1]	**(47.5)**	**(53.1)**	**n/m[2]**	**n/m**			(52.8)	(64.6)	**(52.4)**	(64.5)
Total Value-at-Risk (one-day)	**28.9**	**32.7**	**39.8**	**26.6**			27.9	42.0	**30.3**	48.2

[1] The aggregate VaR is less than the sum of the VaR of the different risk types due to risk offsets resulting from portfolio diversification.
[2] Not meaningful. It is not meaningful to compute a diversification effect because the high and low may occur on different days for different risk types.

Average VaR increased quarter-over-quarter due to changes in fixed income positions. Average VaR decreased year-over-year due to changes in interest rate positions and due to narrower credit spreads.

Validation of VaR Model

The Bank uses a back-testing process to compare actual profits and losses to VaR to review their consistency with the statistical results of the VaR model.

Structural (Non-Trading) Interest Rate Risk

The Bank's structural interest rate risk arises from traditional personal and commercial banking activity and is generally the result of mismatches between the maturities and repricing dates of the Bank's assets and liabilities. The measurement of interest rate risk in the banking book does not include exposures from TD's Wholesale Banking or Insurance businesses.

The primary measures for this risk are Economic Value of Shareholders' Equity (EVE) Sensitivity and Net Interest Income Sensitivity (NIIS).

The EVE Sensitivity measures the impact of a specified interest rate shock to the change in the net present value of the Bank's banking book assets, liabilities, and certain off-balance sheet items. It reflects a measurement of the potential present value impact on shareholders' equity without an assumed term profile for the management of the Bank's own equity and excludes product margins.

The NIIS measures the NII change over a twelve-month horizon for a specified change in interest rates for banking book assets, liabilities, and certain off-balance sheet items assuming a constant balance sheet over the period.

The Bank's Market Risk policy sets overall limits on the structural interest rate risk measures. These limits are periodically reviewed and approved by the Risk Committee. In addition to the Board policy limits, book-level risk limits are set for the Bank's management of non-trading interest rate risk by Risk Management. Exposures against these limits are routinely monitored and reported, and breaches of the Board limits, if any, are escalated to both the Asset/Liability and Capital Committee (ALCO) and the Risk Committee.

The following table shows the potential before-tax impact of an immediate and sustained 100 bps increase or decrease in interest rates on the EVE and NIIS measures.

TABLE 30: STRUCTURAL INTEREST RATE SENSITIVITY MEASURES

(millions of Canadian dollars)										*As at*
						July 31, 2024		April 30, 2024		July 31, 2023
			EVE Sensitivity			**NII Sensitivity[1]**	EVE Sensitivity	NII Sensitivity[1]	EVE Sensitivity	NII Sensitivity[1]
	Canada	**U.S.**	**Total**	**Canada**	**U.S.**	**Total**	Total	Total	Total	Total
Before-tax impact of										
100 bps increase in rates	**$ (605)**	**$ (1,880)**	**$ (2,485)**	**$ 439**	**$ 346**	**$ 785**	$ (2,312)	$ 875	$ (1,415)	$ 984
100 bps decrease in rates	**472**	**1,420**	**1,892**	**(475)**	**(602)**	**(1,077)**	1,861	(1,053)	1,003	(1,155)

[1] Represents the twelve-month net interest income (NII) exposure to an immediate and sustained shock in rates.

As at July 31, 2024, an immediate and sustained 100 bps increase in interest rates would have had a negative impact to the Bank's EVE of $2,485 million, an increase of $173 million from last quarter, and a positive impact to the Bank's NII of $785 million, a decrease of $90 million from last quarter. An immediate and sustained 100 bps decrease in interest rates would have had a positive impact to the Bank's EVE of $1,892 million, an increase of $31 million from last quarter, and a negative impact to the Bank's NII of $1,077 million, an increase of $24 million from last quarter. The quarter-over-quarter increase in EVE Sensitivity is primarily attributed to growth in fixed rate assets funded by equity, mainly in Canada. The quarter-over-quarter NII Sensitivity is relatively stable.

Liquidity Risk

Liquidity risk is the risk of having insufficient cash or collateral to meet financial obligations and an inability to, in a timely manner, raise funding or monetize assets at a non-distressed price. Financial obligations can arise from deposit withdrawals, debt maturities, commitments to provide credit or liquidity support, or the need to pledge additional collateral.

TD'S LIQUIDITY RISK APPETITE

The Bank applies an established set of practices and protocols for managing its potential exposure to liquidity risk. The Bank targets a 90-day survival horizon under a combined bank-specific and market-wide stress scenario, and a minimum buffer over regulatory requirements prescribed by the OSFI Liquidity Adequacy Requirements (LAR) guidelines. The Bank's funding program emphasizes maximizing deposits as a core source of funding and maintaining access to wholesale funding markets across diversified terms, counterparties, funding types, and currencies that is designed to ensure low exposure to a sudden contraction of wholesale funding capacity and to minimize structural liquidity gaps. The Bank also maintains a contingency funding plan to enhance preparedness for recovery from potential liquidity stress events. The Bank's strategies and actions comprise an integrated liquidity risk management program that is designed to ensure low exposure to liquidity risk and compliance with regulatory requirements.

LIQUIDITY RISK MANAGEMENT RESPONSIBILITY

The Bank's ALCO oversees the Bank's liquidity risk management program. It ensures there are effective management structures and practices in place to properly measure and manage liquidity risk. The Global Liquidity & Funding Committee, a subcommittee of the ALCO comprised of senior management from Treasury, Risk Management and Wholesale Banking, identifies and monitors the Bank's liquidity risks. The management of liquidity risk is the responsibility of the SET member responsible for Treasury, while oversight and challenge are provided by the ALCO and independently by Risk Management. The Risk Committee regularly reviews the Bank's liquidity position and approves the Bank's Liquidity Risk Management Framework biennially and the related policies annually.

The Bank's liquidity risk appetite and liquidity risk management approach have not substantially changed from that described in the Bank's 2023 Annual Report. For a complete discussion of liquidity risk, refer to the "Liquidity Risk" section in the Bank's 2023 Annual Report.

Liquid assets

The unencumbered liquid assets the Bank holds to meet its liquidity requirements must be high-quality securities that the Bank believes can be monetized quickly in stress conditions with minimal loss in market value. The liquidity value of unencumbered liquid assets considers estimated market or trading depths, settlement timing, and/or other identified impediments to potential sale or pledging.

Assets held by the Bank to meet liquidity requirements are summarized in the following tables. The tables do not include assets held within the Bank's insurance businesses as these are used to support insurance-specific liabilities and capital requirements.

TABLE 31: SUMMARY OF LIQUID ASSETS BY TYPE AND CURRENCY[1,2]

(millions of Canadian dollars, except as noted)

	Bank-owned liquid assets	Securities received as collateral from securities financing and derivative transactions	Total liquid assets	% of total	Encumbered liquid assets	Unencumbered liquid assets
						As at
						July 31, 2024
Cash and central bank reserves	**$ 18,224**	**$ –**	**$ 18,224**	**2 %**	**$ 687**	**$ 17,537**
Canadian government obligations	**23,252**	**81,177**	**104,429**	**12**	**44,903**	**59,526**
National Housing Act Mortgage-Backed Securities (NHA MBS)	**42,100**	**–**	**42,100**	**6**	**1,541**	**40,559**
Obligations of provincial governments, public sector entities and multilateral development banks[3]	**43,765**	**26,028**	**69,793**	**8**	**38,043**	**31,750**
Corporate issuer obligations	**4,081**	**5,846**	**9,927**	**1**	**5,163**	**4,764**
Equities	**13,314**	**2,298**	**15,612**	**2**	**10,171**	**5,441**
Total Canadian dollar-denominated	**144,736**	**115,349**	**260,085**	**31**	**100,508**	**159,577**
Cash and central bank reserves	**72,032**	**–**	**72,032**	**9**	**215**	**71,817**
U.S. government obligations	**62,301**	**63,369**	**125,670**	**15**	**67,304**	**58,366**
U.S. federal agency obligations, including U.S. federal agency mortgage-backed obligations	**78,601**	**11,934**	**90,535**	**11**	**25,901**	**64,634**
Obligations of other sovereigns, public sector entities and multilateral development banks[3]	**66,212**	**35,906**	**102,118**	**12**	**40,510**	**61,608**
Corporate issuer obligations	**77,757**	**15,441**	**93,198**	**11**	**27,047**	**66,151**
Equities	**55,553**	**36,368**	**91,921**	**11**	**52,275**	**39,646**
Total non-Canadian dollar-denominated	**412,456**	**163,018**	**575,474**	**69**	**213,252**	**362,222**
Total	**$ 557,192**	**$ 278,367**	**$ 835,559**	**100 %**	**$ 313,760**	**$ 521,799**
						October 31, 2023
Cash and central bank reserves	$ 28,548	$ –	$ 28,548	3 %	$ 506	$ 28,042
Canadian government obligations	15,214	94,000	109,214	13	67,457	41,757
NHA MBS	38,760	–	38,760	4	1,043	37,717
Obligations of provincial governments, public sector entities and multilateral development banks[3]	40,697	22,703	63,400	8	31,078	32,322
Corporate issuer obligations	19,507	4,815	24,322	3	4,512	19,810
Equities	10,555	2,288	12,843	1	8,890	3,953
Total Canadian dollar-denominated	153,281	123,806	277,087	32	113,486	163,601
Cash and central bank reserves	66,094	–	66,094	8	180	65,914
U.S. government obligations	72,808	64,449	137,257	16	63,688	73,569
U.S. federal agency obligations, including U.S. federal agency mortgage-backed obligations	80,047	15,838	95,885	11	29,487	66,398
Obligations of other sovereigns, public sector entities and multilateral development banks[3]	65,996	54,321	120,317	13	56,652	63,665
Corporate issuer obligations	84,853	9,656	94,509	11	15,228	79,281
Equities	38,501	38,388	76,889	9	47,653	29,236
Total non-Canadian dollar-denominated	408,299	182,652	590,951	68	212,888	378,063
Total	$ 561,580	$ 306,458	$ 868,038	100 %	$ 326,374	$ 541,664

[1] Liquid assets include collateral received that can be re-hypothecated or otherwise redeployed.
[2] Positions stated include gross asset values pertaining to securities financing transactions.
[3] Includes debt obligations issued or guaranteed by these entities.

Unencumbered liquid assets held in The Toronto-Dominion Bank and multiple domestic and foreign subsidiaries (excluding insurance subsidiaries) and branches are summarized in the following table.

TABLE 32: SUMMARY OF UNENCUMBERED LIQUID ASSETS BY BANK, SUBSIDIARIES, AND BRANCHES

(millions of Canadian dollars)

	July 31 2024	October 31 2023
		As at
The Toronto-Dominion Bank (Parent)	**$ 215,981**	$ 205,408
Bank subsidiaries	**287,412**	291,915
Foreign branches	**18,406**	44,341
Total	**$ 521,799**	$ 541,664

The Bank's monthly average liquid assets (excluding those held in insurance subsidiaries) for the quarters ended July 31, 2024 and April 30, 2024, are summarized in the following table.

TABLE 33: SUMMARY OF AVERAGE LIQUID ASSETS BY TYPE AND CURRENCY[1,2]

(millions of Canadian dollars, except as noted)	Bank-owned liquid assets	Securities received as collateral from securities financing and derivative transactions	Total liquid assets	% of Total	Encumbered liquid assets	Unencumbered liquid assets
						Average for the three months ended
						July 31, 2024
Cash and central bank reserves	**$ 21,916**	**$ –**	**$ 21,916**	**2 %**	**$ 693**	**$ 21,223**
Canadian government obligations	**20,404**	**83,721**	**104,125**	**12**	**50,612**	**53,513**
NHA MBS	**41,786**	**50**	**41,836**	**5**	**1,686**	**40,150**
Obligations of provincial governments, public sector entities and multilateral development banks[3]	**43,412**	**25,626**	**69,038**	**8**	**37,146**	**31,892**
Corporate issuer obligations	**9,972**	**5,654**	**15,626**	**2**	**5,273**	**10,353**
Equities	**12,679**	**2,287**	**14,966**	**2**	**10,614**	**4,352**
Total Canadian dollar-denominated	**150,169**	**117,338**	**267,507**	**31**	**106,024**	**161,483**
Cash and central bank reserves	**75,032**	**–**	**75,032**	**9**	**213**	**74,819**
U.S. government obligations	**65,944**	**60,995**	**126,939**	**15**	**71,522**	**55,417**
U.S. federal agency obligations, including U.S. federal agency mortgage-backed obligations	**78,283**	**13,830**	**92,113**	**11**	**28,028**	**64,085**
Obligations of other sovereigns, public sector entities and multilateral development banks[3]	**64,844**	**36,408**	**101,252**	**12**	**39,918**	**61,334**
Corporate issuer obligations	**78,116**	**15,548**	**93,664**	**11**	**27,440**	**66,224**
Equities	**54,676**	**38,205**	**92,881**	**11**	**52,469**	**40,412**
Total non-Canadian dollar-denominated	**416,895**	**164,986**	**581,881**	**69**	**219,590**	**362,291**
Total	**$ 567,064**	**$ 282,324**	**$ 849,388**	**100 %**	**$ 325,614**	**$ 523,774**
						April 30, 2024
Cash and central bank reserves	$ 21,416	$ –	$ 21,416	2 %	$ 662	$ 20,754
Canadian government obligations	22,788	89,436	112,224	13	54,659	57,565
NHA MBS	41,280	17	41,297	5	1,397	39,900
Obligations of provincial governments, public sector entities and multilateral development banks[3]	42,126	23,814	65,940	8	35,200	30,740
Corporate issuer obligations	20,600	5,514	26,114	3	5,741	20,373
Equities	13,240	3,267	16,507	2	12,554	3,953
Total Canadian dollar-denominated	161,450	122,048	283,498	33	110,213	173,285
Cash and central bank reserves	61,498	–	61,498	7	228	61,270
U.S. government obligations	75,101	63,416	138,517	16	75,230	63,287
U.S. federal agency obligations, including U.S. federal agency mortgage-backed obligations	79,294	12,670	91,964	10	27,618	64,346
Obligations of other sovereigns, public sector entities and multilateral development banks[3]	65,033	36,777	101,810	12	39,427	62,383
Corporate issuer obligations	79,427	14,078	93,505	11	25,515	67,990
Equities	52,723	38,939	91,662	11	51,440	40,222
Total non-Canadian dollar-denominated	413,076	165,880	578,956	67	219,458	359,498
Total	$ 574,526	$ 287,928	$ 862,454	100 %	$ 329,671	$ 532,783

[1] Liquid assets include collateral received that can be re-hypothecated or otherwise redeployed.
[2] Positions stated include gross asset values pertaining to securities financing transactions.
[3] Includes debt obligations issued or guaranteed by these entities.

Average unencumbered liquid assets held in The Toronto-Dominion Bank and multiple domestic and foreign subsidiaries (excluding insurance subsidiaries) and branches are summarized in the following table.

TABLE 34: SUMMARY OF AVERAGE UNENCUMBERED LIQUID ASSETS BY BANK, SUBSIDIARIES, AND BRANCHES

(millions of Canadian dollars)	*Average for the three months ended*	
	July 31 2024	April 30 2024
The Toronto-Dominion Bank (Parent)	**$ 215,465**	$ 227,812
Bank subsidiaries	**286,944**	278,667
Foreign branches	**21,365**	26,304
Total	**$ 523,774**	$ 532,783

ASSET ENCUMBRANCE

In the course of the Bank's day-to-day operations, assets are pledged to obtain funding, support trading and brokerage businesses, and participate in clearing and/or settlement systems. A summary of encumbered and unencumbered assets (excluding assets held in insurance subsidiaries) is presented in the following table to identify assets that are used or available for potential funding needs.

TABLE 35: ENCUMBERED AND UNENCUMBERED ASSETS

(millions of Canadian dollars)							*As at*
			Total Assets	**Encumbered[1]**		**Unencumbered**	
	Bank-owned assets	**Securities received as collateral from securities financing and derivative transactions[2]**	**Total Assets**	**Pledged as Collateral[3]**	**Other[4]**	**Available as Collateral[5]**	**Other[6]**
							July 31, 2024
Cash and due from banks	**$ 7,245**	**$ –**	**$ 7,245**	**$ –**	**$ –**	**$ –**	**$ 7,245**
Interest-bearing deposits with banks	**92,151**	**–**	**92,151**	**5,634**	**–**	**83,266**	**3,251**
Securities, trading loans, and other[7]	**541,707**	**441,244**	**982,951**	**396,856**	**18,734**	**531,104**	**36,257**
Derivatives	**69,827**	**–**	**69,827**	**–**	**–**	**–**	**69,827**
Securities purchased under reverse repurchase agreements[8]	**212,918**	**(212,918)**	**–**	**–**	**–**	**–**	**–**
Loans, net of allowance for loan losses[9]	**938,325**	**(13,787)**	**924,538**	**62,835**	**85,029**	**59,818**	**716,856**
Customers' liabilities under acceptances	**19**	**–**	**19**	**–**	**–**	**–**	**19**
Other assets[10]	**104,989**	**–**	**104,989**	**164**	**–**	**–**	**104,825**
Total assets	**$ 1,967,181**	**$ 214,539**	**$ 2,181,720**	**$ 465,489**	**$ 103,763**	**$ 674,188**	**$ 938,280**
							October 31, 2023
Total assets	$ 1,955,139	$ 215,318	$ 2,170,457	$ 460,641	$ 84,997	$ 678,289	$ 946,530

1 Asset encumbrance has been analyzed on an individual asset basis. Where a particular asset has been encumbered and TD has holdings of the asset both on-balance sheet and off-balance sheet, for the purpose of this disclosure, the on- and off-balance sheet holdings are encumbered in alignment with the business practice.
2 Assets received as collateral through off-balance sheet transactions such as reverse repurchase agreements, securities borrowing, margin loans, and other client activity.
3 Represents assets that have been posted externally to support the Bank's day-to-day operations, including securities financing transactions, clearing and payments, and derivative transactions. Also includes assets that have been pledged supporting Federal Home Loan Bank (FHLB) activity.
4 Assets supporting TD's long-term funding activities, assets pledged against securitization liabilities, and assets held by consolidated securitization vehicles or in pools for covered bond issuance.
5 Assets that are considered readily available in their current legal form to generate funding or support collateral needs. This category includes reported FHLB assets that remain unutilized and DSAC that are available for collateral purposes however not regularly utilized in practice.
6 Assets that cannot be used to support funding or collateral requirements in their current form. This category includes those assets that are potentially eligible as funding program collateral or for pledging to central banks (for example, Canada Mortgage and Housing Corporation insured mortgages that can be securitized into NHA MBS).
7 Includes trading loans, securities, non-trading financial assets at FVTPL and other financial assets designated at FVTPL, financial assets at FVOCI, and DSAC.
8 Assets reported in the "Bank-owned assets" column represent the value of the loans extended and not the value of the collateral received. The loan value from the reverse repurchase transactions is deducted from the "Securities received as collateral from securities financing and derivative transactions" column to avoid double-counting with the on-balance sheet assets.
9 The loan value from the margin loans/client activity is deducted from the "Securities received as collateral from securities financing and derivative transactions" column to avoid double-counting with the on-balance sheet assets.
10 Other assets include investment in Schwab, goodwill, other intangibles, land, buildings, equipment, and other depreciable assets, deferred tax assets, amounts receivable from brokers, dealers, and clients, and other assets on the balance sheet not reported in the above categories.

LIQUIDITY STRESS TESTING AND CONTINGENCY FUNDING PLANS

In addition to the Severe Combined Stress Scenario, the Bank performs liquidity stress testing on multiple alternate scenarios. These scenarios are a mix of TD-specific events and market-wide stress events designed to test the impact from risk factors material to the Bank's risk profile. Liquidity assessments are also part of the Bank's Enterprise-Wide Stress Testing program.

The Bank has liquidity contingency funding plans (CFP) in place at the overall Bank level and for certain subsidiaries operating in foreign jurisdictions (Regional CFPs). The Bank's CFP provides a documented framework for managing unexpected liquidity situations and thus is an integral component of the Bank's overall liquidity risk management program. It outlines different contingency levels based on the severity and duration of the liquidity situation and identifies recovery actions appropriate for each level. For each recovery action, it provides key operational steps required to execute the action. Regional CFPs identify recovery actions to address region-specific stress events. The actions and governance structure outlined in the Bank's CFP are aligned with the Bank's Crisis Management Recovery Plan.

CREDIT RATINGS

Credit ratings impact the Bank's borrowing costs and ability to raise funds. Rating downgrades could potentially result in higher financing costs, increased requirements to pledge collateral, reduced access to capital markets, and could also affect the Bank's ability to enter into derivative transactions.

Credit ratings and outlooks provided by rating agencies reflect their views and are subject to change from time to time, based on a number of factors including the Bank's financial strength, competitive position, and liquidity, as well as factors not entirely within the Bank's control, including the methodologies used by rating agencies and conditions affecting the overall financial services industry.

TABLE 36: CREDIT RATINGS[1]				
				As at
				July 31, 2024
	Moody's	**S&P**	**Fitch**	**DBRS**
Deposits/Counterparty[2]	**Aa1**	**AA-**	**AA**	**AA (high)**
Legacy Senior Debt[3]	**Aa2**	**AA-**	**AA**	**AA (high)**
Senior Debt[4]	**A1**	**A**	**AA-**	**AA**
Covered Bonds	**Aaa**	**–**	**AAA**	**AAA**
Legacy Subordinated Debt – non-NVCC	**A2**	**A**	**A**	**AA (low)**
Tier 2 Subordinated Debt – NVCC	**A2 (hyb)**	**A-**	**A**	**A**
AT1 Perpetual Debt – NVCC	**Baa1 (hyb)**	**BBB**	**BBB+**	**–**
Limited Recourse Capital Notes – NVCC	**Baa1 (hyb)**	**BBB**	**BBB+**	**A (low)**
Preferred Shares – NVCC	**Baa1 (hyb)**	**BBB**	**BBB+**	**Pfd-2 (high)**
Short-Term Debt (Deposits)	**P-1**	**A-1+**	**F1+**	**R-1 (high)**
Outlook	**Stable**	**Negative**	**Negative**	**Stable**

[1] The above ratings are for The Toronto-Dominion Bank legal entity. Subsidiaries' ratings are available on the Bank's website at http://www.td.com/investor/credit.jsp. Credit ratings are not recommendations to purchase, sell, or hold a financial obligation in as much as they do not comment on market price or suitability for a particular investor. Ratings are subject to revision or withdrawal at any time by the rating organization.
[2] Represents Moody's Long-Term Deposits Ratings and Counterparty Risk Rating, S&P's Issuer Credit Rating, Fitch's Long-Term Deposits Rating and DBRS' Long-Term Issuer Rating.
[3] Includes (a) Senior debt issued prior to September 23, 2018; and (b) Senior debt issued on or after September 23, 2018 which is excluded from the bank recapitalization "bail-in" regime.
[4] Subject to conversion under the bank recapitalization "bail-in" regime.

The Bank regularly reviews the level of increased collateral its trading counterparties would require in the event of a downgrade of TD's credit rating. The Bank holds liquid assets to ensure it is able to provide additional collateral required by trading counterparties in the event of a three-notch downgrade in the Bank's senior debt ratings. The following table presents the additional collateral that could have been contractually required to be posted to over-the-counter (OTC) derivative counterparties as of the reporting date in the event of one, two, and three-notch downgrades of the Bank's credit ratings.

TABLE 37: ADDITIONAL COLLATERAL REQUIREMENTS FOR RATING DOWNGRADES[1]		
(millions of Canadian dollars)	*Average for the three months ended*	
	July 31 2024	April 30 2024
One-notch downgrade	**$ 175**	$ 166
Two-notch downgrade	**250**	242
Three-notch downgrade	**987**	934

[1] The above collateral requirements are based on each OTC trading counterparty's Credit Support Annex and the Bank's credit rating across applicable rating agencies.

LIQUIDITY COVERAGE RATIO

The LCR is a Basel III metric calculated as the ratio of the stock of unencumbered high-quality liquid assets (HQLA) over the net cash outflow requirements in the next 30 days under a hypothetical liquidity stress event.

Other than during periods of financial stress, the Bank must maintain the LCR above 100% in accordance with the OSFI LAR requirement. The Bank's LCR is calculated according to the scenario parameters in the LAR guideline, including prescribed HQLA eligibility criteria and haircuts, deposit run-off rates, and other outflow and inflow rates. HQLA held by the Bank that are eligible for the LCR calculation under the LAR are primarily central bank reserves, sovereign-issued or sovereign-guaranteed securities, and high-quality securities issued by non-financial entities.

The following table summarizes the Bank's average daily LCR as of the relevant dates.

TABLE 38: AVERAGE LIQUIDITY COVERAGE RATIO[1]

(millions of Canadian dollars, except as noted)	*Average for the three months ended*	
		July 31, 2024
	Total unweighted value (average)[2]	**Total weighted value (average)[3]**
High-quality liquid assets		
Total high-quality liquid assets	$ **n/a[4]**	$ **337,631**
Cash outflows		
Retail deposits and deposits from small business customers, of which:	$ **484,934**	$ **31,021**
Stable deposits	**262,642**	**7,879**
Less stable deposits	**222,292**	**23,142**
Unsecured wholesale funding, of which:	**358,913**	**176,405**
Operational deposits (all counterparties) and deposits in networks of cooperative banks	**128,024**	**30,343**
Non-operational deposits (all counterparties)	**205,057**	**120,230**
Unsecured debt	**25,832**	**25,832**
Secured wholesale funding	**n/a**	**49,478**
Additional requirements, of which:	**343,817**	**103,324**
Outflows related to derivative exposures and other collateral requirements	**53,239**	**43,636**
Outflows related to loss of funding on debt products	**10,459**	**10,459**
Credit and liquidity facilities	**280,119**	**49,229**
Other contractual funding obligations	**21,826**	**11,209**
Other contingent funding obligations	**804,626**	**12,476**
Total cash outflows	$ **n/a**	$ **383,913**
Cash inflows		
Secured lending	$ **253,324**	$ **34,261**
Inflows from fully performing exposures	**24,314**	**11,638**
Other cash inflows	**75,706**	**75,706**
Total cash inflows	$ **353,344**	$ **121,605**

	Average for the three months ended	
	July 31, 2024	April 30, 2024
	Total adjusted value	Total adjusted value
Total high-quality liquid assets	$ **337,631**	$ 332,676
Total net cash outflows	**262,308**	264,950
Liquidity coverage ratio	**129 %**	126 %

[1] The LCR for the quarter ended July 31, 2024 is calculated as an average of the 64 daily data points in the quarter.
[2] Unweighted inflow and outflow values are outstanding balances maturing or callable within 30 days.
[3] Weighted values are calculated after the application of respective HQLA haircuts or inflow and outflow rates, as prescribed by the OSFI LAR guideline.
[4] Not applicable as per the LCR common disclosure template.

The Bank's average LCR was 129% representing a surplus of $75 billion for the quarter ended July 31, 2024 and continues to meet regulatory requirements.

The Bank holds a variety of liquid assets commensurate with the liquidity needs of the organization majority of which also qualify as HQLA under the OSFI LAR guideline. The average HQLA of the Bank for the quarter ended July 31, 2024 was $338 billion (April 30, 2024 – $333 billion), with Level 1 assets representing 84% (April 30, 2024 – 83%). The Bank's reported HQLA excludes excess HQLA from the U.S. Retail operations, reflecting liquidity transfer limitations from U.S. Retail and its affiliates which adheres to OSFI LAR and Federal Reserve Board guidelines.

As described in the "How TD Manages Liquidity Risk" section of the Bank's 2023 Annual Report, the Bank manages its HQLA and other liquidity buffers to the higher of TD's internal 90-day surplus requirement and its target buffers over regulatory requirements from including the LCR, NSFR, and the Net Cumulative Cash Flow metrics.

NET STABLE FUNDING RATIO

The NSFR is a Basel III metric calculated as the ratio of total available stable funding (ASF) over total required stable funding (RSF) in accordance with OSFI's LAR guideline. The Bank must maintain an NSFR ratio equal to or above 100% in accordance with the LAR guideline. The Bank's ASF comprises the Bank's liability and capital instruments (including deposits and wholesale funding). The assets that require stable funding are based on the Bank's on and off-balance sheet activities and a function of their liquidity characteristics and the requirements of OSFI's LAR guideline.

TABLE 39: NET STABLE FUNDING RATIO					
(millions of Canadian dollars, except as noted)					*As at*
					July 31, 2024
	Unweighted value by residential maturity				
	No maturity[1]	**Less than 6 months**	**6 months to less than 1 year**	**More than 1 year**	**Weighted value[2]**
Available Stable Funding Item					
Capital	**$ 111,253**	**$ n/a**	**$ n/a**	**$ 9,435**	**$ 120,688**
Regulatory capital	**111,253**	**n/a**	**n/a**	**9,435**	**120,688**
Other capital instruments	**n/a**	**n/a**	**n/a**	**–**	**–**
Retail deposits and deposits from small business customers:	**441,755**	**82,129**	**30,205**	**32,134**	**545,006**
Stable deposits	**248,989**	**32,014**	**13,040**	**16,265**	**295,606**
Less stable deposits	**192,766**	**50,115**	**17,165**	**15,869**	**249,400**
Wholesale funding:	**251,015**	**374,937**	**97,314**	**239,696**	**449,287**
Operational deposits	**105,063**	**2,454**	**–**	**–**	**53,759**
Other wholesale funding	**145,952**	**372,483**	**97,314**	**239,696**	**395,528**
Liabilities with matching interdependent assets[3]	**–**	**1,611**	**2,137**	**24,816**	**–**
Other liabilities:	**52,345**			**91,906**	**2,800**
NSFR derivative liabilities	**n/a**			**3,460**	**n/a**
All other liabilities and equity not included in the above categories	**52,345**	**84,523**	**2,247**	**1,676**	**2,800**
Total Available Stable Funding					**$ 1,117,781**
Required Stable Funding Item					
Total NSFR high-quality liquid assets	**$ n/a**	**$ n/a**	**$ n/a**	**$ n/a**	**$ 53,701**
Deposits held at other financial institutions for operational purposes	**–**	**–**	**–**	**–**	**–**
Performing loans and securities	**114,096**	**263,165**	**118,227**	**677,088**	**773,590**
Performing loans to financial institutions secured by Level 1 HQLA	**–**	**89,902**	**10,233**	**–**	**12,748**
Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	**302**	**53,693**	**9,536**	**14,117**	**25,014**
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	**38,874**	**60,817**	**43,344**	**297,347**	**341,252**
With a risk weight of less than or equal to 35% under the Basel II standardized approach for credit risk	**n/a**	**–**	**–**	**–**	**–**
Performing residential mortgages, of which:	**32,569**	**52,712**	**47,846**	**301,349**	**296,680**
With a risk weight of less than or equal to 35% under the Basel II standardized approach for credit risk	**32,569**	**52,712**	**47,846**	**301,349**	**296,680**
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	**42,351**	**6,041**	**7,241**	**64,276**	**97,896**
Assets with matching interdependent liabilities[3]	**–**	**1,958**	**2,410**	**24,195**	**–**
Other assets:	**76,854**			**139,958**	**112,577**
Physical traded commodities, including gold	**12,661**	**n/a**	**n/a**	**n/a**	**11,136**
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				**17,832**	**15,157**
NSFR derivative assets	**n/a**			**8,180**	**4,720**
NSFR derivative liabilities before deduction of variation margin posted	**n/a**			**19,430**	**972**
All other assets not included in the above categories	**64,193**	**86,494**	**2,113**	**5,909**	**80,592**
Off-balance sheet items	**n/a**			**821,235**	**29,786**
Total Required Stable Funding					**$ 969,654**
Net Stable Funding Ratio					**115 %**
					As at
					October 31, 2023
Total Available Stable Funding					$ 1,123,816
Total Required Stable Funding					960,590
Net Stable Funding Ratio					117 %

[1] Items in the "no maturity" time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.
[2] Weighted values are calculated after the application of respective NSFR weights, as prescribed by the OSFI LAR guideline.
[3] Interdependent asset and liability items are deemed by OSFI to be interdependent and have RSF and ASF risk factors adjusted to zero. Interdependent liabilities cannot fall due while the asset is still on balance sheet, cannot be used to fund any other assets and principal payments from the asset cannot be used for anything other than repaying the liability. As such, the only interdependent assets and liabilities that qualify for this treatment at the Bank are the liabilities arising from the Canada Mortgage Bonds Program and their corresponding encumbered assets.

The Bank's NSFR for the quarter ended July 31, 2024 is at 115% (October 31, 2023 – 117%) representing a surplus of $148 billion and adheres to regulatory requirements. The NSFR remained relatively stable to the previous quarter (April 30, 2024 – 114%), as the Bank's funding programs continued to meet funding requirements in the quarter.

FUNDING

The Bank has access to a variety of unsecured and secured funding sources. The Bank's funding activities are conducted in accordance with liquidity risk management policies that require assets be funded to the appropriate term and to a prudent diversification profile.

The Bank's primary approach to managing funding activities is to maximize the use of deposits raised through personal and commercial banking channels. The following table illustrates the Bank's base of personal and commercial, wealth, and Schwab sweep deposits (collectively, "P&C deposits") that make up approximately 70% (October 31, 2023 – 70%) of the Bank's total funding.

TABLE 40: SUMMARY OF DEPOSIT FUNDING

(millions of Canadian dollars)		*As at* July 31 2024		October 31 2023
P&C deposits – Canadian	$	**556,475**	$	529,078
P&C deposits – U.S.[1]		**427,053**		446,355
Total	$	**983,528**	$	975,433

[1] P&C deposits in U.S. are presented on a Canadian equivalent basis and therefore period-over-period movements reflect both underlying growth and changes in the foreign exchange rate.

WHOLESALE FUNDING

The Bank maintains various registered external wholesale term (greater than 1 year) funding programs to provide access to diversified funding sources, including asset securitization, covered bonds, and unsecured wholesale debt. The Bank raises term funding through Senior Notes, NHA MBS, and notes backed by credit card receivables (Evergreen Credit Card Trust) and home equity lines of credit (Genesis Trust II). The Bank's wholesale funding is diversified by geography, by currency, and by funding types. The Bank raises short-term (1 year or less) funding using certificates of deposit, commercial paper, and bankers' acceptances.

The following table summarizes the registered term funding and capital programs by geography, with the related program size as at July 31, 2024.

Canada	United States	Europe
Capital Securities Program ($20 billion) Canadian Senior Medium-Term Linked Notes Program ($5 billion) HELOC ABS Program (Genesis Trust II) ($7 billion)	U.S. SEC (F-3) Registered Capital and Debt Program (US$75 billion)	U.K. Financial Conduct Authority (FCA) Registered Legislative Covered Bond Program ($100 billion) FCA Registered Global Medium-Term Note Program (US$40 billion)

The following table presents a breakdown of the Bank's term debt by currency and funding type. Term funding as at July 31, 2024, was $178.2 billion (October 31, 2023 – 173.3 billion).

Note that Table 41: Long-Term Funding and Table 42: Wholesale Funding do not include any funding accessed via repurchase transactions or securities financing.

TABLE 41: LONG-TERM FUNDING[1]

	As at July 31 2024	October 31 2023
Long-term funding by currency		
Canadian dollar	**25 %**	27 %
U.S. dollar	**34**	35
Euro	**29**	27
British pound	**6**	5
Other	**6**	6
Total	**100 %**	100 %
Long-term funding by type		
Senior unsecured medium-term notes	**54 %**	61 %
Covered bonds	**38**	31
Mortgage securitization[2]	**7**	7
Term asset-backed securities	**1**	1
Total	**100 %**	100 %

[1] The table includes funding issued to external investors only.

[2] Mortgage securitization excludes the residential mortgage trading business.

The Bank maintains depositor concentration limits in respect of short-term wholesale deposits so that it is not overly reliant on individual depositors for funding. The Bank further limits short-term wholesale funding maturity concentration in an effort to mitigate refinancing risk during a stress event.

The following table represents the remaining maturity of various sources of funding outstanding as at July 31, 2024 and October 31, 2023.

TABLE 42: WHOLESALE FUNDING[1]

(millions of Canadian dollars)									*As at*
								July 31 2024	October 31 2023
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 months to 1 year**	**Up to 1 year**	**Over 1 to 2 years**	**Over 2 years**	**Total**	Total
Deposits from banks[2]	**$ 594**	**$ 172**	**$ 64**	**$ 149**	**$ 979**	**$ –**	**$ –**	**$ 979**	$ 2,095
Bearer deposit notes	**340**	**956**	**130**	**188**	**1,614**	**–**	**–**	**1,614**	1,804
Certificates of deposit	**10,396**	**27,435**	**20,037**	**40,042**	**97,910**	**3,471**	**–**	**101,381**	113,476
Commercial paper	**8,823**	**21,122**	**16,125**	**13,233**	**59,303**	**–**	**–**	**59,303**	40,515
Covered bonds	**–**	**–**	**450**	**11,919**	**12,369**	**12,897**	**42,930**	**68,196**	54,006
Mortgage securitization[3]	**35**	**1,064**	**1,640**	**2,290**	**5,029**	**4,039**	**21,688**	**30,756**	27,131
Legacy senior unsecured medium-term notes[4]	**–**	**–**	**–**	**–**	**–**	**239**	**–**	**239**	3,162
Senior unsecured medium-term notes[5]	**–**	**6,426**	**7,802**	**7,324**	**21,552**	**20,486**	**52,965**	**95,003**	100,492
Subordinated notes and debentures[6]	**–**	**–**	**–**	**196**	**196**	**–**	**9,717**	**9,913**	9,620
Term asset-backed securitization	**–**	**737**	**368**	**3,767**	**4,872**	**139**	**955**	**5,966**	2,204
Other[7]	**28,717**	**2,455**	**11,309**	**6,412**	**48,893**	**923**	**1,060**	**50,876**	44,348
Total	**$ 48,905**	**$ 60,367**	**$ 57,925**	**$ 85,520**	**$ 252,717**	**$ 42,194**	**$ 129,315**	**$ 424,226**	$ 398,853
Of which:									
Secured	**$ 35**	**$ 1,801**	**$ 11,424**	**$ 22,804**	**$ 36,064**	**$ 17,076**	**$ 65,577**	**$ 118,717**	$ 92,361
Unsecured	**48,870**	**58,566**	**46,501**	**62,716**	**216,653**	**25,118**	**63,738**	**305,509**	306,492
Total	**$ 48,905**	**$ 60,367**	**$ 57,925**	**$ 85,520**	**$ 252,717**	**$ 42,194**	**$ 129,315**	**$ 424,226**	$ 398,853

[1] Excludes bankers' acceptances, which are disclosed in the Remaining Contractual Maturity table within the "Managing Risk" section of this document.
[2] The presentation has been changed to only include fixed-term commercial bank deposits, to better align with how management views the Bank's composition of wholesale funding.
[3] Includes mortgage-backed securities (MBS) issued to external investors and Wholesale Banking residential mortgage trading business.
[4] Includes a) senior debt issued prior to September 23, 2018; and b) senior debt issued on or after September 23, 2018 which is excluded from the bank recapitalization "bail-in" regime, including debt with an original term-to-maturity of less than 400 days.
[5] Comprised of senior debt subject to conversion under the bank recapitalization "bail-in" regime. Excludes $5.9 billion of structured notes subject to conversion under the "bail-in" regime (October 31, 2023 – $5.7 billion).
[6] Subordinated notes and debentures are not considered wholesale funding as they may be raised primarily for capital management purposes.
[7] Includes fixed-term deposits from non-bank institutions (unsecured) of $19.3 billion (October 31, 2023 – $22.1 billion) and the remaining are non-term deposits.

Excluding the Wholesale Banking residential mortgage trading business, the Bank's total MBS issued to external investors for the three and nine months ended July 31, 2024 was $0.8 billion and $1.6 billion, respectively (three and nine months ended July 31, 2023 - $0.3 billion and $1.0 billion, respectively) and other asset-backed securities issued for the three and nine months ended July 31, 2024 was $0.9 billion and $0.9 billion, respectively (three and nine months ended July 31, 2023 – nil and $0.4 billion, respectively). The Bank also issued $1.3 billion and $9.5 billion, respectively of unsecured medium-term notes for the three and nine months ended July 31, 2024 (three and nine months ended July 31, 2023 - $10.1 billion and $23.9 billion, respectively) and $5.6 billion and $20.5 billion, respectively of covered bonds for the three and nine months ended July 31, 2024 (three and nine months ended July 31, 2023 - $6.3 billion and $15.7 billion, respectively).

MATURITY ANALYSIS OF ASSETS, LIABILITIES, AND OFF-BALANCE SHEET COMMITMENTS

The following table summarizes on-balance sheet and off-balance sheet categories by remaining contractual maturity. Off-balance sheet commitments include contractual obligations to make future payments on certain lease-related commitments, certain purchase obligations, and other liabilities. The values of credit instruments reported in the following table represent the maximum amount of additional credit that the Bank could be obligated to extend should such instruments be fully drawn or utilized. Since a significant portion of guarantees and commitments are expected to expire without being drawn upon, the total of the contractual amounts is not representative of expected future liquidity requirements. These contractual obligations have an impact on the Bank's short-term and long-term liquidity and capital resource needs.

The maturity analysis presented does not depict the degree of the Bank's maturity transformation or the Bank's exposure to interest rate and liquidity risk. The Bank's objective is to fund its assets appropriately to protect against borrowing cost volatility and potential reductions to funding market availability. The Bank utilizes stable non-maturity deposits (chequing and savings accounts) and term deposits as the primary source of long-term funding for the Bank's non-trading assets including personal and business term loans and the stable balance of revolving lines of credit. Additionally, the Bank issues long-term funding in respect of such non-trading assets and raises short term funding primarily to finance trading assets. The liquidity of trading assets under stressed market conditions is considered when determining the appropriate term of the funding.

TABLE 43: REMAINING CONTRACTUAL MATURITY

(millions of Canadian dollars)										*As at*
										July 31, 2024
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 9 months**	**9 months to 1 year**	**Over 1 to 2 years**	**Over 2 to 5 years**	**Over 5 years**	**No specific maturity**	**Total**
Assets										
Cash and due from banks	$ 7,245	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ 7,245
Interest-bearing deposits with banks	88,171	24	–	–	–	59	–	–	3,897	92,151
Trading loans, securities, and other[1]	2,504	6,209	4,420	4,576	6,168	13,143	25,282	26,407	84,466	173,175
Non-trading financial assets at fair value through profit or loss	–	–	2	317	1,534	639	641	772	1,695	5,600
Derivatives	10,034	8,834	5,970	3,965	3,600	8,787	15,789	12,848	–	69,827
Financial assets designated at fair value through profit or loss	127	526	317	356	574	1,099	1,437	1,335	–	5,771
Financial assets at fair value through other comprehensive income	539	1,979	2,344	1,699	6,354	4,301	19,607	35,560	3,458	75,841
Debt securities at amortized cost, net of allowances for credit losses	1,140	2,825	5,090	4,748	6,365	25,548	102,789	132,817	(2)	281,320
Securities purchased under reverse repurchase agreements[2]	135,752	39,186	23,089	7,248	4,015	2,017	480	–	1,131	212,918
Loans										
Residential mortgages	5,325	9,294	14,407	12,930	21,775	73,780	133,363	58,388	–	329,262
Consumer instalment and other personal	989	1,689	2,417	3,891	6,276	28,111	86,679	34,941	59,330	224,323
Credit card	–	–	–	–	–	–	–	–	40,517	40,517
Business and government	55,128	13,433	17,762	10,829	16,124	43,989	105,146	63,416	26,207	352,034
Total loans	61,442	24,416	34,586	27,650	44,175	145,880	325,188	156,745	126,054	946,136
Allowance for loan losses	–	–	–	–	–	–	–	–	(7,811)	(7,811)
Loans, net of allowance for loan losses	61,442	24,416	34,586	27,650	44,175	145,880	325,188	156,745	118,243	938,325
Customers' liability under acceptances	–	19	–	–	–	–	–	–	–	19
Investment in Schwab	–	–	–	–	–	–	–	–	10,031	10,031
Goodwill[3]	–	–	–	–	–	–	–	–	18,700	18,700
Other intangibles[3]	–	–	–	–	–	–	–	–	2,973	2,973
Land, buildings, equipment, and other depreciable assets, and right-of-use assets[3]	–	7	9	9	13	71	571	3,150	5,742	9,572
Deferred tax assets	–	–	–	–	–	–	–	–	4,719	4,719
Amounts receivable from brokers, dealers, and clients	32,307	–	–	–	–	–	–	–	–	32,307
Other assets	5,483	2,080	873	4,502	322	223	280	150	12,774	26,687
Total assets	**$ 344,744**	**$ 86,105**	**$ 76,700**	**$ 55,070**	**$ 73,120**	**$ 201,767**	**$ 492,064**	**$ 369,784**	**$ 267,827**	**$ 1,967,181**
Liabilities										
Trading deposits	$ 3,497	$ 4,396	$ 3,773	$ 2,202	$ 2,384	$ 4,978	$ 8,853	$ 1,938	$ –	$ 32,021
Derivatives	8,848	7,906	6,201	3,768	2,571	7,497	10,445	12,877	–	60,113
Securitization liabilities at fair value	35	391	916	327	700	2,610	8,124	5,279	–	18,382
Financial liabilities designated at fair value through profit or loss	42,648	51,982	38,794	31,951	27,121	3,437	2	–	143	196,078
Deposits[4,5]										
Personal	16,095	25,885	33,402	16,275	16,730	15,800	15,759	8	490,695	630,649
Banks	10,163	64	9,011	2,414	2,414	1	2	1	12,169	36,239
Business and government	20,322	22,132	16,705	7,069	18,693	36,243	75,946	21,004	335,548	553,662
Total deposits	46,580	48,081	59,118	25,758	37,837	52,044	91,707	21,013	838,412	1,220,550
Acceptances	–	19	–	–	–	–	–	–	–	19
Obligations related to securities sold short[1]	728	2,334	2,241	991	1,283	7,076	12,592	12,231	1,080	40,556
Obligations related to securities sold under repurchase agreements[2]	156,523	17,159	4,859	319	418	1,155	27	–	2,353	182,813
Securitization liabilities at amortized cost	–	672	724	825	437	1,429	5,044	3,243	–	12,374
Amounts payable to brokers, dealers, and clients	25,063	–	–	–	–	–	–	–	–	25,063
Insurance contract liabilities	371	456	477	376	351	1,013	1,650	704	945	6,343
Other liabilities	9,959	11,269	12,605	2,175	728	1,609	1,501	4,180	7,354	51,380
Subordinated notes and debentures	–	–	–	–	196	–	–	9,717	–	9,913
Equity	–	–	–	–	–	–	–	–	111,576	111,576
Total liabilities and equity	**$ 294,252**	**$ 144,665**	**$ 129,708**	**$ 68,692**	**$ 74,026**	**$ 82,848**	**$ 139,945**	**$ 71,182**	**$ 961,863**	**$ 1,967,181**
Off-balance sheet commitments										
Credit and liquidity commitments[6,7]	$ 25,581	$ 33,773	$ 24,765	$ 20,715	$ 24,302	$ 52,020	$ 170,501	$ 4,880	$ 1,915	$ 358,452
Other commitments[8]	74	194	362	261	392	937	1,775	392	56	4,443
Unconsolidated structured entity commitments	–	9	331	292	100	1,084	21	–	–	1,837
Total off-balance sheet commitments	**$ 25,655**	**$ 33,976**	**$ 25,458**	**$ 21,268**	**$ 24,794**	**$ 54,041**	**$ 172,297**	**$ 5,272**	**$ 1,971**	**$ 364,732**

[1] Amount has been recorded according to the remaining contractual maturity of the underlying security.
[2] Certain contracts considered short-term are presented in 'less than 1 month' category.
[3] Certain non-financial assets have been recorded as having 'no specific maturity'.
[4] As the timing of demand deposits and notice deposits is non-specific and callable by the depositor, obligations have been included as having 'no specific maturity'.
[5] Includes $68 billion of covered bonds with remaining contractual maturities of $2 billion in 'over 6 to 9 months', $10 billion in 'over 9 months to 1 year', $13 billion in 'over 1 to 2 years', $37 billion in 'over 2 to 5 years', and $6 billion in 'over 5 years'.
[6] Includes $585 million in commitments to extend credit to private equity investments.
[7] Commitments to extend credit exclude personal lines of credit and credit card lines, which are unconditionally cancellable at the Bank's discretion at any time.
[8] Includes various purchase commitments as well as commitments for leases not yet commenced, and lease-related payments.

TABLE 43: REMAINING CONTRACTUAL MATURITY (continued)

(millions of Canadian dollars) *As at*

										October 31, 2023
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 to 9 months**	**9 months to 1 year**	**Over 1 to 2 years**	**Over 2 to 5 years**	**Over 5 years**	**No specific maturity**	**Total**
Assets										
Cash and due from banks	$ 6,721	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ 6,721
Interest-bearing deposits with banks	91,966	559	–	–	–	–	–	–	5,823	98,348
Trading loans, securities, and other[1]	4,328	6,329	5,170	3,008	4,569	13,226	27,298	25,677	62,485	152,090
Non-trading financial assets at fair value through profit or loss	–	–	354	1,538	199	1,664	828	1,351	1,406	7,340
Derivatives	10,145	10,437	5,246	4,244	3,255	11,724	25,910	16,421	–	87,382
Financial assets designated at fair value through profit or loss	374	496	375	695	324	838	1,470	1,246	–	5,818
Financial assets at fair value through other comprehensive income	745	2,190	1,200	5,085	2,223	9,117	15,946	29,845	3,514	69,865
Debt securities at amortized cost, net of allowance for credit losses	1,221	4,020	4,073	16,218	3,480	22,339	116,165	140,502	(2)	308,016
Securities purchased under reverse repurchase agreements[2]	124,253	33,110	29,068	7,381	7,298	955	506	–	1,762	204,333
Loans										
Residential mortgages	1,603	2,616	5,860	10,575	14,181	57,254	168,475	59,733	44	320,341
Consumer instalment and other personal	894	1,580	2,334	3,830	5,974	27,166	85,487	34,183	56,106	217,554
Credit card	–	–	–	–	–	–	–	–	38,660	38,660
Business and government	37,656	10,058	13,850	14,886	16,964	42,460	96,952	67,190	26,512	326,528
Total loans	40,153	14,254	22,044	29,291	37,119	126,880	350,914	161,106	121,322	903,083
Allowance for loan losses	–	–	–	–	–	–	–	–	(7,136)	(7,136)
Loans, net of allowance for loan losses	40,153	14,254	22,044	29,291	37,119	126,880	350,914	161,106	114,186	895,947
Customers' liability under acceptances	14,804	2,760	5	–	–	–	–	–	–	17,569
Investment in Schwab	–	–	–	–	–	–	–	–	8,907	8,907
Goodwill[3]	–	–	–	–	–	–	–	–	18,602	18,602
Other intangibles[3]	–	–	–	–	–	–	–	–	2,771	2,771
Land, buildings, equipment, other depreciable assets, and right-of-use assets[3]	–	8	6	8	14	79	573	3,153	5,593	9,434
Deferred tax assets[4]	–	–	–	–	–	–	–	–	3,951	3,951
Amounts receivable from brokers, dealers, and clients	30,416	–	–	–	–	–	–	–	–	30,416
Other assets[4]	5,267	1,869	5,619	208	194	137	129	82	14,124	27,629
Total assets[4]	$ 330,393	$ 76,032	$ 73,160	$ 67,676	$ 58,675	$ 186,959	$ 539,739	$ 379,383	$ 243,122	$ 1,955,139
Liabilities										
Trading deposits	$ 1,272	$ 1,684	$ 5,278	$ 4,029	$ 4,153	$ 6,510	$ 6,712	$ 1,342	$ –	$ 30,980
Derivatives	9,068	9,236	4,560	3,875	2,559	8,345	16,589	17,408	–	71,640
Securitization liabilities at fair value	2	498	345	1,215	391	1,651	6,945	3,375	–	14,422
Financial liabilities designated at fair value through profit or loss	48,197	30,477	37,961	42,792	32,473	112	–	–	118	192,130
Deposits[5,6]										
Personal	6,044	19,095	22,387	14,164	19,525	17,268	20,328	51	507,734	626,596
Banks	19,608	68	29	–	–	–	4	1	11,515	31,225
Business and government	25,663	16,407	24,487	11,819	9,658	33,723	74,300	19,652	324,660	540,369
Total deposits	51,315	35,570	46,903	25,983	29,183	50,991	94,632	19,704	843,909	1,198,190
Acceptances	14,804	2,760	5	–	–	–	–	–	–	17,569
Obligations related to securities sold short[1]	135	1,566	1,336	1,603	1,309	5,471	19,991	11,971	1,279	44,661
Obligations related to securities sold under repurchase agreements[2]	146,559	10,059	6,607	457	1,142	150	46	–	1,834	166,854
Securitization liabilities at amortized cost	–	526	355	1,073	703	2,180	4,956	2,917	–	12,710
Amounts payable to brokers, dealers, and clients	30,872	–	–	–	–	–	–	–	–	30,872
Insurance contract liabilities[4]	243	305	327	258	253	694	1,131	501	2,134	5,846
Other liabilities[4]	11,923	9,808	7,986	1,276	1,198	918	1,979	4,226	8,260	47,574
Subordinated notes and debentures	–	–	–	–	–	196	–	9,424	–	9,620
Equity[4]	–	–	–	–	–	–	–	–	112,071	112,071
Total liabilities and equity[4]	$ 314,390	$ 102,489	$ 111,663	$ 82,561	$ 73,364	$ 77,218	$ 152,981	$ 70,868	$ 969,605	$ 1,955,139
Off-balance sheet commitments										
Credit and liquidity commitments[7,8]	$ 22,242	$ 24,178	$ 26,399	$ 21,450	$ 22,088	$ 47,826	$ 166,891	$ 5,265	$ 1,487	$ 337,826
Other commitments[9]	109	279	214	197	204	889	1,364	424	73	3,753
Unconsolidated structured entity commitments	–	836	3	239	95	729	–	–	–	1,902
Total off-balance sheet commitments	$ 22,351	$ 25,293	$ 26,616	$ 21,886	$ 22,387	$ 49,444	$ 168,255	$ 5,689	$ 1,560	$ 343,481

[1] Amount has been recorded according to the remaining contractual maturity of the underlying security.
[2] Certain contracts considered short-term are presented in 'less than 1 month' category.
[3] Certain non-financial assets have been recorded as having 'no specific maturity'.
[4] Balances as at October 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further details.
[5] As the timing of demand deposits and notice deposits is non-specific and callable by the depositor, obligations have been included as having 'no specific maturity'.
[6] Includes $54 billion of covered bonds with remaining contractual maturities of $6 billion in 'over 3 months to 6 months', $1 billion in 'over 6 months to 9 months', $12 billion in 'over 1 to 2 years', $31 billion in 'over 2 to 5 years', and $4 billion in 'over 5 years'.
[7] Includes $573 million in commitments to extend credit to private equity investments.
[8] Commitments to extend credit exclude personal lines of credit and credit card lines, which are unconditionally cancellable at the Bank's discretion at any time.
[9] Includes various purchase commitments as well as commitments for leases not yet commenced, and lease-related payments.

REGULATORY AND STANDARD SETTER DEVELOPMENTS CONCERNING ENVIRONMENTAL AND SOCIAL (E&S) RISK (INCLUDING CLIMATE)
On March 7, 2023, OSFI issued Final Guideline B-15: Climate Risk Management (Guideline B-15), which sets out OSFI's expectations related to the management and disclosure of climate-related risks and opportunities. Subsequently, on March 20, 2024, OSFI released updates to Guideline B-15 which align disclosure expectations with the International Sustainability Standards Board's final IFRS S2 Climate-related Disclosures standard. Components of Guideline B-15 are initially effective for D-SIBs for fiscal year-end 2024, where annual disclosures are required to be made publicly available no later than 180 days after fiscal year-end. The Bank has completed its initial assessment of Guideline B-15 and is working towards implementing the requirements.

ISSB – IFRS S1 and IFRS S2
On June 26, 2023, the International Sustainability Standards Board (ISSB) under the IFRS Foundation, issued its first two sustainability standards, IFRS S1, *General Requirements for Disclosures of Sustainability-related Financial Information* (S1) and IFRS S2, *Climate-related Disclosures* (S2). S1 sets out the disclosure requirements for financially material information about sustainability-related risks and opportunities to meet investor information needs, and S2 specifically sets the disclosure requirement for climate-related risks and opportunities. The effective date for the standards is subject to Canadian jurisdiction's endorsement. The International Organization of Securities Commissions has endorsed IFRS S1 and S2 on July 23, 2023, and is now calling its member jurisdictions to consider ways they may adopt or apply the ISSB standards. The Bank is currently assessing the impact of adopting these standards.

SECURITIZATION AND OFF-BALANCE SHEET ARRANGEMENTS

The Bank enters into securitization and off-balance sheet arrangements in the normal course of operations. The Bank is involved with structured entities (SEs) that it sponsors, as well as entities sponsored by third parties. Refer to "Securitization and Off-Balance Sheet Arrangements" section, Note 9: Transfers of Financial Assets and Note 10: Structured Entities of the Bank's 2023 Annual Report for further details. There have been no significant changes to the Bank's securitization and off-balance sheet arrangements during the quarter ended July 31, 2024.

Securitization of Third-Party Originated Assets
Significant Unconsolidated Special Purpose Entities
The Bank securitizes third-party originated assets through Bank-sponsored SEs, including its Canadian multi-seller conduits which are not consolidated. These Canadian multi-seller conduits securitize Canadian originated third-party assets. The Bank administers these multi-seller conduits and provides liquidity facilities as well as securities distribution services; it may also provide credit enhancements. TD's total potential exposure to loss through the provision of liquidity facilities for multi-seller conduits was $15.7 billion as at July 31, 2024 (October 31, 2023 – $15.2 billion). As at July 31, 2024, the Bank had funded exposure of $13.8 billion under such liquidity facilities relating to outstanding issuances of asset-backed commercial paper (October 31, 2023 – $13.3 billion).

ACCOUNTING POLICIES AND ESTIMATES

The Bank's unaudited Interim Consolidated Financial Statements have been prepared in accordance with IFRS. For details of the Bank's accounting policies under IFRS, refer to Note 2 of the Bank's third quarter 2024 Interim Consolidated Financial Statements and 2023 Annual Consolidated Financial Statements. For details of the Bank's significant accounting judgments, estimates, and assumptions under IFRS, refer to Note 3 of the Bank's third quarter 2024 Interim Consolidated Financial Statements and the Bank's 2023 Annual Consolidated Financial Statements.

CURRENT CHANGES IN ACCOUNTING POLICIES
The following new standard has been adopted by the Bank on November 1, 2023.

Insurance Contracts
The IASB issued IFRS 17, *Insurance Contracts* (IFRS 17) which replaced the guidance in IFRS 4, *Insurance Contracts* (IFRS 4) and became effective for annual reporting periods beginning on or after January 1, 2023, which was November 1, 2023 for the Bank. IFRS 17 establishes principles for recognition, measurement, presentation and disclosure of insurance contracts.

Under IFRS 17, insurance contracts are aggregated into groups which are measured at the risk-adjusted present value of cash flows in fulfilling the contracts. Revenue is recognized as insurance services are provided over the coverage period. Losses are recognized immediately if the contract group is expected to be onerous. The liabilities presented by insurance groups are comprised of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) and are reported as Insurance contract liabilities on the Interim Consolidated Balance Sheet. The LRC is the obligation to investigate and pay claims that have not yet occurred and includes the loss component related to onerous contract groups. The LIC is the estimate of claims incurred, including claims that have occurred but have not been reported, and related insurance costs.

IFRS 17 introduces two measurement models that are applicable to the Bank, the premium allocation approach model (PAA) and the general measurement model (GMM). The Bank measures the majority of its insurance contract groups using the PAA, which includes property and casualty contracts as well as short-term life and health contracts. The PAA is a simplified model applied to insurance contracts that are either one year or less or where the PAA approximates the GMM. Contracts using the GMM are longer-term life and health contracts. The LRC for insurance contract groups using the PAA is measured as unearned premiums less deferred acquisition cash flows allocated to the group. The LRC is adjusted for the recognition of insurance revenue and amortization of acquisition cash flows reported in insurance service expenses on a straight-line basis over the contractual terms of the underlying insurance contracts, usually twelve months. The LRC for longer term contracts using the GMM model is measured using estimates and assumptions that reflect the timing and uncertainty of insurance cash flows. When a group of contracts is expected to be onerous, a loss component (expected loss related to fulfilling the related insurance contracts) is established which increases the LRC and insurance service expenses. The loss component of the LRC is subsequently recognized in income over the contractual term of the underlying insurance contracts to offset claims incurred and related expenses.

The Bank measures the LIC at the present value of current estimates of claims and related costs for insurable events occurring at or before the Interim Consolidated Balance Sheet date. The LIC includes a risk adjustment, which represents the compensation the Bank requires for bearing the uncertainty related to non-financial risks in its fulfilment of insurance contracts. Expenses related to claims incurred and related costs are reported in insurance service expenses and changes related to discounting the liability are recorded as insurance finance income or expenses in other income (loss). Prior to the adoption of IFRS 17, these expenses were recorded in insurance claims and related expenses and non-interest expenses.

Reinsurance contracts held are recognized and measured using the same principles as insurance contracts issued. Reinsurance contract assets are presented in Other assets on the Interim Consolidated Balance Sheet and the net results from reinsurance contracts held are presented in Other income (loss) on the Interim Consolidated Statement of Income. Refer to Note 14 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further detail on the balances and results of insurance and reinsurance contracts.

The Bank initially applied IFRS 17 on November 1, 2023 and restated the comparative period. The Bank transitioned by primarily applying the full retrospective approach which resulted in the measurement of insurance contracts as if IFRS 17 had always applied to them. The following table sets out adjustments to the Bank's insurance-related balances reported under IFRS 4 as at October 31, 2022 used to derive the insurance contract liabilities and reinsurance contract assets recognized by the Bank as at November 1, 2022 under IFRS 17.

(millions of Canadian dollars)		**Amount**
Insurance-related liabilities	$	**7,468**
Other liabilities		**131**
Other assets		**(2,361)**
Net insurance-related balances as at October 31, 2022	**$**	**5,238**
Changes in actuarial assumptions, including risk adjustment and discount factor		**(192)**
Recognition of losses on onerous contracts		**113**
Other adjustments		**(93)**
Net insurance-related balances as at November 1, 2022	**$**	**5,066**
Insurance contract liabilities	$	**5,761**
Reinsurance contract assets		**(695)**
Net insurance-related balances as at November 1, 2022	**$**	**5,066**

On November 1, 2022, IFRS 17 transition adjustments resulted in a decrease to the Bank's deferred tax assets of $60 million and an after-tax increase to retained earnings of $112 million.

Upon the initial application of IFRS 17 on November 1, 2023, the Bank applied transitional guidance and reclassified certain securities supporting insurance operations to minimize accounting mismatches arising from the application of the new discount factor under IFRS 17. The transitional guidance for such securities is applicable for entities that previously used IFRS 9, *Financial Instruments* (*IFRS 9*) and was applied without a restatement of comparatives. The reclassification resulted in a decrease to retained earnings and an increase in accumulated other comprehensive income of $10 million.

ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The estimates used in the Bank's accounting policies are essential to understanding its results of operations and financial condition. Some of the Bank's policies require subjective, complex judgments and estimates as they relate to matters that are inherently uncertain. Changes in these judgments or estimates and changes to accounting standards and policies could have a materially adverse impact on the Bank's Interim Consolidated Financial Statements. The Bank has established procedures to ensure that accounting policies are applied consistently and that the processes for changing methodologies, determining estimates, and adopting new accounting standards are well-controlled and occur in an appropriate and systematic manner.

Impairment – Expected Credit Loss Model

The ECL model requires the application of judgments, estimates, and assumptions in the assessment of the current and forward-looking economic environment. There remains elevated economic uncertainty, and management continues to exercise expert credit judgment in assessing if an exposure has experienced significant increase in credit risk since initial recognition and in determining the amount of ECLs at each reporting date. To the extent that certain effects are not fully incorporated into the model calculations, temporary quantitative and qualitative adjustments have been applied.

Insurance Contracts

The assumptions used in establishing the Bank's insurance claims and policy benefit liabilities are based on best estimates of possible outcomes.

For property and casualty insurance contracts, the ultimate cost of LIC is estimated using a range of standard actuarial claims projection techniques in accordance with Canadian accepted actuarial practices. Additional qualitative judgment is used to assess the extent to which past trends may or may not apply in the future, in order to arrive at the estimated ultimate claims cost amounts that present the most likely outcome taking into account all the uncertainties involved.

For life and health insurance contracts, actuarial liabilities consider all future policy cash flows, including premiums, claims, and expenses required to administer the policies. Critical assumptions used in the measurement of life and health insurance contract liabilities are determined by the appointed actuary.

Further information on insurance risk assumptions is provided in Note 14 of the Bank's third quarter 2024 Interim Consolidated Financial Statements.

Interest Rate Benchmark Reform

As part of the interest rate benchmark reform, the remaining tenors of the Canadian Dollar Offered Rate (CDOR) (one-month, two-month, and three-month) have ceased following a final publication on June 28, 2024. Consistent with its transition plan, the Bank's exposure to financial instruments referencing CDOR is no longer significant to its Interim Consolidated Financial Statements as at July 31, 2024.

For further details regarding interest rate benchmark reform, refer to Note 3 of the Bank's 2023 Annual Consolidated Financial Statements.

FUTURE CHANGES IN ACCOUNTING POLICIES

The following standard and amendments have been issued, but are not yet effective on the date of issuance of the Bank's Interim Consolidated Financial Statements.

Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18), which replaces the guidance in IAS 1, *Presentation of Financial Statements* and sets out requirements for presentation and disclosure of information, focusing on providing relevant information to users of the financial statements. IFRS 18 focuses on the presentation of financial performance in the statement of profit or loss. It will be effective for the Bank's annual period beginning November 1, 2027. Early application is permitted. The Bank is currently assessing the impact of adopting this standard.

Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments,* which amended IFRS 9 and IFRS 7, *Financial Instruments: Disclosures.* The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9. The amendments clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social, and governance linked features and other similar contingent features. The amendments also clarify the treatment of non-recourse assets and contractually linked instruments. Furthermore, the amendments clarify that a financial liability is derecognized on the settlement date and provide an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date if certain conditions are met. Finally, the amendments introduce additional disclosure requirements for financial instruments with contingent features and equity instruments classified at fair value through other comprehensive income (FVOCI).

The amendments will be effective for the Bank's annual period beginning November 1, 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The Bank is required to apply the amendments retrospectively, but is not required to restate prior periods. The Bank is currently assessing the impact of adopting these amendments.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

During the most recent interim period, there have been no changes in the Bank's policies and procedures and other processes that comprise its internal control over financial reporting, that have materially affected, or are reasonably likely to materially affect, the Bank's internal control over financial reporting. Refer to Note 2 and Note 3 of the Bank's third quarter 2024 Interim Consolidated Financial Statements for further information regarding the Bank's changes to accounting policies, procedures, and estimates.

GLOSSARY

Financial and Banking Terms

Adjusted Results: Non-GAAP financial measures used to assess each of the Bank's businesses and to measure the Bank's overall performance. To arrive at adjusted results, the Bank adjusts for "items of note", from reported results. The items of note relate to items which management does not believe are indicative of underlying business performance.

Allowance for Credit Losses: Represent expected credit losses (ECLs) on financial assets, including any off-balance sheet exposures, at the balance sheet date. Allowance for credit losses consists of Stage 3 allowance for impaired financial assets and Stage 2 and Stage 1 allowance for performing financial assets and off-balance sheet instruments. The allowance is increased by the provision for credit losses, decreased by write-offs net of recoveries and disposals, and impacted by foreign exchange.

Amortized Cost: The amount at which a financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization, using EIRM, of any differences between the initial amount and the maturity amount, and minus any reduction for impairment.

Assets under Administration (AUA): Assets that are beneficially owned by customers where the Bank provides services of an administrative nature, such as the collection of investment income and the placing of trades on behalf of the clients (where the client has made his or her own investment selection). The majority of these assets are not reported on the Bank's Consolidated Balance Sheet.

Assets under Management (AUM): Assets that are beneficially owned by customers, managed by the Bank, where the Bank has discretion to make investment selections on behalf of the client (in accordance with an investment policy). In addition to the TD family of mutual funds, the Bank manages assets on behalf of individuals, pension funds, corporations, institutions, endowments and foundations. These assets are not reported on the Bank's Consolidated Balance Sheet. Some assets under management that are also administered by the Bank are included in assets under administration.

Asset-Backed Commercial Paper (ABCP): A form of commercial paper that is collateralized by other financial assets. Institutional investors usually purchase such instruments in order to diversify their assets and generate short-term gains.

Asset-Backed Securities (ABS): A security whose value and income payments are derived from and collateralized (or "backed") by a specified pool of underlying assets.

Average Common Equity: Average common equity for the business segments reflects the average allocated capital. The Bank's methodology for allocating capital to its business segments is largely aligned with the common equity capital requirements under Basel III.

Average Interest-Earning Assets: A non-GAAP financial measure that depicts the Bank's financial position, and is calculated as the average carrying value of deposits with banks, loans and securities based on daily balances for the period ending October 31 in each fiscal year.

Basic Earnings per Share (EPS): A performance measure calculated by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding for the period. Adjusted basic EPS is calculated in the same manner using adjusted net income.

Basis Points (bps): A unit equal to 1/100 of 1%. Thus, a 1% change is equal to 100 basis points.

Book Value per Share: A measure calculated by dividing common shareholders' equity by number of common shares at the end of the period.

Carrying Value: The value at which an asset or liability is carried at on the Consolidated Balance Sheet.

Collateralized Mortgage Obligation (CMO): They are collateralized debt obligations consisting of mortgage-backed securities that are separated and issued as different classes of mortgage pass-through securities with different terms, interest rates, and risks. CMOs by private issuers are collectively referred to as non-agency CMOs.

Common Equity Tier 1 (CET1) Capital: This is a primary Basel III capital measure comprised mainly of common equity, retained earnings and qualifying non-controlling interest in subsidiaries. Regulatory deductions made to arrive at the CET1 Capital include goodwill and intangibles, unconsolidated investments in banking, financial, and insurance entities, deferred tax assets, defined benefit pension fund assets, and shortfalls in allowances.

Common Equity Tier 1 (CET1) Capital Ratio: CET1 Capital ratio represents the predominant measure of capital adequacy under Basel III and equals CET1 Capital divided by RWA.

Compound Annual Growth Rate (CAGR): A measure of growth over multiple time periods from the initial investment value to the ending investment value assuming that the investment has been compounding over the time period.

Credit Valuation Adjustment (CVA): CVA represents a capital charge that measures credit risk due to default of derivative counterparties. This charge requires banks to capitalize for the potential changes in counterparty credit spread for the derivative portfolios.

Diluted EPS: A performance measure calculated by dividing net income attributable to common shareholders by the weighted average number of common shares outstanding adjusting for the effect of all potentially dilutive common shares. Adjusted diluted EPS is calculated in the same manner using adjusted net income.

Dividend Payout Ratio: A ratio represents the percentage of Bank's earnings being paid to common shareholders in the form of dividends and is calculated by dividing common dividends by net income available to common shareholders. Adjusted dividend payout ratio is calculated in the same manner using adjusted net income.

Dividend Yield: A ratio calculated as the dividend per common share for the year divided by the daily average closing stock price during the year.

Effective Income Tax Rate: A rate and performance indicator calculated by dividing the provision for income taxes as a percentage of net income before taxes. Adjusted effective income tax rate is calculated in the same manner using adjusted results.

Effective Interest Rate (EIR): The rate that discounts expected future cash flows for the expected life of the financial instrument to its carrying value. The calculation takes into account the contractual interest rate, along with any fees or incremental costs that are directly attributable to the instrument and all other premiums or discounts.

Effective Interest Rate Method (EIRM): A technique for calculating the actual interest rate in a period based on the amount of a financial instrument's book value at the beginning of the accounting period. Under EIRM, the effective interest rate, which is a key component of the calculation, discounts the expected future cash inflows and outflows expected over the life of a financial instrument.

Efficiency Ratio: The efficiency ratio measures operating efficiency and is calculated by taking the non-interest expenses as a percentage of total revenue. A lower ratio indicates a more efficient business operation. Adjusted efficiency ratio, net of insurance service expenses (ISE) is calculated by dividing adjusted non-interest expenses by adjusted total revenue, net of ISE. Management believes presenting efficiency ratio net of ISE is aligned with industry reporting and allows for better assessment of operating results.

Enhanced Disclosure Task Force (EDTF): Established by the Financial Stability Board in May 2012, comprised of banks, analysts, investors, and auditors, with the goal of enhancing the risk disclosures of banks and other financial institutions.

Expected Credit Losses (ECLs): ECLs are the probability-weighted present value of expected cash shortfalls over the remaining expected life of the financial instrument and considers reasonable and supportable information about past events, current conditions, and forecasts of future events and economic conditions that impact the Bank's credit risk assessment.

Fair Value: The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, under current market conditions.

Fair value through other comprehensive income (FVOCI): Under IFRS 9, if the asset passes the contractual cash flows test (named SPPI), the business model assessment determines how the instrument is classified. If the instrument is being held to collect contractual cash flows, that is, if it is not expected to be sold, it is measured as amortized cost. If the business model for the instrument is to both collect contractual cash flows and potentially sell the asset, it is measured at FVOCI.

Fair value through profit or loss (FVTPL): Under IFRS 9, the classification is dependent on two tests, a contractual cash flow test (named SPPI) and a business model assessment. Unless the asset meets the requirements of both tests, it is measured at fair value with all changes in fair value reported in profit or loss.

Federal Deposit Insurance Corporation (FDIC): A U.S. government corporation which provides deposit insurance guaranteeing the safety of a depositor's accounts in member banks. The FDIC also examines and supervises certain financial institutions for safety and soundness, performs certain consumer-protection functions, and manages banks in receivership (failed banks).

Forward Contracts: Over-the-counter contracts between two parties that oblige one party to the contract to buy and the other party to sell an asset for a fixed price at a future date.

Futures: Exchange-traded contracts to buy or sell a security at a predetermined price on a specified future date.

Hedging: A risk management technique intended to mitigate the Bank's exposure to fluctuations in interest rates, foreign currency exchange rates, or other market factors. The elimination or reduction of such exposure is accomplished by engaging in capital markets activities to establish offsetting positions.

Impaired Loans: Loans where, in management's opinion, there has been a deterioration of credit quality to the extent that the Bank no longer has reasonable assurance as to the timely collection of the full amount of principal and interest.

Loss Given Default (LGD): It is the amount of the loss the Bank would likely incur when a borrower defaults on a loan, which is expressed as a percentage of exposure at default.

Mark-to-Market (MTM): A valuation that reflects current market rates as at the balance sheet date for financial instruments that are carried at fair value.

Master Netting Agreements: Legal agreements between two parties that have multiple derivative contracts with each other that provide for the net settlement of all contracts through a single payment, in a single currency, in the event of default or termination of any one contract.

Net Corporate Expenses: Non-interest expenses related to corporate service and control groups which are not allocated to a business segment.

Net Interest Margin: A non-GAAP ratio calculated as net interest income as a percentage of average interest-earning assets to measure performance. This metric is an indicator of the profitability of the Bank's earning assets less the cost of funding. Adjusted net interest margin is calculated in the same manner using adjusted net interest income.

Non-Viability Contingent Capital (NVCC): Instruments (preferred shares and subordinated debt) that contain a feature or a provision that allows the financial institution to either permanently convert these instruments into common shares or fully write-down the instrument, in the event that the institution is no longer viable.

Notional: A reference amount on which payments for derivative financial instruments are based.

Office of the Superintendent of Financial Institutions Canada (OSFI): The regulator of Canadian federally chartered financial institutions and federally administered pension plans.

Options: Contracts in which the writer of the option grants the buyer the future right, but not the obligation, to buy or to sell a security, exchange rate, interest rate, or other financial instrument or commodity at a predetermined price at or by a specified future date.

Price-Earnings Ratio: A ratio calculated by dividing the closing share price by EPS based on a trailing four quarters to indicate market performance. Adjusted price-earnings ratio is calculated in the same manner using adjusted EPS.

Probability of Default (PD): It is the likelihood that a borrower will not be able to meet its scheduled repayments.

Provision for Credit Losses (PCL): Amount added to the allowance for credit losses to bring it to a level that management considers adequate to reflect expected credit-related losses on its portfolio.

Return on Common Equity (ROE): The consolidated Bank ROE is calculated as net income available to common shareholders as a percentage of average common shareholders' equity, utilized in assessing the Bank's use of equity. ROE for the business segments is calculated as the segment net income attributable to common shareholders as a percentage of average allocated capital. Adjusted ROE is calculated in the same manner using adjusted net income.

Return on Risk-weighted Assets: Net income available to common shareholders as a percentage of average risk-weighted assets.

Return on Tangible Common Equity (ROTCE): A non-GAAP financial measure calculated as reported net income available to common shareholders after adjusting for the after-tax amortization of acquired intangibles, which are treated as an item of note, as a percentage of average Tangible common equity. Adjusted ROTCE is calculated in the same manner using adjusted net income. Both measures can be utilized in assessing the Bank's use of equity.

Risk-Weighted Assets (RWA): Assets calculated by applying a regulatory risk-weight factor to on and off-balance sheet exposures. The risk-weight factors are established by the OSFI to convert on and off-balance sheet exposures to a comparable risk level.

Securitization: The process by which financial assets, mainly loans, are transferred to structures, which normally issue a series of asset-backed securities to investors to fund the purchase of loans.

Solely Payments of Principal and Interest (SPPI): IFRS 9 requires that the following criteria be met in order for a financial instrument to be classified at amortized cost:

- The entity's business model relates to managing financial assets (such as bank trading activity), and, as such, an asset is held with the intention of collecting its contractual cash flows; and
- An asset's contractual cash flows represent SPPI.

Swaps: Contracts that involve the exchange of fixed and floating interest rate payment obligations and currencies on a notional principal for a specified period of time.

Tangible common equity (TCE): A non-GAAP financial measure calculated as common shareholders' equity less goodwill, imputed goodwill, and intangibles on an investment in Schwab and TD Ameritrade and other acquired intangible assets, net of related deferred tax liabilities. It can be utilized in assessing the Bank's use of equity.

Taxable Equivalent Basis (TEB): A calculation method (not defined in GAAP) that increases revenues and the provision for income taxes on certain tax-exempt securities to an equivalent before-tax basis to facilitate comparison of net interest income from both taxable and tax-exempt sources.

Tier 1 Capital Ratio: Tier 1 Capital represents the more permanent forms of capital, consisting primarily of common shareholders' equity, retained earnings, preferred shares and innovative instruments. Tier 1 Capital ratio is calculated as Tier 1 Capital divided by RWA.

Total Capital Ratio: Total Capital is defined as the total of net Tier 1 and Tier 2 Capital. Total Capital ratio is calculated as Total Capital divided by RWA.

Total Shareholder Return (TSR): The total return earned on an investment in TD's common shares. The return measures the change in shareholder value, assuming dividends paid are reinvested in additional shares.

Trading-Related Revenue: A non-GAAP financial measure that is the total of trading income (loss), net interest income on trading positions, and income (loss) from financial instruments designated at FVTPL that are managed within a trading portfolio. Trading-related revenue (TEB) in the Wholesale Banking segment is also a non-GAAP financial measure and is calculated in the same manner, including TEB adjustments. Both are used for measuring trading performance.

Value-at-Risk (VaR): A metric used to monitor and control overall risk levels and to calculate the regulatory capital required for market risk in trading activities. VaR measures the adverse impact that potential changes in market rates and prices could have on the value of a portfolio over a specified period of time.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

INTERIM CONSOLIDATED BALANCE SHEET (unaudited)

(As at and in millions of Canadian dollars)	**July 31, 2024**	October 31, 2023
ASSETS		
Cash and due from banks	**$ 7,245**	$ 6,721
Interest-bearing deposits with banks	**92,151**	98,348
	99,396	105,069
Trading loans, securities, and other **(Note 4)**	**173,175**	152,090
Non-trading financial assets at fair value through profit or loss **(Note 4)**	**5,600**	7,340
Derivatives **(Note 4)**	**69,827**	87,382
Financial assets designated at fair value through profit or loss **(Note 4)**	**5,771**	5,818
Financial assets at fair value through other comprehensive income **(Note 4)**	**75,841**	69,865
	330,214	322,495
Debt securities at amortized cost, net of allowance for credit losses (Notes 4, 5)	**281,320**	308,016
Securities purchased under reverse repurchase agreements	**212,918**	204,333
Loans (Notes 4, 6)		
Residential mortgages	**329,262**	320,341
Consumer instalment and other personal	**224,323**	217,554
Credit card	**40,517**	38,660
Business and government	**352,034**	326,528
	946,136	903,083
Allowance for loan losses **(Note 6)**	**(7,811)**	(7,136)
Loans, net of allowance for loan losses	**938,325**	895,947
Other		
Customers' liability under acceptances **(Note 6)**	**19**	17,569
Investment in Schwab **(Note 7)**	**10,031**	8,907
Goodwill	**18,700**	18,602
Other intangibles	**2,973**	2,771
Land, buildings, equipment, other depreciable assets and right-of-use assets	**9,572**	9,434
Deferred tax assets[1]	**4,719**	3,951
Amounts receivable from brokers, dealers, and clients	**32,307**	30,416
Other assets[1] **(Note 9)**	**26,687**	27,629
	105,008	119,279
Total assets[1]	**$ 1,967,181**	$ 1,955,139
LIABILITIES		
Trading deposits **(Notes 4, 10)**	**$ 32,021**	$ 30,980
Derivatives **(Note 4)**	**60,113**	71,640
Securitization liabilities at fair value **(Note 4)**	**18,382**	14,422
Financial liabilities designated at fair value through profit or loss **(Notes 4, 10)**	**196,078**	192,130
	306,594	309,172
Deposits (Notes 4, 10)		
Personal	**630,649**	626,596
Banks	**36,239**	31,225
Business and government	**553,662**	540,369
	1,220,550	1,198,190
Other		
Acceptances **(Note 6)**	**19**	17,569
Obligations related to securities sold short **(Note 4)**	**40,556**	44,661
Obligations related to securities sold under repurchase agreements	**182,813**	166,854
Securitization liabilities at amortized cost **(Note 4)**	**12,374**	12,710
Amounts payable to brokers, dealers, and clients	**25,063**	30,872
Insurance contract liabilities[1] **(Note 14)**	**6,343**	5,846
Other liabilities[1] **(Note 11)**	**51,380**	47,574
	318,548	326,086
Subordinated notes and debentures (Notes 4, 12)	**9,913**	9,620
Total liabilities[1]	**1,855,605**	1,843,068
EQUITY		
Shareholders' Equity		
Common shares **(Note 13)**	**25,222**	25,434
Preferred shares and other equity instruments **(Note 13)**	**10,888**	10,853
Treasury – common shares **(Note 13)**	**(35)**	(64)
Treasury – preferred shares and other equity instruments **(Note 13)**	**(17)**	(65)
Contributed surplus	**187**	155
Retained earnings[1]	**69,316**	73,008
Accumulated other comprehensive income (loss)	**6,015**	2,750
Total equity[1]	**111,576**	112,071
Total liabilities and equity[1]	**$ 1,967,181**	$ 1,955,139

[1] Balances as at October 31, 2023 have been restated for the adoption of IFRS 17, *Insurance Contracts* (IFRS 17). Refer to Note 2 for details.

The accompanying Notes are an integral part of these Interim Consolidated Financial Statements.

INTERIM CONSOLIDATED STATEMENT OF INCOME (LOSS) (unaudited)

(millions of Canadian dollars, except as noted)	*For the three months ended*		*For the nine months ended*	
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023
Interest income[1] (Note 21)				
Loans	**$ 13,821**	$ 11,517	**$ 39,970**	$ 32,054
Reverse repurchase agreements	**2,960**	2,660	**8,812**	6,575
Securities				
Interest	**5,112**	4,987	**15,510**	13,788
Dividends	**564**	591	**1,792**	1,741
Deposits with banks	**1,349**	1,180	**3,531**	4,140
	23,806	20,935	**69,615**	58,298
Interest expense (Note 21)				
Deposits	**12,072**	10,257	**35,046**	27,094
Securitization liabilities	**265**	232	**781**	662
Subordinated notes and debentures	**119**	117	**312**	333
Repurchase agreements and short sales	**3,447**	2,790	**10,042**	7,091
Other	**324**	250	**902**	668
	16,227	13,646	**47,083**	35,848
Net interest income	**7,579**	7,289	**22,532**	22,450
Non-interest income				
Investment and securities services	**1,859**	1,693	**5,476**	4,769
Credit fees	**447**	467	**1,510**	1,324
Trading income (loss)	**1,124**	700	**2,793**	1,667
Service charges[2]	**652**	641	**1,963**	1,890
Card services	**752**	697	**2,217**	2,178
Insurance revenue[2]	**1,782**	1,611	**5,123**	4,667
Other income (loss)[2]	**(19)**	(184)	**95**	(1,433)
	6,597	5,625	**19,177**	15,062
Total revenue[2]	**14,176**	12,914	**41,709**	37,512
Provision for (recovery of) credit losses (Note 6)	**1,072**	766	**3,144**	2,055
Insurance service expenses[2]	**1,669**	1,386	**4,283**	3,668
Non-interest expenses				
Salaries and employee benefits	**4,089**	4,005	**12,653**	11,646
Occupancy, including depreciation	**463**	460	**1,405**	1,339
Technology and equipment, including depreciation	**672**	605	**1,926**	1,688
Amortization of other intangibles	**173**	175	**526**	487
Communication and marketing	**366**	335	**1,085**	1,034
Restructuring charges **(Note 19)**	**110**	–	**566**	–
Brokerage-related and sub-advisory fees	**124**	125	**379**	328
Professional, advisory and outside services	**765**	589	**1,985**	1,787
Other[2] **(Note 19)**	**4,250**	1,065	**6,918**	3,918
	11,012	7,359	**27,443**	22,227
Income before income taxes and share of net income from investment in Schwab[2]	**423**	3,403	**6,839**	9,562
Provision for (recovery of) income taxes[2]	**794**	704	**2,157**	2,502
Share of net income from investment in Schwab (Note 7)	**190**	182	**525**	708
Net income (loss)[2]	**(181)**	2,881	**5,207**	7,768
Preferred dividends and distributions on other equity instruments	**69**	74	**333**	367
Net income (loss) attributable to common shareholders[2]	**$ (250)**	$ 2,807	**$ 4,874**	$ 7,401
Earnings (loss) per share (Canadian dollars) **(Note 18)**				
Basic[2]	**$ (0.14)**	$ 1.53	**$ 2.77**	$ 4.05
Diluted[2]	**(0.14)**	1.53	**2.76**	4.04
Dividends per common share (Canadian dollars)	**1.02**	0.96	**3.06**	2.88

[1] Includes $21,552 million and $62,710 million, for the three and nine months ended July 31, 2024, respectively (three and nine months ended July 31, 2023 – $18,743 million and $52,420 million, respectively), which have been calculated based on the effective interest rate method (EIRM).

[2] Amounts for the three and nine months ended July 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.

The accompanying Notes are an integral part of these Interim Consolidated Financial Statements.

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (LOSS) (unaudited)

(millions of Canadian dollars)	For the three months ended		For the nine months ended	
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023
Net income (loss)[1]	**$ (181)**	$ 2,881	**$ 5,207**	$ 7,768
Other comprehensive income (loss)				
Items that will be subsequently reclassified to net income				
Net change in unrealized gain/(loss) on financial assets at fair value through other comprehensive income				
Change in unrealized gain/(loss)	**141**	(19)	**438**	391
Reclassification to earnings of net loss/(gain)	**(7)**	4	**(16)**	(10)
Changes in allowance for credit losses recognized in earnings	**–**	–	**(1)**	(1)
Income taxes relating to:				
Change in unrealized gain/(loss)	**(35)**	11	**(108)**	(104)
Reclassification to earnings of net loss/(gain)	**3**	2	**8**	7
	102	(2)	**321**	283
Net change in unrealized foreign currency translation gain/(loss) on investments in foreign operations, net of hedging activities				
Unrealized gain/(loss)	**294**	(2,984)	**(531)**	(3,507)
Reclassification to earnings of net loss/(gain)	**–**	13	**–**	11
Net gain/(loss) on hedges	**(200)**	1,656	**266**	1,744
Reclassification to earnings of net loss/(gain) on hedges	**–**	(17)	**–**	(15)
Income taxes relating to:				
Net gain/(loss) on hedges	**54**	(461)	**(78)**	(770)
Reclassification to earnings of net loss/(gain) on hedges	**–**	4	**–**	4
	148	(1,789)	**(343)**	(2,533)
Net change in gain/(loss) on derivatives designated as cash flow hedges				
Change in gain/(loss)	**2,729**	(4,821)	**2,487**	(1,069)
Reclassification to earnings of loss/(gain)	**(546)**	2,884	**648**	1,821
Income taxes relating to:				
Change in gain/(loss)	**(747)**	1,299	**(687)**	388
Reclassification to earnings of loss/(gain)	**157**	(825)	**(173)**	(503)
	1,593	(1,463)	**2,275**	637
Share of other comprehensive income (loss) from investment in Schwab	**26**	(224)	**852**	476
Items that will not be subsequently reclassified to net income				
Remeasurement gain/(loss) on employee benefit plans				
Gain/(loss)	**323**	(135)	**66**	(88)
Income taxes	**(90)**	38	**(19)**	8
	233	(97)	**47**	(80)
Change in net unrealized gain/(loss) on equity securities designated at fair value through other comprehensive income				
Change in net unrealized gain/(loss)	**(60)**	147	**185**	(10)
Income taxes	**18**	(29)	**(47)**	1
	(42)	118	**138**	(9)
Gain/(loss) from changes in fair value due to own credit risk on financial liabilities designated at fair value through profit or loss				
Gain/(loss)	**30**	(18)	**30**	(146)
Income taxes	**(8)**	5	**(8)**	39
	22	(13)	**22**	(107)
Total other comprehensive income (loss)	**2,082**	(3,470)	**3,312**	(1,333)
Total comprehensive income (loss)[1]	**$ 1,901**	$ (589)	**$ 8,519**	$ 6,435
Attributable to:				
Common shareholders[1]	**$ 1,832**	$ (663)	**$ 8,186**	$ 6,068
Preferred shareholders and other equity instrument holders[1]	**69**	74	**333**	367

[1] Amounts for the three and nine months ended July 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.

The accompanying Notes are an integral part of these Interim Consolidated Financial Statements.

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

(millions of Canadian dollars)	*For the three months ended*		*For the nine months ended*	
	July 31, 2024	July 31, 2023	**July 31, 2024**	July 31, 2023
Common shares (Note 13)				
Balance at beginning of period	**$ 25,257**	$ 25,852	**$ 25,434**	$ 24,363
Proceeds from shares issued on exercise of stock options	**26**	6	**92**	77
Shares issued as a result of dividend reinvestment plan	**129**	175	**398**	1,593
Purchase of shares for cancellation and other	**(190)**	(200)	**(702)**	(200)
Balance at end of period	**25,222**	25,833	**25,222**	25,833
Preferred shares and other equity instruments (Note 13)				
Balance at beginning of period	**10,503**	11,253	**10,853**	11,253
Issuance of shares and other equity instruments	**1,335**	–	**1,335**	–
Redemption of shares and other equity instruments	**(950)**	–	**(1,300)**	–
Balance at end of period	**10,888**	11,253	**10,888**	11,253
Treasury – common shares (Note 13)				
Balance at beginning of period	**(24)**	(99)	**(64)**	(91)
Purchase of shares	**(2,745)**	(1,965)	**(7,995)**	(6,016)
Sale of shares	**2,734**	2,064	**8,024**	6,107
Balance at end of period	**(35)**	–	**(35)**	–
Treasury – preferred shares and other equity instruments (Note 13)				
Balance at beginning of period	**(8)**	(10)	**(65)**	(7)
Purchase of shares and other equity instruments	**(147)**	(46)	**(398)**	(372)
Sale of shares and other equity instruments	**138**	45	**446**	368
Balance at end of period	**(17)**	(11)	**(17)**	(11)
Contributed surplus				
Balance at beginning of period	**184**	161	**155**	179
Net premium (discount) on sale of treasury instruments	**(3)**	26	**15**	18
Issuance of stock options, net of options exercised	**6**	6	**19**	21
Other	**–**	2	**(2)**	(23)
Balance at end of period	**187**	195	**187**	195
Retained earnings				
Balance at beginning of period[1]	**71,904**	74,915	**73,008**	73,698
Impact on adoption of IFRS 17[2]	**–**	–	**–**	112
Impact of reclassification of securities supporting insurance operations related to the adoption of IFRS 17[2]	**–**	–	**(10)**	–
Net income (loss) attributable to equity instrument holders[1]	**(181)**	2,881	**5,207**	7,768
Common dividends	**(1,779)**	(1,758)	**(5,381)**	(5,258)
Preferred dividends and distributions on other equity instruments	**(69)**	(74)	**(333)**	(367)
Share and other equity instrument issue expenses	**(7)**	–	**(7)**	–
Net premium on repurchase of common shares and redemption of preferred shares and other equity instruments **(Note 13)**	**(871)**	(981)	**(3,301)**	(981)
Remeasurement gain/(loss) on employee benefit plans	**233**	(97)	**47**	(80)
Realized gain/(loss) on equity securities designated at fair value through other comprehensive income	**86**	(243)	**86**	(249)
Balance at end of period[1]	**69,316**	74,643	**69,316**	74,643
Accumulated other comprehensive income (loss)				
Net unrealized gain/(loss) on financial assets at fair value through other comprehensive income:				
Balance at beginning of period	**(194)**	(191)	**(413)**	(476)
Impact of reclassification of securities supporting insurance operations related to the adoption of IFRS 17[2]	**–**	–	**10**	–
Other comprehensive income (loss)	**102**	(2)	**312**	284
Allowance for credit losses	**–**	–	**(1)**	(1)
Balance at end of period	**(92)**	(193)	**(92)**	(193)
Net unrealized gain/(loss) on equity securities designated at fair value through other comprehensive income:				
Balance at beginning of period	**53**	(104)	**(127)**	23
Other comprehensive income (loss)	**44**	(125)	**224**	(258)
Reclassification of loss/(gain) to retained earnings	**(86)**	243	**(86)**	249
Balance at end of period	**11**	14	**11**	14
Gain/(loss) from changes in fair value due to own credit risk on financial liabilities designated at fair value through profit or loss:				
Balance at beginning of period	**(38)**	(16)	**(38)**	78
Other comprehensive income (loss)	**22**	(13)	**22**	(107)
Balance at end of period	**(16)**	(29)	**(16)**	(29)
Net unrealized foreign currency translation gain/(loss) on investments in foreign operations, net of hedging activities:				
Balance at beginning of period	**12,186**	11,304	**12,677**	12,048
Other comprehensive income (loss)	**148**	(1,789)	**(343)**	(2,533)
Balance at end of period	**12,334**	9,515	**12,334**	9,515
Net gain/(loss) on derivatives designated as cash flow hedges:				
Balance at beginning of period	**(4,790)**	(3,617)	**(5,472)**	(5,717)
Other comprehensive income (loss)	**1,593**	(1,463)	**2,275**	637
Balance at end of period	**(3,197)**	(5,080)	**(3,197)**	(5,080)
Share of accumulated other comprehensive income (loss) from investment in Schwab	**(3,025)**	(3,492)	**(3,025)**	(3,492)
Total accumulated other comprehensive income	**6,015**	735	**6,015**	735
Total equity[1]	**$ 111,576**	$ 112,648	**$ 111,576**	$ 112,648

[1] Amounts have been restated for the adoption of IFRS 17 as at and for the three and nine months ended July 31, 2023. Refer to Note 2 for details.
[2] Refer to Note 2 for details on the adoption of IFRS 17.

The accompanying Notes are an integral part of these Interim Consolidated Financial Statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

(millions of Canadian dollars)	*For the three months ended*		*For the nine months ended*	
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023
Cash flows from (used in) operating activities				
Net income (loss)[1]	**$ (181)**	$ 2,881	**$ 5,207**	$ 7,768
Adjustments to determine net cash flows from (used in) operating activities				
Provision for (recovery of) credit losses **(Note 6)**	**1,072**	766	**3,144**	2,055
Depreciation	**319**	321	**957**	919
Amortization of other intangibles	**173**	175	**526**	487
Net securities loss/(gain) **(Note 5)**	**(7)**	26	**53**	48
Share of net income from investment in Schwab **(Note 7)**	**(190)**	(182)	**(525)**	(708)
Deferred taxes[1]	**(175)**	(285)	**(972)**	(986)
Changes in operating assets and liabilities				
Interest receivable and payable **(Notes 9, 11)**	**320**	3	**690**	515
Securities sold under repurchase agreements	**(9,426)**	16,751	**15,959**	33,688
Securities purchased under reverse repurchase agreements	**(7,196)**	(3,441)	**(8,585)**	(39,057)
Securities sold short	**2,411**	(3,643)	**(4,105)**	(2,229)
Trading loans, securities, and other	**(6,829)**	(1,066)	**(21,085)**	(11,847)
Loans net of securitization and sales	**(11,261)**	(18,950)	**(45,550)**	(38,765)
Deposits	**17,579**	(26,627)	**23,401**	(66,837)
Derivatives	**2,734**	3,566	**6,028**	5,461
Non-trading financial assets at fair value through profit or loss	**46**	683	**1,740**	3,368
Financial assets and liabilities designated at fair value through profit or loss	**8,127**	(18,077)	**3,995**	20,000
Securitization liabilities	**522**	345	**3,624**	249
Current taxes	**434**	273	**954**	2,378
Brokers, dealers, and clients amounts receivable and payable	**(5,433)**	(1,658)	**(7,700)**	(8,495)
Other, including unrealized foreign currency translation loss/(gain)[1]	**(2,965)**	17,338	**(2,513)**	12,168
Net cash from (used in) operating activities	**(9,926)**	(30,801)	**(24,757)**	(79,820)
Cash flows from (used in) financing activities				
Issuance of subordinated notes and debentures **(Note 12)**	**–**	–	**1,750**	–
Redemption or repurchase of subordinated notes and debentures	**(1,483)**	(14)	**(1,525)**	35
Common shares issued, net	**24**	5	**83**	69
Repurchase of common shares **(Note 13)**	**(1,061)**	(1,181)	**(4,003)**	(1,181)
Preferred shares and other equity instruments issued, net **(Note 13)**	**1,328**	–	**1,328**	–
Redemption of preferred shares and other equity instruments **(Note 13)**	**(950)**	–	**(1,300)**	–
Sale of treasury shares and other equity instruments **(Note 13)**	**2,869**	2,135	**8,485**	6,493
Purchase of treasury shares and other equity instruments **(Note 13)**	**(2,892)**	(2,011)	**(8,393)**	(6,388)
Dividends paid on shares and distributions paid on other equity instruments	**(1,719)**	(2,908)	**(5,316)**	(4,032)
Repayment of lease liabilities	**(181)**	(160)	**(506)**	(480)
Net cash from (used in) financing activities	**(4,065)**	(4,134)	**(9,397)**	(5,484)
Cash flows from (used in) investing activities				
Interest-bearing deposits with banks	**(4,202)**	19,634	**6,040**	54,494
Activities in financial assets at fair value through other comprehensive income				
Purchases	**(8,236)**	(4,715)	**(21,862)**	(20,045)
Proceeds from maturities	**7,875**	4,794	**16,320**	14,009
Proceeds from sales	**1,935**	1,987	**3,050**	4,809
Activities in debt securities at amortized cost				
Purchases	**(2,723)**	(3,761)	**(8,423)**	(21,851)
Proceeds from maturities	**20,695**	18,207	**38,227**	42,853
Proceeds from sales	**139**	105	**2,745**	11,975
Net purchases of land, buildings, equipment, other depreciable assets, and other intangibles	**(568)**	(514)	**(1,464)**	(1,290)
Net cash acquired from (paid for) divestitures and acquisitions	**–**	(122)	**70**	(624)
Net cash from (used in) investing activities	**14,915**	35,615	**34,703**	84,330
Effect of exchange rate changes on cash and due from banks	**13**	(134)	**(25)**	(162)
Net increase (decrease) in cash and due from banks	**937**	546	**524**	(1,136)
Cash and due from banks at beginning of period	**6,308**	6,874	**6,721**	8,556
Cash and due from banks at end of period	**$ 7,245**	$ 7,420	**$ 7,245**	$ 7,420
Supplementary disclosure of cash flows from operating activities				
Amount of income taxes paid (refunded) during the period	**$ 868**	$ 632	**$ 3,039**	$ 2,000
Amount of interest paid during the period	**15,838**	13,338	**46,248**	33,986
Amount of interest received during the period	**23,173**	20,039	**67,678**	55,210
Amount of dividends received during the period	**703**	617	**2,062**	1,734

[1] Amounts for the three and nine months ended July 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.

The accompanying Notes are an integral part of these Interim Consolidated Financial Statements.

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

NOTE 1: NATURE OF OPERATIONS

CORPORATE INFORMATION

The Toronto-Dominion Bank is a bank chartered under the *Bank Act (Canada)*. The shareholders of a bank are not, as shareholders, liable for any liability, act, or default of the bank except as otherwise provided under the *Bank Act (Canada)*. The Toronto-Dominion Bank and its subsidiaries are collectively known as TD Bank Group ("TD" or the "Bank"). The Bank was formed through the amalgamation on February 1, 1955, of The Bank of Toronto (chartered in 1855) and The Dominion Bank (chartered in 1869). The Bank is incorporated and domiciled in Canada with its registered and principal business offices located at 66 Wellington Street West, Toronto, Ontario. TD serves customers in four business segments operating in a number of locations in key financial centres around the globe: Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, and Wholesale Banking.

BASIS OF PREPARATION

The accompanying Interim Consolidated Financial Statements and accounting principles followed by the Bank have been prepared in accordance with International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB), including the accounting requirements of the Office of the Superintendent of Financial Institutions Canada (OSFI). The Interim Consolidated Financial Statements are presented in Canadian dollars, unless otherwise indicated.

These Interim Consolidated Financial Statements were prepared on a condensed basis in accordance with International Accounting Standard 34, *Interim Financial Reporting* using the accounting policies as described in Note 2 of the Bank's 2023 Annual Consolidated Financial Statements and in Note 2 of this report. Certain comparative amounts have been revised to conform with the presentation adopted in the current period.

The preparation of the Interim Consolidated Financial Statements requires that management make judgments, estimates, and assumptions regarding the reported amount of assets, liabilities, revenue and expenses, and disclosure of contingent assets and liabilities, as further described in Note 3 of the Bank's 2023 Annual Consolidated Financial Statements and in Note 3 of this report. Accordingly, actual results may differ from estimated amounts as future confirming events occur.

The Bank's Interim Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and events in similar circumstances. All intercompany transactions, balances, and unrealized gains and losses on transactions are eliminated on consolidation.

The Interim Consolidated Financial Statements for the three and nine months ended July 31, 2024, were approved and authorized for issue by the Bank's Board of Directors, in accordance with a recommendation of the Audit Committee, on August 21, 2024.

As the Interim Consolidated Financial Statements do not include all of the disclosures normally provided in the Annual Consolidated Financial Statements, they should be read in conjunction with the Bank's 2023 Annual Consolidated Financial Statements and the accompanying Notes, and the shaded sections of the 2023 Management's Discussion and Analysis (MD&A). The risk management policies and procedures of the Bank are provided in the MD&A. The shaded sections of the "Managing Risk" section of the MD&A in this report, relating to market, liquidity, and insurance risks, are an integral part of these Interim Consolidated Financial Statements, as permitted by IFRS.

NOTE 2: CURRENT AND FUTURE CHANGES IN ACCOUNTING POLICIES

CURRENT CHANGES IN ACCOUNTING POLICIES

The following new standard has been adopted by the Bank on November 1, 2023.

Insurance Contracts

The IASB issued IFRS 17 which replaced the guidance in IFRS 4, *Insurance Contracts* (IFRS 4) and became effective for annual reporting periods beginning on or after January 1, 2023, which was November 1, 2023 for the Bank. IFRS 17 establishes principles for recognition, measurement, presentation and disclosure of insurance contracts.

Under IFRS 17, insurance contracts are aggregated into groups which are measured at the risk-adjusted present value of cash flows in fulfilling the contracts. Revenue is recognized as insurance services are provided over the coverage period. Losses are recognized immediately if the contract group is expected to be onerous. The liabilities presented by insurance groups are comprised of the liability for remaining coverage (LRC) and the liability for incurred claims (LIC) and are reported as Insurance contract liabilities on the Interim Consolidated Balance Sheet. The LRC is the obligation to investigate and pay claims that have not yet occurred and includes the loss component related to onerous contract groups. The LIC is the estimate of claims incurred, including claims that have occurred but have not been reported, and related insurance costs.

IFRS 17 introduces two measurement models that are applicable to the Bank, the premium allocation approach model (PAA) and the general measurement model (GMM). The Bank measures the majority of its insurance contract groups using the PAA, which includes property and casualty contracts as well as short-term life and health contracts. The PAA is a simplified model applied to insurance contracts that are either one year or less or where the PAA approximates the GMM. Contracts using the GMM are longer-term life and health contracts. The LRC for insurance contract groups using the PAA is measured as unearned premiums less deferred acquisition cash flows allocated to the group. The LRC is adjusted for the recognition of insurance revenue and amortization of acquisition cash flows reported in insurance service expenses on a straight-line basis over the contractual terms of the underlying insurance contracts, usually twelve months. The LRC for longer term contracts using the GMM model is measured using estimates and assumptions that reflect the timing and uncertainty of insurance cash flows. When a group of contracts is expected to be onerous, a loss component (expected loss related to fulfilling the related insurance contracts) is established which increases the LRC and insurance service expenses. The loss component of the LRC is subsequently recognized in income over the contractual term of the underlying insurance contracts to offset claims incurred and related expenses.

The Bank measures the LIC at the present value of current estimates of claims and related costs for insurable events occurring at or before the Interim Consolidated Balance Sheet date. The LIC includes a risk adjustment, which represents the compensation the Bank requires for bearing the uncertainty related to non-financial risks in its fulfilment of insurance contracts. Expenses related to claims incurred and related costs are reported in insurance service expenses and changes related to discounting the liability are recorded as insurance finance income or expenses in other income (loss). Prior to the adoption of IFRS 17, these expenses were recorded in insurance claims and related expenses and non-interest expenses.

Reinsurance contracts held are recognized and measured using the same principles as insurance contracts issued. Reinsurance contract assets are presented in Other assets on the Interim Consolidated Balance Sheet and the net results from reinsurance contracts held are presented in Other income (loss) on the Interim Consolidated Statement of Income. Refer to Note 14 for further detail on the balances and results of insurance and reinsurance contracts.

The Bank initially applied IFRS 17 on November 1, 2023 and restated the comparative period. The Bank transitioned by primarily applying the full retrospective approach which resulted in the measurement of insurance contracts as if IFRS 17 had always applied to them. The following table sets out adjustments to the Bank's insurance-related balances reported under IFRS 4 as at October 31, 2022 used to derive the insurance contract liabilities and reinsurance contract assets recognized by the Bank as at November 1, 2022 under IFRS 17.

(millions of Canadian dollars)		Amount
Insurance-related liabilities	$	7,468
Other liabilities		131
Other assets		(2,361)
Net insurance-related balances as at October 31, 2022	$	5,238
Changes in actuarial assumptions, including risk adjustment and discount factor		(192)
Recognition of losses on onerous contracts		113
Other adjustments		(93)
Net insurance-related balances as at November 1, 2022	$	5,066
Insurance contract liabilities	$	5,761
Reinsurance contract assets		(695)
Net insurance-related balances as at November 1, 2022	$	5,066

On November 1, 2022, IFRS 17 transition adjustments resulted in a decrease to the Bank's deferred tax assets of $60 million and an after-tax increase to retained earnings of $112 million.

Upon the initial application of IFRS 17 on November 1, 2023, the Bank applied transitional guidance and reclassified certain securities supporting insurance operations to minimize accounting mismatches arising from the application of the new discount factor under IFRS 17. The transitional guidance for such securities is applicable for entities that previously used IFRS 9, *Financial Instruments* (IFRS 9) and was applied without a restatement of comparatives. The reclassification resulted in a decrease to retained earnings and an increase in accumulated other comprehensive income (AOCI) of $10 million.

FUTURE CHANGES IN ACCOUNTING POLICIES

The following standard and amendments have been issued, but are not yet effective on the date of issuance of the Bank's Interim Consolidated Financial Statements.

Presentation and Disclosure in Financial Statements

In April 2024, the IASB issued IFRS 18, *Presentation and Disclosure in Financial Statements* (IFRS 18), which replaces the guidance in IAS 1, *Presentation of Financial Statements* and sets out requirements for presentation and disclosure of information, focusing on providing relevant information to users of the financial statements. IFRS 18 focuses on the presentation of financial performance in the statement of profit or loss. It will be effective for the Bank's annual period beginning November 1, 2027. Early application is permitted. The Bank is currently assessing the impact of adopting this standard.

Amendments to the Classification and Measurement of Financial Instruments

In May 2024, the IASB issued *Amendments to the Classification and Measurement of Financial Instruments,* which amended IFRS 9 and IFRS 7, *Financial Instruments: Disclosures.* The amendments address matters identified during the post-implementation review of the classification and measurement requirements of IFRS 9. The amendments clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social, and governance linked features and other similar contingent features. The amendments also clarify the treatment of non-recourse assets and contractually linked instruments. Furthermore, the amendments clarify that a financial liability is derecognized on the settlement date and provide an accounting policy choice to derecognize a financial liability settled using an electronic payment system before the settlement date if certain conditions are met. Finally, the amendments introduce additional disclosure requirements for financial instruments with contingent features and equity instruments classified at fair value through other comprehensive income (FVOCI).

The amendments will be effective for the Bank's annual period beginning November 1, 2026. Early adoption is permitted, with an option to early adopt the amendments for contingent features only. The Bank is required to apply the amendments retrospectively, but is not required to restate prior periods. The Bank is currently assessing the impact of adopting these amendments.

NOTE 3: SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

The estimates used in the Bank's accounting policies are essential to understanding its results of operations and financial condition. Some of the Bank's policies require subjective, complex judgments and estimates as they relate to matters that are inherently uncertain. Changes in these judgments or estimates and changes to accounting standards and policies could have a material impact on the Bank's Interim Consolidated Financial Statements. The Bank has established procedures to ensure that accounting policies are applied consistently and that the processes for changing methodologies, determining estimates, and adopting new accounting standards are well-controlled and occur in an appropriate and systematic manner. Refer to Note 3 of the Bank's 2023 Annual Consolidated Financial Statements for a description of significant accounting judgments, estimates, and assumptions.

Impairment – Expected Credit Loss Model

The expected credit loss (ECL) model requires the application of judgments, estimates, and assumptions in the assessment of the current and forward-looking economic environment. There remains elevated economic uncertainty, and management continues to exercise expert credit judgment in assessing if an exposure has experienced significant increase in credit risk since initial recognition and in determining the amount of ECLs at each reporting date. To the extent that certain effects are not fully incorporated into the model calculations, temporary quantitative and qualitative adjustments have been applied.

Insurance Contracts

The assumptions used in establishing the Bank's insurance claims and policy benefit liabilities are based on best estimates of possible outcomes.

For property and casualty insurance contracts, the ultimate cost of LIC is estimated using a range of standard actuarial claims projection techniques in accordance with Canadian accepted actuarial practices. Additional qualitative judgment is used to assess the extent to which past trends may or may not apply in the future, in order to arrive at the estimated ultimate claims cost amounts that present the most likely outcome taking into account all the uncertainties involved.

For life and health insurance contracts, actuarial liabilities consider all future policy cash flows, including premiums, claims, and expenses required to administer the policies. Critical assumptions used in the measurement of life and health insurance contract liabilities are determined by the appointed actuary.

Further information on insurance risk assumptions is provided in Note 14.

Interest Rate Benchmark Reform

As part of the interest rate benchmark reform, the remaining tenors of the Canadian Dollar Offered Rate (CDOR) (one-month, two-month, and three-month) have ceased following a final publication on June 28, 2024. Consistent with its transition plan, the Bank's exposure to financial instruments referencing CDOR is no longer significant to its Interim Consolidated Financial Statements as at July 31, 2024.

For further details regarding interest rate benchmark reform, refer to Note 3 of the Bank's 2023 Annual Consolidated Financial Statements.

NOTE 4: FAIR VALUE MEASUREMENTS

There have been no significant changes to the Bank's approach and methodologies used to determine fair value measurements for the three and nine months ended July 31, 2024.

(a) FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES NOT CARRIED AT FAIR VALUE

The following table reflects the fair value of the Bank's financial assets and liabilities not carried at fair value.

Financial Assets and Liabilities not carried at Fair Value[1]

(millions of Canadian dollars)				*As at*
	July 31, 2024		October 31, 2023	
	Carrying value	**Fair value**	Carrying value	Fair value
FINANCIAL ASSETS				
Debt securities at amortized cost, net of allowance for credit losses				
Government and government-related securities	**$ 212,557**	**$ 207,852**	$ 232,093	$ 222,699
Other debt securities	**68,763**	**67,172**	75,923	72,511
Total debt securities at amortized cost, net of allowance for credit losses	**281,320**	**275,024**	308,016	295,210
Total loans, net of allowance for loan losses	**938,325**	**934,103**	895,947	877,763
Total financial assets not carried at fair value	**$ 1,219,645**	**$ 1,209,127**	$ 1,203,963	$ 1,172,973
FINANCIAL LIABILITIES				
Deposits	**$ 1,220,550**	**$ 1,217,476**	$ 1,198,190	$ 1,188,585
Securitization liabilities at amortized cost	**12,374**	**12,084**	12,710	12,035
Subordinated notes and debentures	**9,913**	**9,930**	9,620	9,389
Total financial liabilities not carried at fair value	**$ 1,242,837**	**$ 1,239,490**	$ 1,220,520	$ 1,210,009

[1] This table excludes financial assets and liabilities where the carrying value approximates their fair value.

(b) FAIR VALUE HIERARCHY

The following table presents the levels within the fair value hierarchy for each of the assets and liabilities measured at fair value on a recurring basis as at July 31, 2024 and October 31, 2023.

Fair Value Hierarchy for Assets and Liabilities Measured at Fair Value on a Recurring Basis

(millions of Canadian dollars)								*As at*
				July 31, 2024				October 31, 2023
	Level 1	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS AND COMMODITIES								
Trading loans, securities, and other[1]								
Government and government-related securities								
Canadian government debt								
Federal	**$ 743**	**$ 8,032**	**$ –**	**$ 8,775**	$ 72	$ 9,073	$ –	$ 9,145
Provinces	**–**	**7,360**	**–**	**7,360**	–	7,445	–	7,445
U.S. federal, state, municipal governments, and agencies debt	**172**	**19,872**	**–**	**20,044**	2	24,325	67	24,394
Other OECD[2] government-guaranteed debt	**–**	**8,773**	**–**	**8,773**	–	8,811	–	8,811
Mortgage-backed securities	**–**	**1,482**	**–**	**1,482**	–	1,698	–	1,698
Other debt securities								
Canadian issuers	**–**	**6,447**	**1**	**6,448**	–	6,067	5	6,072
Other issuers	**–**	**14,902**	**2**	**14,904**	–	14,553	60	14,613
Equity securities	**71,384**	**48**	**5**	**71,437**	54,186	41	10	54,237
Trading loans	**–**	**20,781**	**–**	**20,781**	–	17,261	–	17,261
Commodities	**12,279**	**890**	**–**	**13,169**	7,620	791	–	8,411
Retained interests	**–**	**2**	**–**	**2**	–	3	–	3
	84,578	**88,589**	**8**	**173,175**	61,880	90,068	142	152,090
Non-trading financial assets at fair value through profit or loss								
Securities	**298**	**1,351**	**1,196**	**2,845**	269	2,596	980	3,845
Loans	**–**	**2,755**	**–**	**2,755**	–	3,495	–	3,495
	298	**4,106**	**1,196**	**5,600**	269	6,091	980	7,340
Derivatives								
Interest rate contracts	**4**	**15,942**	**1**	**15,947**	17	22,893	–	22,910
Foreign exchange contracts	**55**	**43,947**	**26**	**44,028**	26	57,380	7	57,413
Credit contracts	**–**	**48**	**–**	**48**	–	54	–	54
Equity contracts	**70**	**6,010**	**–**	**6,080**	58	4,839	–	4,897
Commodity contracts	**604**	**3,111**	**9**	**3,724**	306	1,787	15	2,108
	733	**69,058**	**36**	**69,827**	407	86,953	22	87,382
Financial assets designated at fair value through profit or loss								
Securities[1]	**–**	**5,771**	**–**	**5,771**	–	5,818	–	5,818
	–	**5,771**	**–**	**5,771**	–	5,818	–	5,818
Financial assets at fair value through other comprehensive income								
Government and government-related securities								
Canadian government debt								
Federal	**–**	**18,320**	**–**	**18,320**	–	18,210	–	18,210
Provinces	**–**	**21,330**	**–**	**21,330**	–	19,940	–	19,940
U.S. federal, state, municipal governments, and agencies debt	**–**	**17,742**	**–**	**17,742**	–	11,002	–	11,002
Other OECD government-guaranteed debt	**–**	**1,709**	**–**	**1,709**	–	1,498	–	1,498
Mortgage-backed securities	**–**	**2,186**	**–**	**2,186**	–	2,277	–	2,277
Other debt securities								
Asset-backed securities	**–**	**1,483**	**–**	**1,483**	–	4,114	–	4,114
Corporate and other debt	**–**	**9,444**	**11**	**9,455**	–	8,863	27	8,890
Equity securities	**1,037**	**1**	**2,419**	**3,457**	1,133	3	2,377	3,513
Loans	**–**	**159**	**–**	**159**	–	421	–	421
	1,037	**72,374**	**2,430**	**75,841**	1,133	66,328	2,404	69,865
Securities purchased under reverse repurchase agreements	**–**	**10,438**	**–**	**10,438**	–	9,649	–	9,649
FINANCIAL LIABILITIES								
Trading deposits	**–**	**31,297**	**724**	**32,021**	–	29,995	985	30,980
Derivatives								
Interest rate contracts	**–**	**11,070**	**161**	**11,231**	16	21,064	126	21,206
Foreign exchange contracts	**42**	**37,059**	**30**	**37,131**	19	44,841	13	44,873
Credit contracts	**–**	**852**	**–**	**852**	–	172	–	172
Equity contracts	**–**	**6,977**	**23**	**7,000**	7	3,251	21	3,279
Commodity contracts	**487**	**3,403**	**9**	**3,899**	248	1,846	16	2,110
	529	**59,361**	**223**	**60,113**	290	71,174	176	71,640
Securitization liabilities at fair value	**–**	**18,382**	**–**	**18,382**	–	14,422	–	14,422
Financial liabilities designated at fair value through profit or loss	**–**	**196,069**	**9**	**196,078**	–	192,108	22	192,130
Obligations related to securities sold short[1]	**1,658**	**38,898**	**–**	**40,556**	1,329	43,332	–	44,661
Obligations related to securities sold under repurchase agreements	**–**	**13,612**	**–**	**13,612**	–	12,641	–	12,641

[1] Balances reflect the reduction of securities owned (long positions) by the amount of identical securities sold but not yet purchased (short positions).

[2] Organisation for Economic Co-operation and Development (OECD).

(c) TRANSFERS BETWEEN FAIR VALUE HIERARCHY LEVELS FOR ASSETS AND LIABILITIES MEASURED AT FAIR VALUE ON A RECURRING BASIS

The Bank's policy is to record transfers of assets and liabilities between the different levels of the fair value hierarchy using the fair values as at the end of each reporting period.

There were no significant transfers between Level 1 and Level 2 during the three and nine months ended July 31, 2024 and July 31, 2023.

There were no significant transfers between Level 2 and Level 3 during the three and nine months ended July 31, 2024 and July 31, 2023.

There were no significant changes to the unobservable inputs and sensitivities for assets and liabilities classified as Level 3 during the three and nine months ended July 31, 2024, and July 31, 2023.

(d) RECONCILIATION OF CHANGES IN FAIR VALUE FOR LEVEL 3 ASSETS AND LIABILITIES

The following tables set out changes in fair value of all assets and liabilities measured at fair value using significant Level 3 unobservable inputs for the three and nine months ended July 31, 2024 and July 31, 2023.

Reconciliation of Changes in Fair Value for Level 3 Assets and Liabilities

(millions of Canadian dollars)

	Fair value as at	Total realized and unrealized gains (losses)		Movements[1]		Transfers		Fair value as at	Change in unrealized gains (losses) on
	May 1 2024	Included in income[2]	Included in OCI[3,4]	Purchases/ Issuances	Sales/ Settlements	Into Level 3	Out of Level 3	July 31 2024	instruments still held[5]
FINANCIAL ASSETS									
Trading loans, securities, and other									
Government and government-related securities	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Other debt securities	29	–	–	1	(1)	1	(27)	3	–
Equity securities	9	–	–	1	(5)	–	–	5	–
	38	–	–	2	(6)	1	(27)	8	–
Non-trading financial assets at fair value through profit or loss									
Securities	1,150	27	–	41	(22)	–	–	1,196	17
	1,150	27	–	41	(22)	–	–	1,196	17
Financial assets at fair value through other comprehensive income									
Other debt securities	14	–	–	–	(3)	–	–	11	–
Equity securities	2,307	–	3	132	(23)	–	–	2,419	1
	$ 2,321	$ –	$ 3	$ 132	$ (26)	$ –	$ –	$ 2,430	$ 1
FINANCIAL LIABILITIES									
Trading deposits[6]	$ (910)	$ (18)	$ –	$ (24)	$ 213	$ –	$ 15	$ (724)	$ (12)
Derivatives[7]									
Interest rate contracts	(148)	(22)	–	–	10	–	–	(160)	(14)
Foreign exchange contracts	(7)	2	–	–	3	(5)	3	(4)	(1)
Equity contracts	(23)	–	–	–	–	–	–	(23)	(2)
Commodity contracts	6	9	–	–	(15)	–	–	–	–
	(172)	(11)	–	–	(2)	(5)	3	(187)	(17)
Financial liabilities designated at fair value through profit or loss	(74)	112	–	(77)	30	–	–	(9)	112

	Fair value as at	Total realized and unrealized gains (losses)		Movements[1]		Transfers		Fair value as at	Change in unrealized gains (losses) on
	November 1 2023	Included in income[2]	Included in OCI[4]	Purchases/ Issuances	Sales/ Settlements	Into Level 3	Out of Level 3	July 31 2024	instruments still held[5]
FINANCIAL ASSETS									
Trading loans, securities, and other									
Government and government-related securities	$ 67	$ –	$ –	$ –	$ (67)	$ –	$ –	$ –	$ –
Other debt securities	65	1	–	91	(86)	8	(76)	3	–
Equity securities	10	(1)	–	3	(7)	–	–	5	–
	142	–	–	94	(160)	8	(76)	8	–
Non-trading financial assets at fair value through profit or loss									
Securities	980	89	–	165	(37)	–	(1)	1,196	86
	980	89	–	165	(37)	–	(1)	1,196	86
Financial assets at fair value through other comprehensive income									
Other debt securities	27	–	(4)	3	(15)	–	–	11	–
Equity securities	2,377	–	(9)	260	(209)	–	–	2,419	(10)
	$ 2,404	$ –	$ (13)	$ 263	$ (224)	$ –	$ –	$ 2,430	$ (10)
FINANCIAL LIABILITIES									
Trading deposits[6]	$ (985)	$ (8)	$ –	$ (98)	$ 331	$ –	$ 36	$ (724)	$ (10)
Derivatives[7]									
Interest rate contracts	(126)	(63)	–	–	29	–	–	(160)	(36)
Foreign exchange contracts	(6)	3	–	–	4	(11)	6	(4)	–
Equity contracts	(21)	(1)	–	–	(1)	(1)	1	(23)	(3)
Commodity contracts	(1)	5	–	–	(4)	–	–	–	(5)
	(154)	(56)	–	–	28	(12)	7	(187)	(44)
Financial liabilities designated at fair value through profit or loss	(22)	113	–	(210)	110	–	–	(9)	112

[1] Includes foreign exchange.
[2] Gains/losses on financial assets and liabilities are recognized within Non-interest Income on the Interim Consolidated Statement of Income.
[3] Other comprehensive income.
[4] Includes realized gains/losses transferred to retained earnings on disposal of equities designated at FVOCI. Refer to Note 5 for further details.
[5] Changes in unrealized gains/losses on financial assets at FVOCI are recognized in AOCI.
[6] Issuances and repurchases of trading deposits are reported on a gross basis.
[7] Consists of derivative assets of $36 million (April 30, 2024/May 1, 2024 – $20 million; October 31, 2023/November 1, 2023 – $22 million) and derivative liabilities of $223 million (April 30, 2024/May 1, 2024 – $192 million; October 31, 2023/November 1, 2023 – $176 million) which have been netted in this table for presentation purposes only.

Reconciliation of Changes in Fair Value for Level 3 Assets and Liabilities

(millions of Canadian dollars)

	Fair value as at May 1 2023	Total realized and unrealized gains (losses) Included in income[2]	Included in OCI[3]	Purchases/ Issuances	Movements[1] Sales/ Settlements	Into Level 3	Transfers Out of Level 3	Fair value as at July 31 2023	Change in unrealized gains (losses) on instruments still held[4]
FINANCIAL ASSETS									
Trading loans, securities, and other									
Government and government-related securities	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Other debt securities	22	–	–	26	(13)	54	–	89	(5)
Equity securities	30	2	–	–	(24)	–	–	8	–
	52	2	–	26	(37)	54	–	97	(5)
Non-trading financial assets at fair value through profit or loss									
Securities	1,001	(52)	–	37	(3)	–	–	983	(20)
	1,001	(52)	–	37	(3)	–	–	983	(20)
Financial assets at fair value through other comprehensive income									
Other debt securities	61	–	2	–	(4)	–	–	59	–
Equity securities	3,685	–	(295)	3	(1,144)	–	–	2,249	(6)
	$ 3,746	$ –	$ (293)	$ 3	$ (1,148)	$ –	$ –	$ 2,308	$ (6)
FINANCIAL LIABILITIES									
Trading deposits[5]	$ (592)	$ (9)	$ –	$ (211)	$ 8	$ (1)	$ 10	$ (795)	$ (4)
Derivatives[6]									
Interest rate contracts	(169)	14	–	–	13	–	–	(142)	34
Foreign exchange contracts	1	(2)	–	–	–	(1)	1	(1)	(1)
Equity contracts	(27)	2	–	–	(10)	–	(12)	(47)	(1)
Commodity contracts	(2)	(8)	–	–	13	–	–	3	1
	(197)	6	–	–	16	(1)	(11)	(187)	33
Financial liabilities designated at fair value through profit or loss	(49)	(166)	–	(202)	310	–	–	(107)	(167)

	Fair value as at November 1 2022	Total realized and unrealized gains (losses) Included in income[2]	Included in OCI[3]	Purchases/ Issuances	Movements[1] Sales/ Settlements	Into Level 3	Transfers Out of Level 3	Fair value as at July 31 2023	Change in unrealized gains (losses) on instruments still held[4]
FINANCIAL ASSETS									
Trading loans, securities, and other									
Government and government-related securities	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Other debt securities	49	6	–	49	(72)	89	(32)	89	(28)
Equity securities	–	(2)	–	39	(29)	–	–	8	–
	49	4	–	88	(101)	89	(32)	97	(28)
Non-trading financial assets at fair value through profit or loss									
Securities	845	31	–	158	(51)	–	–	983	21
	845	31	–	158	(51)	–	–	983	21
Financial assets at fair value through other comprehensive income									
Other debt securities	60	–	(6)	21	(16)	–	–	59	–
Equity securities	2,477	–	(506)	2,096	(1,818)	–	–	2,249	(8)
	$ 2,537	$ –	$ (512)	$ 2,117	$ (1,834)	$ –	$ –	$ 2,308	$ (8)
FINANCIAL LIABILITIES									
Trading deposits[5]	$ (416)	$ (38)	$ –	$ (359)	$ 16	$ (10)	$ 12	$ (795)	$ (28)
Derivatives[6]									
Interest rate contracts	(156)	(16)	–	–	30	–	–	(142)	28
Foreign exchange contracts	4	(6)	–	–	–	(1)	2	(1)	(1)
Equity contracts	(59)	45	–	26	(17)	(2)	(40)	(47)	10
Commodity contracts	27	32	–	–	(56)	–	–	3	(1)
	(184)	55	–	26	(43)	(3)	(38)	(187)	36
Financial liabilities designated at fair value through profit or loss	(44)	(96)	–	(389)	422	–	–	(107)	(95)

[1] Includes foreign exchange.
[2] Gains/losses on financial assets and liabilities are recognized within Non-interest Income on the Interim Consolidated Statement of Income.
[3] Includes realized gains/losses transferred to retained earnings on disposal of equities designated at FVOCI. Refer to Note 5 for further details.
[4] Changes in unrealized gains/losses on financial assets at FVOCI are recognized in AOCI.
[5] Issuances and repurchases of trading deposits are reported on a gross basis.
[6] Consists of derivative assets of $14 million (April 30, 2023/May 1, 2023 – $20 million; October 31, 2022/November 1, 2022 – $50 million) and derivative liabilities of $201 million (April 30, 2023/May 1, 2023 – $217 million; October 31, 2022/November 1, 2022 – $234 million) which have been netted in this table for presentation purposes only.

NOTE 5: SECURITIES

(a) UNREALIZED SECURITIES GAINS (LOSSES)

The following table summarizes the unrealized gains and losses as at July 31, 2024 and October 31, 2023.

Unrealized Gains (Losses) for Securities at Fair Value Through Other Comprehensive Income

(millions of Canadian dollars)								*As at*
	July 31, 2024				October 31, 2023			
	Cost/ amortized cost[1]	**Gross unrealized gains**	**Gross unrealized (losses)**	**Fair value**	Cost/ amortized cost[1]	Gross unrealized gains	Gross unrealized (losses)	Fair value
Government and government-related securities								
Canadian government debt								
Federal	**$ 18,393**	**$ 30**	**$ (103)**	**$ 18,320**	$ 18,335	$ 45	$ (170)	$ 18,210
Provinces	**21,295**	**86**	**(51)**	**21,330**	19,953	105	(118)	19,940
U.S. federal, state, municipal governments, and agencies debt	**17,849**	**31**	**(138)**	**17,742**	11,260	17	(275)	11,002
Other OECD government-guaranteed debt	**1,720**	**1**	**(12)**	**1,709**	1,521	1	(24)	1,498
Mortgage-backed securities	**2,179**	**11**	**(4)**	**2,186**	2,313	–	(36)	2,277
	61,436	**159**	**(308)**	**61,287**	53,382	168	(623)	52,927
Other debt securities								
Asset-backed securities	**1,488**	**3**	**(8)**	**1,483**	4,146	–	(32)	4,114
Corporate and other debt	**9,423**	**70**	**(38)**	**9,455**	8,946	43	(99)	8,890
	10,911	**73**	**(46)**	**10,938**	13,092	43	(131)	13,004
Total debt securities	**72,347**	**232**	**(354)**	**72,225**	66,474	211	(754)	65,931
Equity securities								
Common shares	**2,873**	**147**	**(76)**	**2,944**	3,191	95	(116)	3,170
Preferred shares	**643**	**27**	**(157)**	**513**	566	1	(224)	343
	3,516	**174**	**(233)**	**3,457**	3,757	96	(340)	3,513
Total securities at fair value through other comprehensive income	**$ 75,863**	**$ 406**	**$ (587)**	**$ 75,682**	$ 70,231	$ 307	$ (1,094)	$ 69,444

[1] Includes the foreign exchange translation of amortized cost balances at the period-end spot rate.

(b) EQUITY SECURITIES DESIGNATED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The Bank designated certain equity securities at FVOCI. The following table summarizes the fair value of equity securities designated at FVOCI as at July 31, 2024 and October 31, 2023, and dividend income recognized on these securities for the three and nine months ended July 31, 2024 and July 31, 2023.

Equity Securities Designated at Fair Value Through Other Comprehensive Income

(millions of Canadian dollars)		*As at*		*For the three months ended*		*For the nine months ended*
	July 31, 2024	October 31, 2023	**July 31, 2024**	July 31, 2023	**July 31, 2024**	July 31, 2023
		Fair value		**Dividend income recognized**		**Dividend income recognized**
Common shares	**$ 2,944**	$ 3,170	**$ 41**	$ 39	**$ 106**	$ 100
Preferred shares	**513**	343	**39**	35	**115**	99
Total	**$ 3,457**	$ 3,513	**$ 80**	$ 74	**$ 221**	$ 199

The Bank disposed of certain equity securities in line with the Bank's investment strategy and disposed of Federal Home Loan Bank (FHLB) stocks in accordance with FHLB member stockholding requirements, as follows:

Equity Securities Net Realized Gains (Losses)

(millions of Canadian dollars)	*For the three months ended*		*For the nine months ended*	
	July 31, 2024	July 31, 2023	**July 31, 2024**	July 31, 2023
Equity Securities[1]				
Fair value	**$ 480**	$ 38	**$ 595**	$ 204
Cumulative realized gain/(loss)	**118**	–	**117**	(8)
FHLB Stock				
Fair value	**–**	717	**163**	1,354
Cumulative realized gain/(loss)	**–**	–	**–**	–

[1] Includes disposal of the Bank's holdings in First Horizon Corporation common shares.

(c) DEBT SECURITIES NET REALIZED GAINS (LOSSES)

The following table summarizes the net realized gains and losses for the three and nine months ended July 31, 2024 and July 31, 2023, which are included in Other income (loss) on the Interim Consolidated Statement of Income.

Debt Securities Net Realized Gains (Losses)

(millions of Canadian dollars)	*For the three months ended*		*For the nine months ended*	
	July 31, 2024	July 31, 2023	**July 31, 2024**	July 31, 2023
Debt securities at amortized cost	**$ –**	$ (22)	**$ (69)**	$ (58)
Debt securities at fair value through other comprehensive income	**7**	(4)	**16**	10
Total	**$ 7**	$ (26)	**$ (53)**	$ (48)

***(d)* CREDIT QUALITY OF DEBT SECURITIES**

The Bank evaluates non-retail credit risk on an individual borrower basis, using both a borrower risk rating (BRR) and facility risk rating, as detailed in the shaded area of the “Managing Risk” section of the 2023 MD&A. This system is used to assess all non-retail exposures, including debt securities.

The following table provides the gross carrying amounts of debt securities measured at amortized cost and debt securities at FVOCI by internal risk rating for credit risk management purposes, presenting separately those debt securities that are subject to Stage 1, Stage 2, and Stage 3 allowances. Refer to the “Allowance for Credit Losses” table in Note 6 for details regarding the allowance and provision for credit losses on debt securities.

Debt Securities by Risk Rating

(millions of Canadian dollars)								*As at*
	July 31, 2024				October 31, 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Debt securities[1]								
Investment grade	**$ 353,172**	**$ –**	**$ n/a**[2]	**$ 353,172**	$ 373,317	$ –	$ n/a	$ 373,317
Non-investment grade	**222**	**79**	**n/a**	**301**	519	–	n/a	519
Watch and classified	**n/a**	**75**	**n/a**	**75**	n/a	113	n/a	113
Default	**n/a**	**n/a**	**–**	**–**	n/a	n/a	–	–
Total debt securities	**353,394**	**154**	**–**	**353,548**	373,836	113	–	373,949
Allowance for credit losses on debt securities at amortized cost	**3**	**–**	**–**	**3**	2	–	–	2
Total debt securities, net of allowance	**$ 353,391**	**$ 154**	**$ –**	**$ 353,545**	$ 373,834	$ 113	$ –	$ 373,947

[1] Includes debt securities backed by government-guaranteed loans of $124 million (October 31, 2023 – $104 million), which are reported in Non-investment grade or a lower risk rating based on the issuer’s credit risk.

[2] Not applicable.

As at July 31, 2024, total debt securities, net of allowance, in the table above, include debt securities measured at amortized cost, net of allowance, of $281,320 million (October 31, 2023 – $308,016 million), and debt securities measured at FVOCI of $72,225 million (October 31, 2023 – $65,931 million). The difference between probability-weighted ECLs and base ECLs on debt securities at FVOCI and at amortized cost as at both July 31, 2024 and October 31, 2023, was insignificant.

NOTE 6: LOANS, IMPAIRED LOANS, AND ALLOWANCE FOR CREDIT LOSSES

***(a)* LOANS AND ACCEPTANCES**

The following table provides details regarding the Bank’s loans and acceptances as at July 31, 2024 and October 31, 2023.

Loans and Acceptances

(millions of Canadian dollars)		*As at*
	July 31, 2024	October 31, 2023
Residential mortgages	**$ 329,262**	$ 320,341
Consumer instalment and other personal	**224,323**	217,554
Credit card	**40,517**	38,660
Business and government	**352,034**	326,528
	946,136	903,083
Customers’ liability under acceptances	**19**	17,569
Loans at FVOCI **(Note 4)**	**159**	421
Total loans and acceptances	**946,314**	921,073
Total allowance for loan losses	**7,811**	7,136
Total loans and acceptances, net of allowance	**$ 938,503**	$ 913,937

Business and government loans (including loans at FVOCI) and customers’ liability under acceptances are grouped together as reflected below for presentation in the “Loans and Acceptances by Risk Ratings” table.

Loans and Acceptances – Business and Government

(millions of Canadian dollars)		*As at*
	July 31, 2024	October 31, 2023
Loans at amortized cost	**$ 352,034**	$ 326,528
Customers’ liability under acceptances	**19**	17,569
Loans at FVOCI **(Note 4)**	**159**	421
Loans and acceptances	**352,212**	344,518
Allowance for loan losses	**3,355**	2,990
Loans and acceptances, net of allowance	**$ 348,857**	$ 341,528

***(b)* CREDIT QUALITY OF LOANS**

In the retail portfolio, including individuals and small businesses, the Bank manages exposures on a pooled basis, using predictive credit scoring techniques. For non-retail exposures, each borrower is assigned a BRR that reflects the probability of default (PD) of the borrower using proprietary industry and sector specific risk models and expert judgment. Refer to the shaded areas of the "Managing Risk" section of the 2023 MD&A for further details, including the mapping of PD ranges to risk levels for retail exposures as well as the Bank's 21-point BRR scale to risk levels and external ratings for non-retail exposures.

The following table provides the gross carrying amounts of loans, acceptances and credit risk exposures on loan commitments and financial guarantee contracts by internal risk ratings for credit risk management purposes, presenting separately those that are subject to Stage 1, Stage 2, and Stage 3 allowances.

Loans and Acceptances by Risk Ratings

(millions of Canadian dollars)								*As at*
	July 31, 2024				October 31, 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Residential mortgages[1,2,3]								
Low Risk	**$ 237,386**	**$ 674**	**$ n/a**	**$ 238,060**	$ 225,596	$ 46	$ n/a	$ 225,642
Normal Risk	**62,259**	**15,291**	**n/a**	**77,550**	70,423	11,324	n/a	81,747
Medium Risk	**230**	**9,596**	**n/a**	**9,826**	110	9,581	n/a	9,691
High Risk	**7**	**3,119**	**330**	**3,456**	10	2,573	325	2,908
Default	**n/a**	**n/a**	**370**	**370**	n/a	n/a	353	353
Total loans	**299,882**	**28,680**	**700**	**329,262**	296,139	23,524	678	320,341
Allowance for loan losses	**129**	**198**	**58**	**385**	154	192	57	403
Loans, net of allowance	**299,753**	**28,482**	**642**	**328,877**	295,985	23,332	621	319,938
Consumer instalment and other personal[4]								
Low Risk	**99,678**	**2,630**	**n/a**	**102,308**	100,102	2,278	n/a	102,380
Normal Risk	**63,039**	**12,933**	**n/a**	**75,972**	60,613	13,410	n/a	74,023
Medium Risk	**26,868**	**6,450**	**n/a**	**33,318**	24,705	5,816	n/a	30,521
High Risk	**4,119**	**7,687**	**388**	**12,194**	4,122	5,700	323	10,145
Default	**n/a**	**n/a**	**531**	**531**	n/a	n/a	485	485
Total loans	**193,704**	**29,700**	**919**	**224,323**	189,542	27,204	808	217,554
Allowance for loan losses	**663**	**1,124**	**238**	**2,025**	653	959	197	1,809
Loans, net of allowance	**193,041**	**28,576**	**681**	**222,298**	188,889	26,245	611	215,745
Credit card								
Low Risk	**6,987**	**14**	**n/a**	**7,001**	6,499	12	n/a	6,511
Normal Risk	**11,503**	**183**	**n/a**	**11,686**	11,171	134	n/a	11,305
Medium Risk	**12,832**	**1,125**	**n/a**	**13,957**	12,311	1,163	n/a	13,474
High Risk	**2,818**	**4,523**	**417**	**7,758**	2,567	4,289	401	7,257
Default	**n/a**	**n/a**	**115**	**115**	n/a	n/a	113	113
Total loans	**34,140**	**5,845**	**532**	**40,517**	32,548	5,598	514	38,660
Allowance for loan losses	**695**	**979**	**372**	**2,046**	709	913	312	1,934
Loans, net of allowance	**33,445**	**4,866**	**160**	**38,471**	31,839	4,685	202	36,726
Business and government[1,2,3,5]								
Investment grade or Low/Normal Risk	**159,512**	**109**	**n/a**	**159,621**	159,477	101	n/a	159,578
Non-investment grade or Medium Risk	**163,142**	**11,046**	**n/a**	**174,188**	161,651	10,278	n/a	171,929
Watch and classified or High Risk	**699**	**15,685**	**83**	**16,467**	604	11,017	75	11,696
Default	**n/a**	**n/a**	**1,936**	**1,936**	n/a	n/a	1,315	1,315
Total loans and acceptances	**323,353**	**26,840**	**2,019**	**352,212**	321,732	21,396	1,390	344,518
Allowance for loan and acceptances losses	**994**	**1,764**	**597**	**3,355**	1,157	1,371	462	2,990
Loans and acceptances, net of allowance	**322,359**	**25,076**	**1,422**	**348,857**	320,575	20,025	928	341,528
Total loans and acceptances[6]	**851,079**	**91,065**	**4,170**	**946,314**	839,961	77,722	3,390	921,073
Total allowance for loan losses[6,7]	**2,481**	**4,065**	**1,265**	**7,811**	2,673	3,435	1,028	7,136
Total loans and acceptances, net of allowance[6]	**$ 848,598**	**$ 87,000**	**$ 2,905**	**$ 938,503**	$ 837,288	$ 74,287	$ 2,362	$ 913,937

[1] Includes impaired loans with a balance of $212 million (October 31, 2023 – $271 million) which did not have a related allowance for loan losses as the realizable value of the collateral exceeded the loan amount.

[2] Excludes trading loans and non-trading loans at fair value through profit or loss (FVTPL) with a fair value of $21 billion (October 31, 2023 – $17 billion) and $3 billion (October 31, 2023 – $3 billion), respectively.

[3] Includes insured mortgages of $72 billion (October 31, 2023 – $74 billion).

[4] Includes Canadian government-insured real estate personal loans of $6 billion (October 31, 2023 – $7 billion).

[5] Includes loans guaranteed by government agencies of $25 billion (October 31, 2023 – $26 billion), which are primarily reported in Non-investment grade or a lower risk rating based on the borrowers' credit risk.

[6] Stage 3 includes acquired credit-impaired (ACI) loans of nil (October 31, 2023 – $91 million) and a related allowance for loan losses of nil (October 31, 2023 – $6 million), which have been included in the "Default" risk rating category as they were impaired at acquisition.

[7] Includes allowance for loan losses related to loans that are measured at FVOCI of nil (October 31, 2023 – nil).

Loans and Acceptances by Risk Ratings (Continued) **– Off-Balance Sheet Credit Instruments**[1]

(millions of Canadian dollars)								*As at*
	July 31, 2024				October 31, 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Retail Exposures[2]								
Low Risk	**$ 262,464**	**$ 1,361**	**$ n/a**	**$ 263,825**	$ 254,231	$ 1,093	$ n/a	$ 255,324
Normal Risk	**92,910**	**1,271**	**n/a**	**94,181**	91,474	1,112	n/a	92,586
Medium Risk	**18,601**	**1,199**	**n/a**	**19,800**	19,774	1,079	n/a	20,853
High Risk	**1,157**	**1,225**	**–**	**2,382**	1,209	1,198	–	2,407
Default	**n/a**	**n/a**	**–**	**–**	n/a	n/a	–	–
Non-Retail Exposures[3]								
Investment grade	**282,548**	**–**	**n/a**	**282,548**	264,029	–	n/a	264,029
Non-investment grade	**99,945**	**5,162**	**n/a**	**105,107**	98,068	4,396	n/a	102,464
Watch and classified	**256**	**4,466**	**–**	**4,722**	218	4,158	–	4,376
Default	**n/a**	**n/a**	**194**	**194**	n/a	n/a	107	107
Total off-balance sheet credit instruments	**757,881**	**14,684**	**194**	**772,759**	729,003	13,036	107	742,146
Allowance for off-balance sheet credit instruments	**428**	**582**	**13**	**1,023**	476	565	8	1,049
Total off-balance sheet credit instruments, net of allowance	**$ 757,453**	**$ 14,102**	**$ 181**	**$ 771,736**	$ 728,527	$ 12,471	$ 99	$ 741,097

[1] Excludes mortgage commitments.
[2] Includes $378 billion (October 31, 2023 – $369 billion) of personal lines of credit and credit card lines, which are unconditionally cancellable at the Bank's discretion at any time.
[3] Includes $65 billion (October 31, 2023 – $62 billion) of the undrawn component of uncommitted credit and liquidity facilities.

(c) ALLOWANCE FOR CREDIT LOSSES

The following table provides details on the Bank's allowance for credit losses as at and for the three and nine months ended July 31, 2024 and July 31, 2023, including allowance for off-balance sheet instruments in the applicable categories.

Allowance for Credit Losses

(millions of Canadian dollars)	**Balance at beginning of period**	**Provision for credit losses**	**Write-offs, net of recoveries**	**Foreign exchange, disposals, and other adjustments**	**Balance at end of period**	Balance at beginning of period	Provision for credit losses	Write-offs, net of recoveries	Foreign exchange, disposals, and other adjustments	Balance at end of period
										For the three months ended
					July 31, 2024					July 31, 2023
Residential mortgages	**$ 403**	**$ (16)**	**$ (2)**	**$ –**	**$ 385**	$ 334	$ 45	$ (1)	$ –	$ 378
Consumer instalment and other personal	**2,072**	**339**	**(302)**	**1**	**2,110**	1,766	246	(199)	(19)	1,794
Credit card	**2,644**	**397**	**(396)**	**6**	**2,651**	2,480	294	(287)	(46)	2,441
Business and government	**3,428**	**351**	**(88)**	**(3)**	**3,688**	3,064	181	(28)	(58)	3,159
Total allowance for loan losses, including off-balance sheet instruments	**8,547**	**1,071**	**(788)**	**4**	**8,834**	7,644	766	(515)	(123)	7,772
Debt securities at amortized cost	**2**	**1**	**–**	**–**	**3**	2	–	–	(1)	1
Debt securities at FVOCI	**1**	**–**	**–**	**–**	**1**	1	–	–	–	1
Total allowance for credit losses on debt securities	**3**	**1**	**–**	**–**	**4**	3	–	–	(1)	2
Total allowance for credit losses	**$ 8,550**	**$ 1,072**	**$ (788)**	**$ 4**	**$ 8,838**	$ 7,647	$ 766	$ (515)	$ (124)	$ 7,774
Comprising:										
Allowance for credit losses on loans at amortized cost	**$ 7,545**				**$ 7,811**	$ 6,644				$ 6,784
Allowance for credit losses on loans at FVOCI	**–**				**–**	–				–
Allowance for loan losses	**7,545**				**7,811**	6,644				6,784
Allowance for off-balance sheet instruments	**1,002**				**1,023**	1,000				988
Allowance for credit losses on debt securities	**3**				**4**	3				2

(millions of Canadian dollars)	**Balance at beginning of period**	**Provision for credit losses**	**Write-offs, net of recoveries**	**Foreign exchange, disposals, and other adjustments**	**Balance at end of period**	Balance at beginning of period	Provision for credit losses	Write-offs, net of recoveries	Foreign exchange, disposals, and other adjustments	Balance at end of period
										For the nine months ended
					July 31, 2024					July 31, 2023
Residential mortgages	**$ 403**	**$ (16)**	**$ (5)**	**$ 3**	**$ 385**	$ 323	$ 61	$ (5)	$ (1)	$ 378
Consumer instalment and other personal	**1,895**	**1,082**	**(865)**	**(2)**	**2,110**	1,704	691	(576)	(25)	1,794
Credit card	**2,577**	**1,250**	**(1,168)**	**(8)**	**2,651**	2,352	958	(815)	(54)	2,441
Business and government	**3,310**	**828**	**(408)**	**(42)**	**3,688**	2,984	346	(116)	(55)	3,159
Total allowance for loan losses, including off-balance sheet instruments	**8,185**	**3,144**	**(2,446)**	**(49)**	**8,834**	7,363	2,056	(1,512)	(135)	7,772
Debt securities at amortized cost	**2**	**1**	**–**	**–**	**3**	1	–	–	–	1
Debt securities at FVOCI	**2**	**(1)**	**–**	**–**	**1**	2	(1)	–	–	1
Total allowance for credit losses on debt securities	**4**	**–**	**–**	**–**	**4**	3	(1)	–	–	2
Total allowance for credit losses	**$ 8,189**	**$ 3,144**	**$ (2,446)**	**$ (49)**	**$ 8,838**	$ 7,366	$ 2,055	$ (1,512)	$ (135)	$ 7,774
Comprising:										
Allowance for credit losses on loans at amortized cost	**$ 7,136**				**$ 7,811**	$ 6,432				$ 6,784
Allowance for credit losses on loans at FVOCI	**–**				**–**	–				–
Allowance for loan losses	**7,136**				**7,811**	6,432				6,784
Allowance for off-balance sheet instruments	**1,049**				**1,023**	931				988
Allowance for credit losses on debt securities	**4**				**4**	3				2

(d) ALLOWANCE FOR LOAN LOSSES BY STAGE

The following table provides details on the Bank's allowance for loan losses by stage as at and for the three months ended July 31, 2024 and July 31, 2023.

Allowance for Loan Losses by Stage

(millions of Canadian dollars)								*For the three months ended*
				July 31, 2024				July 31, 2023
	Stage 1	**Stage 2**	**Stage 3[1]**	**Total**	Stage 1	Stage 2	Stage 3[1]	Total
Residential Mortgages								
Balance at beginning of period	**$ 129**	**$ 214**	**$ 60**	**$ 403**	$ 116	$ 169	$ 49	$ 334
Provision for credit losses								
Transfer to Stage 1[2]	**42**	**(42)**	**–**	**–**	41	(40)	(1)	–
Transfer to Stage 2	**(6)**	**12**	**(6)**	**–**	(5)	8	(3)	–
Transfer to Stage 3	**–**	**(6)**	**6**	**–**	(1)	(10)	11	–
Net remeasurement due to transfers into stage[3]	**(10)**	**5**	**–**	**(5)**	(7)	3	–	(4)
New originations or purchases[4]	**9**	**n/a**	**n/a**	**9**	17	n/a	n/a	17
Net repayments[5]	**(1)**	**–**	**–**	**(1)**	(1)	–	–	(1)
Derecognition of financial assets (excluding disposals and write-offs)[6]	**(2)**	**(8)**	**(6)**	**(16)**	(2)	(5)	(3)	(10)
Changes to risk, parameters, and models[7]	**(32)**	**23**	**6**	**(3)**	2	39	2	43
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(2)**	**(2)**	–	–	(3)	(3)
Recoveries	**–**	**–**	**–**	**–**	–	–	2	2
Foreign exchange and other adjustments	**–**	**–**	**–**	**–**	(1)	(1)	2	–
Balance at end of period	**$ 129**	**$ 198**	**$ 58**	**$ 385**	$ 159	$ 163	$ 56	$ 378
Consumer Instalment and Other Personal								
Balance, including off-balance sheet instruments, at beginning of period	**$ 688**	**$ 1,146**	**$ 238**	**$ 2,072**	$ 675	$ 921	$ 170	$ 1,766
Provision for credit losses								
Transfer to Stage 1[2]	**178**	**(177)**	**(1)**	**–**	167	(166)	(1)	–
Transfer to Stage 2	**(61)**	**82**	**(21)**	**–**	(47)	63	(16)	–
Transfer to Stage 3	**(2)**	**(61)**	**63**	**–**	(2)	(46)	48	–
Net remeasurement due to transfers into stage[3]	**(81)**	**78**	**3**	**–**	(61)	53	2	(6)
New originations or purchases[4]	**94**	**n/a**	**n/a**	**94**	111	n/a	n/a	111
Net repayments[5]	**(20)**	**(25)**	**(5)**	**(50)**	(21)	(18)	(2)	(41)
Derecognition of financial assets (excluding disposals and write-offs)[6]	**(22)**	**(31)**	**(13)**	**(66)**	(21)	(25)	(13)	(59)
Changes to risk, parameters, and models[7]	**(82)**	**167**	**276**	**361**	(102)	153	190	241
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(386)**	**(386)**	–	–	(275)	(275)
Recoveries	**–**	**–**	**84**	**84**	–	–	76	76
Foreign exchange and other adjustments	**–**	**1**	**–**	**1**	(8)	(9)	(2)	(19)
Balance, including off-balance sheet instruments, at end of period	**692**	**1,180**	**238**	**2,110**	691	926	177	1,794
Less: Allowance for off-balance sheet instruments[8]	**29**	**56**	**–**	**85**	37	50	–	87
Balance at end of period	**$ 663**	**$ 1,124**	**$ 238**	**$ 2,025**	$ 654	$ 876	$ 177	$ 1,707
Credit Card[9]								
Balance, including off-balance sheet instruments, at beginning of period	**$ 915**	**$ 1,345**	**$ 384**	**$ 2,644**	$ 964	$ 1,235	$ 281	$ 2,480
Provision for credit losses								
Transfer to Stage 1[2]	**301**	**(289)**	**(12)**	**–**	303	(294)	(9)	–
Transfer to Stage 2	**(73)**	**98**	**(25)**	**–**	(71)	88	(17)	–
Transfer to Stage 3	**(5)**	**(206)**	**211**	**–**	(4)	(171)	175	–
Net remeasurement due to transfers into stage[3]	**(132)**	**109**	**6**	**(17)**	(131)	105	5	(21)
New originations or purchases[4]	**37**	**n/a**	**n/a**	**37**	47	n/a	n/a	47
Net repayments[5]	**–**	**–**	**15**	**15**	(3)	1	13	11
Derecognition of financial assets (excluding disposals and write-offs)[6]	**(10)**	**(17)**	**(99)**	**(126)**	(11)	(18)	(80)	(109)
Changes to risk, parameters, and models[7]	**(93)**	**294**	**287**	**488**	(109)	275	200	366
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(478)**	**(478)**	–	–	(360)	(360)
Recoveries	**–**	**–**	**82**	**82**	–	–	73	73
Foreign exchange and other adjustments	**3**	**2**	**1**	**6**	(18)	(22)	(6)	(46)
Balance, including off-balance sheet instruments, at end of period	**943**	**1,336**	**372**	**2,651**	967	1,199	275	2,441
Less: Allowance for off-balance sheet instruments[8]	**248**	**357**	**–**	**605**	280	350	–	630
Balance at end of period	**$ 695**	**$ 979**	**$ 372**	**$ 2,046**	$ 687	$ 849	$ 275	$ 1,811

[1] Includes allowance for loan losses related to ACI loans.
[2] Transfers represent stage transfer movements prior to ECL remeasurement.
[3] Represents the mechanical remeasurement between twelve-month (i.e., Stage 1) and lifetime ECLs (i.e., Stage 2 or 3) due to stage transfers necessitated by credit risk migration, as described in the "Significant Increase in Credit Risk" section of Note 2 and Note 3 of the Bank's 2023 Annual Consolidated Financial Statements, holding all other factors impacting the change in ECLs constant.
[4] Represents the increase in the allowance resulting from loans that were newly originated, purchased, or renewed.
[5] Represents the changes in the allowance related to cash flow changes associated with new draws or repayments on loans outstanding.
[6] Represents the decrease in the allowance resulting from loans that were fully repaid and excludes the decrease associated with loans that were disposed or fully written off.
[7] Represents the changes in the allowance related to current period changes in risk (e.g., PD) caused by changes to macroeconomic factors, level of risk, parameters, and/or models, subsequent to stage migration. Refer to the "Measurement of Expected Credit Losses", "Forward-Looking Information" and "Expert Credit Judgment" sections of Note 2 and Note 3 of the Bank's 2023 Annual Consolidated Financial Statements for further details.
[8] The allowance for loan losses for off-balance sheet instruments is recorded in Other liabilities on the Interim Consolidated Balance Sheet.
[9] Credit cards are considered impaired and migrate to Stage 3 when they are 90 days past due and written off at 180 days past due. Refer to Note 2 of the Bank's 2023 Annual Consolidated Financial Statements for further details.

Allowance for Loan Losses by Stage (Continued)

(millions of Canadian dollars)								*For the three months ended*
				July 31, 2024				July 31, 2023
	Stage 1	**Stage 2**	**Stage 3[1]**	**Total**	Stage 1	Stage 2	Stage 3[1]	Total
Business and Government[2]								
Balance, including off-balance sheet instruments, at beginning of period	**$ 1,170**	**$ 1,778**	**$ 480**	**$ 3,428**	$ 1,261	$ 1,441	$ 362	$ 3,064
Provision for credit losses								
Transfer to Stage 1[3]	**80**	**(80)**	**–**	**–**	71	(71)	–	–
Transfer to Stage 2	**(158)**	**163**	**(5)**	**–**	(128)	131	(3)	–
Transfer to Stage 3	**(1)**	**(85)**	**86**	**–**	(1)	(59)	60	–
Net remeasurement due to transfers into stage[3]	**(27)**	**26**	**1**	**–**	(21)	27	1	7
New originations or purchases[3]	**296**	**n/a**	**n/a**	**296**	300	n/a	n/a	300
Net repayments[3]	**2**	**(22)**	**(7)**	**(27)**	8	(10)	(16)	(18)
Derecognition of financial assets (excluding disposals and write-offs)[3]	**(161)**	**(196)**	**(75)**	**(432)**	(173)	(155)	(127)	(455)
Changes to risk, parameters, and models[3]	**(61)**	**340**	**235**	**514**	(20)	120	247	347
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(113)**	**(113)**	–	–	(49)	(49)
Recoveries	**–**	**–**	**25**	**25**	–	–	21	21
Foreign exchange and other adjustments	**5**	**9**	**(17)**	**(3)**	(27)	(16)	(15)	(58)
Balance, including off-balance sheet instruments, at end of period	**1,145**	**1,933**	**610**	**3,688**	1,270	1,408	481	3,159
Less: Allowance for off-balance sheet instruments[4]	**151**	**169**	**13**	**333**	152	117	2	271
Balance at end of period	**994**	**1,764**	**597**	**3,355**	1,118	1,291	479	2,888
Total Allowance, including off-balance sheet instruments, at end of period	**2,909**	**4,647**	**1,278**	**8,834**	3,087	3,696	989	7,772
Less: Total Allowance for off-balance sheet instruments[4]	**428**	**582**	**13**	**1,023**	469	517	2	988
Total Allowance for Loan Losses at end of period	**$ 2,481**	**$ 4,065**	**$ 1,265**	**$ 7,811**	$ 2,618	$ 3,179	$ 987	$ 6,784

[1] Includes allowance for loan losses related to ACI loans.
[2] Includes allowance for loan losses related to customers' liability under acceptances.
[3] For explanations regarding this line item, refer to the "Allowance for Loan Losses by Stage" table on the previous page in this Note.
[4] The allowance for loan losses for off-balance sheet instruments is recorded in Other liabilities on the Interim Consolidated Balance Sheet.

The following table provides details on the Bank's allowance for loan losses by stage as at and for the nine months ended July 31, 2024 and July 31, 2023.

Allowance for Loan Losses by Stage

(millions of Canadian dollars)								*For the nine months ended*
				July 31, 2024				July 31, 2023
	Stage 1	**Stage 2**	**Stage 3**[1]	**Total**	Stage 1	Stage 2	Stage 3[1]	Total
Residential Mortgages								
Balance at beginning of period	**$ 154**	**$ 192**	**$ 57**	**$ 403**	$ 127	$ 140	$ 56	$ 323
Provision for credit losses								
Transfer to Stage 1[2]	**110**	**(107)**	**(3)**	**–**	97	(95)	(2)	–
Transfer to Stage 2	**(23)**	**40**	**(17)**	**–**	(19)	31	(12)	–
Transfer to Stage 3	**–**	**(23)**	**23**	**–**	(2)	(18)	20	–
Net remeasurement due to transfers into stage[3]	**(24)**	**18**	**–**	**(6)**	(18)	14	–	(4)
New originations or purchases[4]	**24**	**n/a**	**n/a**	**24**	33	n/a	n/a	33
Net repayments[5]	**(3)**	**–**	**–**	**(3)**	(3)	(2)	–	(5)
Derecognition of financial assets (excluding disposals and write-offs)[6]	**(5)**	**(20)**	**(29)**	**(54)**	(4)	(13)	(9)	(26)
Changes to risk, parameters, and models[7]	**(103)**	**97**	**29**	**23**	(50)	107	6	63
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(6)**	**(6)**	–	–	(8)	(8)
Recoveries	**–**	**–**	**1**	**1**	–	–	3	3
Foreign exchange and other adjustments	**(1)**	**1**	**3**	**3**	(2)	(1)	2	(1)
Balance at end of period	**$ 129**	**$ 198**	**$ 58**	**$ 385**	$ 159	$ 163	$ 56	$ 378
Consumer Instalment and Other Personal								
Balance, including off-balance sheet instruments, at beginning of period	**$ 688**	**$ 1,010**	**$ 197**	**$ 1,895**	$ 654	$ 896	$ 154	$ 1,704
Provision for credit losses								
Transfer to Stage 1[2]	**451**	**(448)**	**(3)**	**–**	473	(469)	(4)	–
Transfer to Stage 2	**(191)**	**254**	**(63)**	**–**	(147)	200	(53)	–
Transfer to Stage 3	**(8)**	**(183)**	**191**	**–**	(6)	(141)	147	–
Net remeasurement due to transfers into stage[3]	**(198)**	**235**	**7**	**44**	(162)	156	7	1
New originations or purchases[4]	**270**	**n/a**	**n/a**	**270**	309	n/a	n/a	309
Net repayments[5]	**(56)**	**(70)**	**(12)**	**(138)**	(44)	(62)	(8)	(114)
Derecognition of financial assets (excluding disposals and write-offs)[6]	**(55)**	**(77)**	**(39)**	**(171)**	(56)	(72)	(30)	(158)
Changes to risk, parameters, and models[7]	**(208)**	**461**	**824**	**1,077**	(320)	430	543	653
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(1,103)**	**(1,103)**	–	–	(795)	(795)
Recoveries	**–**	**–**	**238**	**238**	–	–	219	219
Foreign exchange and other adjustments	**(1)**	**(2)**	**1**	**(2)**	(10)	(12)	(3)	(25)
Balance, including off-balance sheet instruments, at end of period	**692**	**1,180**	**238**	**2,110**	691	926	177	1,794
Less: Allowance for off-balance sheet instruments[8]	**29**	**56**	**–**	**85**	37	50	–	87
Balance at end of period	**$ 663**	**$ 1,124**	**$ 238**	**$ 2,025**	$ 654	$ 876	$ 177	$ 1,707
Credit Card[9]								
Balance, including off-balance sheet instruments, at beginning of period	**$ 988**	**$ 1,277**	**$ 312**	**$ 2,577**	$ 954	$ 1,191	$ 207	$ 2,352
Provision for credit losses								
Transfer to Stage 1[2]	**810**	**(783)**	**(27)**	**–**	872	(852)	(20)	–
Transfer to Stage 2	**(249)**	**310**	**(61)**	**–**	(233)	276	(43)	–
Transfer to Stage 3	**(16)**	**(668)**	**684**	**–**	(14)	(514)	528	–
Net remeasurement due to transfers into stage[3]	**(358)**	**369**	**19**	**30**	(397)	353	15	(29)
New originations or purchases[4]	**116**	**n/a**	**n/a**	**116**	144	n/a	n/a	144
Net repayments[5]	**14**	**6**	**50**	**70**	59	2	41	102
Derecognition of financial assets (excluding disposals and write-offs)[6]	**(30)**	**(51)**	**(271)**	**(352)**	(33)	(59)	(191)	(283)
Changes to risk, parameters, and models[7]	**(329)**	**880**	**835**	**1,386**	(364)	829	559	1,024
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(1,408)**	**(1,408)**	–	–	(1,031)	(1,031)
Recoveries	**–**	**–**	**240**	**240**	–	–	216	216
Foreign exchange and other adjustments	**(3)**	**(4)**	**(1)**	**(8)**	(21)	(27)	(6)	(54)
Balance, including off-balance sheet instruments, at end of period	**943**	**1,336**	**372**	**2,651**	967	1,199	275	2,441
Less: Allowance for off-balance sheet instruments[8]	**248**	**357**	**–**	**605**	280	350	–	630
Balance at end of period	**$ 695**	**$ 979**	**$ 372**	**$ 2,046**	$ 687	$ 849	$ 275	$ 1,811

1 Includes allowance for loan losses related to ACI loans.
2 Transfers represent stage transfer movements prior to ECL remeasurement.
3 Represents the mechanical remeasurement between twelve-month (i.e., Stage 1) and lifetime ECLs (i.e., Stage 2 or 3) due to stage transfers necessitated by credit risk migration, as described in the "Significant Increase in Credit Risk" section of Note 2 and Note 3 of the Bank's 2023 Annual Consolidated Financial Statements, holding all other factors impacting the change in ECLs constant.
4 Represents the increase in the allowance resulting from loans that were newly originated, purchased, or renewed.
5 Represents the changes in the allowance related to cash flow changes associated with new draws or repayments on loans outstanding.
6 Represents the decrease in the allowance resulting from loans that were fully repaid and excludes the decrease associated with loans that were disposed or fully written off.
7 Represents the changes in the allowance related to current period changes in risk (e.g., PD) caused by changes to macroeconomic factors, level of risk, parameters, and/or models, subsequent to stage migration. Refer to the "Measurement of Expected Credit Losses", "Forward-Looking Information" and "Expert Credit Judgment" sections of Note 2 and Note 3 of the Bank's 2023 Annual Consolidated Financial Statements for further details.
8 The allowance for loan losses for off-balance sheet instruments is recorded in Other liabilities on the Interim Consolidated Balance Sheet.
9 Credit cards are considered impaired and migrate to Stage 3 when they are 90 days past due and written off at 180 days past due. Refer to Note 2 of the Bank's 2023 Annual Consolidated Financial Statements for further details.

Allowance for Loan Losses by Stage (Continued)

(millions of Canadian dollars)								*For the nine months ended*
				July 31, 2024				July 31, 2023
	Stage 1	**Stage 2**	**Stage 3**[1]	**Total**	Stage 1	Stage 2	Stage 3[1]	Total
Business and Government[2]								
Balance, including off-balance sheet instruments, at beginning of period	**$ 1,319**	**$ 1,521**	**$ 470**	**$ 3,310**	$ 1,220	$ 1,417	$ 347	$ 2,984
Provision for credit losses								
Transfer to Stage 1[3]	**194**	**(194)**	**–**	**–**	293	(291)	(2)	–
Transfer to Stage 2	**(441)**	**453**	**(12)**	**–**	(411)	420	(9)	–
Transfer to Stage 3	**(17)**	**(220)**	**237**	**–**	(10)	(98)	108	–
Net remeasurement due to transfers into stage[3]	**(66)**	**119**	**6**	**59**	(85)	78	1	(6)
New originations or purchases[3]	**864**	**n/a**	**n/a**	**864**	897	n/a	n/a	897
Net repayments[3]	**19**	**(41)**	**(36)**	**(58)**	40	(49)	(59)	(68)
Derecognition of financial assets (excluding disposals and write-offs)[3]	**(494)**	**(450)**	**(220)**	**(1,164)**	(524)	(427)	(366)	(1,317)
Changes to risk, parameters, and models[3]	**(221)**	**736**	**612**	**1,127**	(136)	376	600	840
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(459)**	**(459)**	–	–	(157)	(157)
Recoveries	**–**	**–**	**51**	**51**	–	–	41	41
Foreign exchange and other adjustments	**(12)**	**9**	**(39)**	**(42)**	(14)	(18)	(23)	(55)
Balance, including off-balance sheet instruments, at end of period	**1,145**	**1,933**	**610**	**3,688**	1,270	1,408	481	3,159
Less: Allowance for off-balance sheet instruments[4]	**151**	**169**	**13**	**333**	152	117	2	271
Balance at end of period	**994**	**1,764**	**597**	**3,355**	1,118	1,291	479	2,888
Total Allowance, including off-balance sheet instruments, at end of period	**2,909**	**4,647**	**1,278**	**8,834**	3,087	3,696	989	7,772
Less: Total Allowance for off-balance sheet instruments[4]	**428**	**582**	**13**	**1,023**	469	517	2	988
Total Allowance for Loan Losses at end of period	**$ 2,481**	**$ 4,065**	**$ 1,265**	**$ 7,811**	$ 2,618	$ 3,179	$ 987	$ 6,784

[1] Includes allowance for loan losses related to ACI loans.
[2] Includes allowance for loan losses related to customers' liability under acceptances.
[3] For explanations regarding this line item, refer to the "Allowance for Loan Losses by Stage" table on the previous page in this Note.
[4] The allowance for loan losses for off-balance sheet instruments is recorded in Other liabilities on the Interim Consolidated Balance Sheet.

The allowance for credit losses on all remaining financial assets is not significant.

(e) FORWARD-LOOKING INFORMATION

Relevant macroeconomic factors are incorporated in risk parameters as appropriate. Additional risk factors that are industry or segment specific are also incorporated, where relevant. The key macroeconomic variables used in determining ECLs include regional unemployment rates for all retail exposures and regional housing price indices for residential mortgages and home equity lines of credit. For business and government loans, the key macroeconomic variables include gross domestic product (GDP), unemployment rates, interest rates, and credit spreads. Refer to Note 3 of the Bank's 2023 Annual Consolidated Financial Statements for a discussion of how forward-looking information is generated and considered in determining whether there has been a significant increase in credit risk and in measuring ECLs.

Macroeconomic Variables

Select macroeconomic variables are projected over the forecast period. The following table sets out average values of the macroeconomic variables over the four calendar quarters starting with the current quarter, and the remaining 4-year forecast period for the base forecast and upside and downside scenarios used in determining the Bank's ECLs as at July 31, 2024. As the forecast period increases, information about the future becomes less readily available and projections are anchored on assumptions around structural relationships between economic parameters that are inherently much less certain. Restrictive monetary policy continues to contribute to elevated economic uncertainty, particularly in Canada where household debt levels remain elevated, and is likely to continue to weigh on near-term economic growth and lead to a further modest increase in the unemployment rate.

Macroeconomic Variables

						As at
						July 31, 2024
	Base Forecast		**Upside Scenario**		**Downside Scenario**	
	Average Q3 2024-Q2 2025[1]	**Remaining 4-year period**[1]	**Average Q3 2024-Q2 2025**[1]	**Remaining 4-year period**[1]	**Average Q3 2024-Q2 2025**[1]	**Remaining 4-year period**[1]
Unemployment rate						
Canada	6.6 %	6.0 %	5.7 %	5.6 %	7.6 %	7.3 %
United States	4.0	4.0	3.5	3.7	5.2	5.4
Real GDP						
Canada	1.4	1.9	1.9	2.1	(0.5)	2.2
United States	1.9	2.1	2.6	2.4	(0.4)	2.4
Home prices						
Canada (average existing price)[2]	3.5	3.3	5.4	3.7	(8.0)	3.6
United States (CoreLogic HPI)[3]	1.6	3.0	5.3	3.8	(9.2)	4.3
Central bank policy interest rate						
Canada	3.94	2.34	4.69	2.70	2.69	1.86
United States	5.06	3.09	5.44	3.50	3.38	2.48
U.S. 10-year treasury yield	4.11	3.47	4.66	3.82	3.86	3.41
U.S. 10-year BBB spread (%-pts)	1.75	1.80	1.54	1.75	2.40	2.09
Exchange rate (U.S. dollar/Canadian dollar)	$ 0.72	$ 0.75	$ 0.74	$ 0.76	$ 0.70	$ 0.71

[1] The numbers represent average values for the quoted periods, and average of year-on-year growth for real GDP and home prices.
[2] The average home price is the average transacted sale price of homes sold via the Multiple Listing Service; data is collected by the Canadian Real Estate Association.
[3] The CoreLogic home price index (HPI) is a repeat-sales index which tracks increases and decreases in the same home's sales price over time.

(f) SENSITIVITY OF ALLOWANCE FOR CREDIT LOSSES

ECLs are sensitive to the inputs used in internally developed models, the macroeconomic variables in the forward-looking forecasts and respective probability weightings in determining the probability-weighted ECLs, and other factors considered when applying expert credit judgment. Changes in these inputs, assumptions, models, and judgments would affect the assessment of significant increase in credit risk and the measurement of ECLs.

The following table presents the base ECL scenario compared to the probability-weighted ECLs, with the latter derived from three ECL scenarios for performing loans and off-balance sheet instruments. The difference reflects the impact of deriving multiple scenarios around the base ECLs and resultant change in ECLs due to non-linearity and sensitivity to using macroeconomic forecasts.

Change from Base to Probability-Weighted ECLs

(millions of Canadian dollars, except as noted)		*As at*
	July 31, 2024	October 31, 2023
Probability-weighted ECLs	**$ 7,556**	$ 7,149
Base ECLs	**7,146**	6,658
Difference – in amount	**$ 410**	$ 491
Difference – in percentage	**5.7 %**	7.4 %

ECLs for performing loans and off-balance sheet instruments consist of an aggregate amount of Stage 1 and Stage 2 probability-weighted ECLs which are twelve-month ECLs and lifetime ECLs, respectively. Transfers from Stage 1 to Stage 2 ECLs result from a significant increase in credit risk since initial recognition of the loan. The following table shows the estimated impact of staging on ECLs by presenting all performing loans and off-balance sheet instruments calculated using twelve-month ECLs compared to the current aggregate probability-weighted ECLs, holding all risk profiles constant.

Incremental Lifetime ECLs Impact

(millions of Canadian dollars)		*As at*
	July 31, 2024	October 31, 2023
Probability-weighted ECLs	**$ 7,556**	$ 7,149
All performing loans and off-balance sheet instruments using 12-month ECLs	**5,543**	5,295
Incremental lifetime ECLs impact	**$ 2,013**	$ 1,854

(g) FORECLOSED ASSETS

Foreclosed assets are repossessed non-financial assets where the Bank gains title, ownership, or possession of individual properties, such as real estate properties, which are managed for sale in an orderly manner with the proceeds used to reduce or repay any outstanding debt. The Bank does not generally occupy foreclosed properties for its business use. The Bank predominantly relies on third-party appraisals to determine the carrying value of foreclosed assets. Foreclosed assets held for sale were $72 million as at July 31, 2024 (October 31, 2023 – $59 million) and were recorded in Other assets on the Interim Consolidated Balance Sheet.

(h) LOANS PAST DUE BUT NOT IMPAIRED

A loan is classified as past due when a borrower has failed to make a payment by the contractual due date. The following table summarizes loans that are past due but not impaired. Loans less than 31 days contractually past due are excluded as they do not generally reflect a borrower's ability to meet their payment obligations.

Loans Past Due but not Impaired[1]

(millions of Canadian dollars)						*As at*
	July 31, 2024			October 31, 2023		
	31-60 days	**61-89 days**	**Total**	31-60 days	61-89 days	Total
Residential mortgages	**$ 349**	**$ 106**	**$ 455**	$ 286	$ 81	$ 367
Consumer instalment and other personal	**1,042**	**333**	**1,375**	870	287	1,157
Credit card	**368**	**252**	**620**	359	242	601
Business and government	**289**	**88**	**377**	264	103	367
Total	**$ 2,048**	**$ 779**	**$ 2,827**	$ 1,779	$ 713	$ 2,492

[1] Includes loans that are measured at FVOCI.

NOTE 7: INVESTMENT IN ASSOCIATES AND JOINT VENTURES

INVESTMENT IN THE CHARLES SCHWAB CORPORATION

The Bank has significant influence over The Charles Schwab Corporation ("Schwab") and the ability to participate in the financial and operating policy-making decisions of Schwab through a combination of the Bank's ownership, board representation and the insured deposit account ("IDA") agreement between the Bank and Schwab. As such, the Bank accounts for its investment in Schwab using the equity method. The Bank's share of Schwab's earnings available to common shareholders is reported with a one-month lag. The Bank takes into account changes in the one-month lag period that would significantly affect the results.

As at July 31, 2024, the Bank's reported investment in Schwab was approximately 12.3% (October 31, 2023 – 12.4%), consisting of 9.8% of the outstanding voting common shares and the remainder in non-voting common shares of Schwab with an aggregate fair value of $20 billion (US$15 billion) (October 31, 2023 – $16 billion (US$12 billion)) based on the closing price of US$65.19 (October 31, 2023 – US$52.04) on the New York Stock Exchange.

The Bank and Schwab are party to a stockholder agreement (the "Stockholder Agreement") under which the Bank has the right to designate two members of Schwab's Board of Directors and has representation on two Board Committees, subject to the Bank meeting certain conditions. The Bank's designated directors currently are the Bank's Group President and Chief Executive Officer and the Bank's former Chair of the Board. Under the Stockholder Agreement, the Bank is not permitted to own more than 9.9% voting common shares of Schwab, and the Bank is subject to customary standstill restrictions and subject to certain exceptions, transfer restrictions.

The carrying value of the Bank's investment in Schwab of $10.0 billion as at July 31, 2024 (October 31, 2023 – $8.9 billion) represents the Bank's share of Schwab's stockholders' equity, adjusted for goodwill, other intangibles, and cumulative translation adjustment. The Bank's share of net income from its investment in Schwab of $190 million and $525 million during the three and nine months ended July 31, 2024, respectively (three and nine months ended July 31, 2023 – $182 million and $708 million, respectively), reflects net income after adjustments for amortization of certain intangibles net of tax.

On August 21, 2024, the Bank announced that it had sold 40.5 million shares of common stock of Schwab. The shares are sold for proceeds of approximately $3.4 billion (US$2.5 billion). The share sale will reduce the Bank's ownership interest in Schwab from 12.3% to 10.1%. The Bank is expected to recognize approximately $1.0 billion (US$0.7 billion) as other income (net of $0.5 billion (US$0.4 billion) loss from AOCI reclassified to earnings), in the fourth quarter of fiscal 2024. The Bank will continue to account for its investment in Schwab using the equity method.

The following tables represent the gross amount of Schwab's total assets, liabilities, net revenues, net income available to common stockholders, other comprehensive income (loss), and comprehensive income (loss).

Summarized Financial Information

(millions of Canadian dollars)		*As at*
	June 30 2024	September 30 2023
Total assets	**$ 615,493**	$ 644,139
Total liabilities	**555,332**	592,923

(millions of Canadian dollars)	*For the three months ended*		*For the nine months ended*	
	June 30 2024	June 30 2023	**June 30 2024**	June 30 2023
Total net revenues	**$ 6,418**	$ 6,253	**$ 18,884**	$ 20,633
Total net income available to common stockholders	**1,657**	1,575	**4,605**	6,119
Total other comprehensive income (loss)	**876**	(54)	**5,195**	3,277
Total comprehensive income (loss)	**2,533**	1,521	**9,800**	9,396

Insured Deposit Account Agreement

On November 25, 2019, the Bank and Schwab signed an insured deposit account agreement (the "2019 Schwab IDA Agreement"), with an initial expiration date of July 1, 2031. Under the 2019 Schwab IDA Agreement, starting July 1, 2021, Schwab had the option to reduce the deposits by up to US$10 billion per year (subject to certain limitations and adjustments), with a floor of US$50 billion. In addition, Schwab requested some further operational flexibility to allow for the sweep deposit balances to fluctuate over time, under certain conditions and subject to certain limitations.

On May 4, 2023, the Bank and Schwab entered into an amended insured deposit account agreement (the "2023 Schwab IDA Agreement" or the "Schwab IDA Agreement"), which replaced the 2019 Schwab IDA Agreement. Pursuant to the 2023 Schwab IDA Agreement, the Bank continues to make sweep deposit accounts available to clients of Schwab. Schwab designates a portion of the deposits with the Bank as fixed-rate obligation amounts (FROA). Remaining deposits over FROA are designated as floating-rate obligations. In comparison to the 2019 Schwab IDA Agreement, the 2023 Schwab IDA Agreement extends the initial expiration date by three years to July 1, 2034 and provides for lower deposit balances in its first six years, followed by higher balances in the later years. Specifically, until September 2025, the aggregate FROA will serve as the floor. Thereafter, the floor will be set at US$60 billion. In addition, Schwab has the option to buy down up to $6.8 billion (US$5 billion) of FROA by paying the Bank certain fees in accordance with the 2023 Schwab IDA Agreement, subject to certain limits. Refer to Note 27 of the Bank's 2023 Annual Consolidated Financial Statements for further details on the Schwab IDA Agreement.

During the first quarter of 2024, Schwab exercised its option to buy down the remaining $0.7 billion (US$0.5 billion) of the US$5 billion FROA buydown allowance and paid $32 million (US$23 million) in termination fees to the Bank in accordance with the 2023 Schwab IDA Agreement. By the end of the first quarter of 2024, Schwab had completed its buy down of the full US$5 billion FROA buydown allowance and had paid a total of $337 million (US$250 million) in termination fees to the Bank. The fees were intended to compensate the Bank for losses incurred from discontinuing certain hedging relationships and for lost revenues. The net impact was recorded in net interest income.

NOTE 8: SIGNIFICANT TRANSACTION

Acquisition of Cowen Inc.

On March 1, 2023, the Bank completed the acquisition of Cowen Inc. ("Cowen"). The acquisition advances the Wholesale Banking segment's long-term growth strategy in the U.S. and adds complementary products and services to the Bank's existing businesses. The results of the acquired business have been consolidated by the Bank from the closing date and primarily reported in the Wholesale Banking segment. Consideration included $1,500 million (US$1,100 million) in cash for 100% of Cowen's common shares outstanding, $253 million (US$186 million) for the settlement of Cowen's Series A Preferred Stock, and $205 million (US$151 million) related to the replacement of share-based payment awards.

The acquisition was accounted for as a business combination under the purchase method. The acquisition contributed $10,793 million (US$7,928 million) of assets and $10,005 million (US$7,351 million) of liabilities. The excess of accounting consideration over the fair value of the tangible net assets acquired was allocated to intangible assets of $298 million (US$219 million) net of taxes, and goodwill of $872 million (US$641 million). Goodwill is not deductible for tax purposes.

The Bank plans to dispose of certain non-core businesses that were acquired in connection with the Cowen acquisition. These non-core businesses are disposal groups which meet the criteria to be classified as held for sale and are measured at the lower of their carrying amount and fair value less costs to sell. The assets and liabilities of these disposal groups are recorded in Other assets and Other liabilities, respectively, on the Interim Consolidated Balance Sheet. During the three months ended January 31, 2024, the Bank disposed of Cowen's legacy prime brokerage and outsourced trading business that was classified as held for sale. As at July 31, 2024, assets of $760 million (October 31, 2023 – $1,958 million) and liabilities of $331 million (October 31, 2023 – $1,291 million) were classified as held for sale.

NOTE 9: OTHER ASSETS

Other Assets

(millions of Canadian dollars)				*As at*
		July 31 2024		October 31 2023
Accounts receivable and other items[1]	**$**	**12,595**	$	13,893
Accrued interest		**5,649**		5,504
Cheques and other items in transit		**490**		–
Current income tax receivable		**4,152**		4,814
Defined benefit asset		**1,258**		1,254
Prepaid expenses[2]		**1,794**		1,462
Reinsurance contract assets		**749**		702
Total[2]	**$**	**26,687**	$	27,629

[1] Includes assets related to disposal groups classified as held for sale in connection with the Cowen acquisition. Refer to Note 8 for further details.
[2] Balances as at October 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.

NOTE 10: DEPOSITS

Demand deposits are those for which the Bank does not have the right to require notice prior to withdrawal, which primarily include business and government chequing accounts. Notice deposits are those for which the Bank can legally require notice prior to withdrawal, which include both savings and chequing accounts. Term deposits are payable on a given date of maturity and are purchased by customers to earn interest over a fixed period, with terms ranging from one day to ten years and generally include fixed term deposits, guaranteed investment certificates, senior debt, and similar instruments. The aggregate amount of term deposits in denominations of $100,000 or more as at July 31, 2024, was $525 billion (October 31, 2023 – $512 billion).

Deposits

(millions of Canadian dollars)								*As at*
			By Type			**By Country**	**July 31 2024**	October 31 2023
	Demand	**Notice**	**Term[1]**	**Canada**	**United States**	**International**	**Total**	Total
Personal	**$ 17,764**	**$ 472,931**	**$ 139,954**	**$ 335,355**	**$ 295,294**	**$ –**	**$ 630,649**	$ 626,596
Banks	**11,779**	**390**	**24,070**	**20,437**	**13,941**	**1,861**	**36,239**	31,225
Business and government[2]	**144,476**	**191,072**	**218,114**	**390,637**	**158,503**	**4,522**	**553,662**	540,369
	174,019	**664,393**	**382,138**	**746,429**	**467,738**	**6,383**	**1,220,550**	1,198,190
Trading	**–**	**–**	**32,021**	**24,359**	**3,493**	**4,169**	**32,021**	30,980
Designated at fair value through profit or loss[3]	**–**	**–**	**195,924**	**55,418**	**68,857**	**71,649**	**195,924**	191,988
Total	**$ 174,019**	**$ 664,393**	**$ 610,083**	**$ 826,206**	**$ 540,088**	**$ 82,201**	**$ 1,448,495**	$ 1,421,158
Non-interest-bearing deposits included above[4]								
Canada							**$ 57,056**	$ 61,581
United States							**73,121**	76,376
International							**–**	23
Interest-bearing deposits included above[4]								
Canada							**769,150**	712,283
United States[5]							**466,967**	482,247
International							**82,201**	88,648
Total[2,6]							**$ 1,448,495**	$ 1,421,158

[1] Includes $100.9 billion (October 31, 2023 – $103.3 billion) of senior debt which is subject to the bank recapitalization "bail-in" regime. This regime provides certain statutory powers to the Canada Deposit Insurance Corporation, including the ability to convert specified eligible shares and liabilities into common shares in the event that the Bank becomes non-viable.
[2] Includes $68.2 billion relating to covered bondholders (October 31, 2023 – $54.0 billion).
[3] Financial liabilities designated at FVTPL on the Consolidated Balance Sheet also includes $153.6 million (October 31, 2023 – $142.3 million) of loan commitments and financial guarantees designated at FVTPL.
[4] The geographical splits of the deposits are based on the point of origin of the deposits.
[5] Includes $6.6 billion (October 31, 2023 – $13.9 billion) of U.S. federal funds deposited and $13.8 billion (October 31, 2023 – $9.0 billion) of deposits and advances with the FHLB.
[6] Includes deposits of $775.3 billion (October 31, 2023 – $779.9 billion) denominated in U.S. dollars and $126.9 billion (October 31, 2023 – $115.0 billion) denominated in other foreign currencies.

NOTE 11: OTHER LIABILITIES

Other Liabilities

(millions of Canadian dollars)		*As at*
	July 31 2024	October 31 2023
Accounts payable, accrued expenses, and other items[1,2]	**$ 7,317**	$ 8,314
Accrued interest	**5,257**	4,421
Accrued salaries and employee benefits	**4,833**	4,993
Cheques and other items in transit[2]	**–**	2,245
Current income tax payable	**454**	162
Deferred tax liabilities	**258**	204
Defined benefit liability	**1,340**	1,244
Lease liabilities	**5,057**	5,050
Liabilities related to structured entities	**20,499**	17,520
Provisions **(Note 19)**	**6,365**	3,421
Total[2]	**$ 51,380**	$ 47,574

[1] Includes liabilities related to disposal groups classified as held for sale in connection with the Cowen acquisition. Refer to Note 8 for further details.
[2] Balances as at October 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.

NOTE 12: SUBORDINATED NOTES AND DEBENTURES

Issues

On April 9, 2024, the Bank issued $1.75 billion of non-viability contingent capital (NVCC) medium-term notes constituting subordinated indebtedness of the Bank (the “Notes”), maturing on April 9, 2034. The Notes will bear interest at a fixed rate of 5.177% per annum (paid semi-annually) until April 9, 2029, and at Daily Compounded Canadian Overnight Repo Rate Average plus 1.53% thereafter (paid quarterly) until maturity on April 9, 2034. With the prior approval of OSFI, the Bank may, at its option, redeem the Notes on or after April 9, 2029, in whole or in part, at par plus accrued and unpaid interest by giving not more than 60 nor less than 10 days’ notice to holders.

Redemptions

On July 25, 2024, the Bank redeemed all of its outstanding $1.5 billion 3.224% medium term notes due July 25, 2029 NVCC constituting subordinated indebtedness of the Bank, at a redemption price of 100 per cent of the principal amount, plus accrued and unpaid interest to, but excluding, July 25, 2024.

NOTE 13: EQUITY

The following table summarizes the changes to the shares and other equity instruments issued and outstanding, and treasury instruments held as at and for the three and nine months ended July 31, 2024 and July 31, 2023.

Shares and Other Equity Instruments Issued and Outstanding and Treasury Instruments Held

(millions of shares or other equity instruments and millions of Canadian dollars)	*For the three months ended*				*For the nine months ended*			
	July 31, 2024		July 31, 2023		**July 31, 2024**		July 31, 2023	
	Number of shares	**Amount**	Number of shares	Amount	**Number of shares**	**Amount**	Number of shares	Amount
Common Shares								
Balance as at beginning of period	**1,759.6**	**$ 25,257**	1,839.6	$ 25,852	**1,791.4**	**$ 25,434**	1,821.7	$ 24,363
Proceeds from shares issued on exercise of stock options	**0.4**	**26**	0.1	6	**1.4**	**92**	1.2	77
Shares issued as a result of dividend reinvestment plan	**1.6**	**129**	2.1	175	**4.9**	**398**	18.9	1,593
Purchase of shares for cancellation and other	**(13.3)**	**(190)**	(14.3)	(200)	**(49.4)**	**(702)**	(14.3)	(200)
Balance as at end of period – common shares	**1,748.3**	**$ 25,222**	1,827.5	$ 25,833	**1,748.3**	**$ 25,222**	1,827.5	$ 25,833
Preferred Shares and Other Equity Instruments								
Preferred Shares – Class A								
Balance as at beginning of period	**129.6**	**$ 4,850**	159.6	$ 5,600	**143.6**	**$ 5,200**	159.6	$ 5,600
Redemption of shares[1,2,3]	**(38.0)**	**(950)**	–	–	**(52.0)**	**(1,300)**	–	–
Balance as at end of period	**91.6**	**$ 3,900**	159.6	$ 5,600	**91.6**	**$ 3,900**	159.6	$ 5,600
Other Equity Instruments[4]								
Balance as at beginning of period	**5.0**	**$ 5,653**	5.0	$ 5,653	**5.0**	**$ 5,653**	5.0	$ 5,653
Issue of limited recourse capital notes[5]	**0.7**	**1,023**	–	–	**0.7**	**1,023**	–	–
Issue of perpetual subordinated capital notes[6]	**0.1**	**312**	–	–	**0.1**	**312**	–	–
Balance as at end of period	**5.8**	**6,988**	5.0	5,653	**5.8**	**6,988**	5.0	5,653
Balance as at end of period – preferred shares and other equity instruments	**97.4**	**$ 10,888**	164.6	$ 11,253	**97.4**	**$ 10,888**	164.6	$ 11,253
Treasury – common shares[7]								
Balance as at beginning of period	**0.3**	**$ (24)**	1.1	$ (99)	**0.7**	**$ (64)**	1.0	$ (91)
Purchase of shares	**35.7**	**(2,745)**	24.3	(1,965)	**99.9**	**(7,995)**	71.2	(6,016)
Sale of shares	**(35.6)**	**2,734**	(25.4)	2,064	**(100.2)**	**8,024**	(72.2)	6,107
Balance as at end of period – treasury – common shares	**0.4**	**$ (35)**	–	$ –	**0.4**	**$ (35)**	–	$ –
Treasury – preferred shares and other equity instruments[7]								
Balance as at beginning of period	**0.1**	**$ (8)**	0.1	$ (10)	**0.1**	**$ (65)**	0.1	$ (7)
Purchase of shares and other equity instruments	**2.7**	**(147)**	0.7	(46)	**5.9**	**(398)**	2.7	(372)
Sale of shares and other equity instruments	**(2.3)**	**138**	(0.7)	45	**(5.5)**	**446**	(2.7)	368
Balance as at end of period – treasury – preferred shares and other equity instruments	**0.5**	**$ (17)**	0.1	$ (11)	**0.5**	**$ (17)**	0.1	$ (11)

1 On April 30, 2024, the Bank redeemed all of its 14 million outstanding Non-Cumulative 5-Year Rate Reset Class A First Preferred Shares NVCC, Series 22 (“Series 22 Preferred Shares”), at a redemption price of $25.00 per Series 22 Preferred Share, for a total redemption cost of $350 million.

2 On July 31, 2024, the Bank redeemed all of its 20 million outstanding Non-Cumulative 5-Year Rate Reset Class A First Preferred Shares NVCC, Series 3 (“Series 3 Preferred Shares”), at a redemption price of $25.00 per Series 3 Preferred Share, for a total redemption cost of approximately $500 million.

3 On July 31, 2024, the Bank redeemed all of its 18 million outstanding Non-Cumulative 5-Year Rate Reset Class A First Preferred Shares NVCC, Series 24 (“Series 24 Preferred Shares”), at a redemption price of $25.00 per Series 24 Preferred Share, for a total redemption cost of approximately $450 million.

4 For Limited Recourse Capital Notes, the number of shares represents the number of notes issued.

5 On July 3, 2024, the Bank issued US$750 million 7.250% Fixed Rate Reset Limited Recourse Capital Notes, Series 4 NVCC (the “LRCNs”). The LRCNs will bear interest at a rate of 7.250 per cent annually, payable quarterly, for the initial period ending on, but excluding, July 31, 2029. Thereafter, the interest rate on the LRCNs will reset every five years at a rate equal to the prevailing U.S. Treasury Rate plus 2.977 per cent. The LRCNs will mature on July 31, 2084. Concurrently with the issuance of the LRCNs, the Bank will issue 750,000 Non-Cumulative 7.250% Fixed Rate Reset Preferred Shares, Series 31 NVCC (“Preferred Shares Series 31”). The Preferred Shares Series 31 are eliminated on the Bank’s consolidated financial statements. For LRCNs – Series 4, the amount represents the Canadian dollar equivalent of the U.S. dollar notional amount.

6 On July 10, 2024, the Bank issued SGD 310 million of Fixed Rate Reset Perpetual Subordinated Additional Tier 1 Capital Notes, Series 2023-9 NVCC (the “AT1 Perpetual Notes”). The AT1 Perpetual Notes will bear interest at a rate of 5.700 per cent annually, payable semi-annually, for the initial period ending on, but excluding, July 31, 2029. Thereafter, the interest rate on the AT1 Perpetual Notes will reset every five years at a rate equal to the prevailing 5-year SORA-OIS Rate plus 2.652 per cent. The AT1 Perpetual Notes have no scheduled maturity or redemption date. With the prior written approval of OSFI, the Bank may redeem the AT1 Perpetual Notes on July 31, 2029 and every January 31st and July 31st thereafter, in whole or in part, on not less than 10 nor more than 60 days’ prior notice to holders. For AT1 Perpetual Notes, the amount represents the Canadian dollar equivalent of the Singapore dollar notional amount.

7 When the Bank purchases its own equity instruments as part of its trading business, they are classified as treasury instruments and the cost of these instruments is recorded as a reduction in equity.

DIVIDENDS

On August 21, 2024, the Board approved a dividend in an amount of one dollar and two cents ($1.02) per fully paid common share in the capital stock of the Bank for the quarter ending October 31, 2024, payable on and after October 31, 2024, to shareholders of record at the close of business on October 10, 2024.

DIVIDEND REINVESTMENT PLAN

The Bank offers a dividend reinvestment plan for its common shareholders. Participation in the plan is optional and under the terms of the plan, cash dividends on common shares are used to purchase additional common shares. At the option of the Bank, the common shares may be issued from treasury at an average market price based on the last five trading days before the date of the dividend payment, with a discount of between 0% to 5% at the Bank's discretion or purchased from the open market at market price.

During the three and nine months ended July 31, 2024, the Bank issued 1.6 million and 4.9 million common shares, respectively, from treasury with no discount. During the three months ended July 31, 2023, the Bank issued 2.0 million common shares from treasury with no discount. During the nine months ended July 31, 2023, the Bank issued 2.0 million common shares from treasury with no discount and 16.8 million common shares with a 2% discount.

NORMAL COURSE ISSUER BID

On August 28, 2023, the Bank announced that the Toronto Stock Exchange and OSFI approved a normal course issuer bid (NCIB) to repurchase for cancellation up to 90 million of its common shares. The NCIB commenced on August 31, 2023, and during the three months ended July 31, 2024, the Bank repurchased 13.3 million common shares under the NCIB at an average price of $76.68 per share for a total amount of $1.0 billion. During the nine months ended July 31, 2024, the Bank repurchased 49.4 million common shares under the NCIB, at an average price of $80.15 per share for a total amount of $4.0 billion. From the commencement of the NCIB to July 31, 2024, the Bank repurchased 71.4 million shares under the program.

NOTE 14: INSURANCE

(a) INSURANCE SERVICE RESULT

Insurance revenue and expenses are presented on the Interim Consolidated Statement of Income under Insurance revenue and Insurance service expenses, respectively. Net income or expense from reinsurance is presented in other income (loss). The following table presents components of the insurance service result presented on the Interim Consolidated Statement of Income for the Bank which includes the results of property and casualty insurance, life and health insurance, as well as reinsurance issued and held in Canada and internationally.

Insurance Service Result

(millions of Canadian dollars)	*For the three months ended*		*For the nine months ended*	
	July 31, 2024	July 31, 2023	**July 31, 2024**	July 31, 2023
Insurance revenue	**$ 1,782**	$ 1,611	**$ 5,123**	$ 4,667
Insurance service expenses	**1,669**	1,386	**4,283**	3,668
Insurance service result before reinsurance contracts held	**113**	225	**840**	999
Net income (expense) from reinsurance contracts held	**6**	(24)	**(13)**	(108)
Insurance service result	**$ 119**	$ 201	**$ 827**	$ 891

For the three and nine months ended July 31, 2024, the Bank recognized insurance finance expenses (income) of $130 million and $310 million, respectively (three and nine months ended July 31, 2023 – ($18) million and $166 million, respectively), from insurance and reinsurance contracts in other income (loss). The Bank's investment return on securities supporting insurance contracts is comprised of interest income reported in net interest income and fair value changes reported in other income (loss). Investment return (loss) on securities supporting insurance contracts was $117 million and $283 million, respectively, for the three and nine months ended July 31, 2024 (three and nine months ended July 31, 2023 – ($24) million and $182 million, respectively).

(b) INSURANCE CONTRACT LIABILITIES

Insurance contract liabilities are comprised of amounts related to the LRC, LIC and other insurance liabilities.

The following table presents LRC and LIC balances for property and casualty insurance contracts.

Property and casualty insurance contract liabilities by LRC and LIC

(millions of Canadian dollars)										*As at*
	July 31, 2024					July 31, 2023				
	Liability for remaining coverage		**Liability for incurred claims**		**Total**	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment**		Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
Balance at beginning of period										
Insurance contract liabilities	**$ 630**	**$ 129**	**$ 4,740**	**$ 220**	**$ 5,719**	$ 623	$ 113	$ 4,700	$ 208	$ 5,644
Balance at end of period										
Insurance contract liabilities	**$ 699**	**$ 144**	**$ 5,124**	**$ 234**	**$ 6,201**	$ 577	$ 144	$ 4,692	$ 205	$ 5,618

For property and casualty contracts, during the three and nine months ended July 31, 2024, the Bank recognized insurance revenue of $1,416 million and $4,047 million, respectively (three and nine months ended July 31, 2023 – $1,258 million and $3,616 million, respectively), insurance service expenses of $1,444 million and $3,648 million, respectively (three and nine months ended July 31, 2023 – $1,205 million and $3,108 million, respectively), and insurance finance expenses of $141 million and $339 million, respectively (insurance finance expenses (income) during the three and nine months ended July 31, 2023 – ($21) million and $179 million, respectively).

Other insurance liabilities were $142 million as at July 31, 2024 (October 31, 2023 – $127 million) and include life and health insurance contract liabilities of $122 million (October 31, 2023 – $124 million).

***(c)* RISK ADJUSTMENT FOR NON-FINANCIAL RISK AND DISCOUNTING**

The risk adjustment reflects an amount that an insurer would rationally pay to remove the uncertainty that future cash flows will exceed the expected value amount. The Bank has estimated the risk adjustment for its property and casualty operations' LIC using statistical techniques in accordance with Canadian accepted actuarial principles to develop potential future observations and a confidence level of 90th percentile.

Insurance contract liabilities are calculated by discounting expected future cash flows. The interest rates used to discount the Bank's insurance balances over a duration of 1 to 10 years range from 4.7% to 4.2% as at July 31, 2024 (October 31, 2023 – 5.7% to 5.5%).

NOTE 15: SHARE-BASED COMPENSATION

For the three and nine months ended July 31, 2024, the Bank recognized compensation expense for stock option awards of $7.8 million and $28.3 million, respectively (three and nine months ended July 31, 2023 – $7.0 million and $28.9 million, respectively). During the three months ended July 31, 2024 and July 31, 2023, nil stock options were granted by the Bank. During the nine months ended July 31, 2024, 2.5 million (nine months ended July 31, 2023 – 2.5 million) stock options were granted by the Bank at a weighted-average fair value of $14.36 per option (July 31, 2023 – $14.70 per option).

The following table summarizes the assumptions used for estimating the fair value of options for the nine months ended July 31, 2024 and July 31, 2023.

Assumptions Used for Estimating the Fair Value of Options

(in Canadian dollars, except as noted)	*For the nine months ended*	
	July 31 2024	July 31 2023
Risk-free interest rate	**3.41 %**	2.87 %
Option contractual life	**10 years**	10 years
Expected volatility	**18.92 %**	18.43 %
Expected dividend yield	**3.78 %**	3.69 %
Exercise price/share price	**$ 81.78**	$ 90.55

The risk-free interest rate is based on Government of Canada benchmark bond yields as at the grant date. Expected volatility is calculated based on the historical average daily volatility and expected dividend yield is based on dividend payouts in the last fiscal year. These assumptions are measured over a period corresponding to the option contractual life.

NOTE 16: EMPLOYEE BENEFITS

The following table summarizes expenses for the Bank's principal pension and non-pension post-retirement defined benefit plans and the Bank's other material defined benefit pension plans, for the three and nine months ended July 31, 2024 and July 31, 2023. Other employee defined benefit plans operated by the Bank and certain of its subsidiaries are not considered material for disclosure purposes.

Defined Benefit Plan Expenses

(millions of Canadian dollars)	**Principal pension plans**		**Principal post-retirement benefit plan**		**Other pension plans**[1]	
					For the three months ended	
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023	**July 31 2024**	July 31 2023
Service cost – benefits earned	**$ 54**	$ 62	**$ 2**	$ 2	**$ 4**	$ 5
Net interest cost (income) on net defined benefit liability (asset)	**(21)**	(25)	**5**	5	**7**	6
Interest cost on asset limitation and minimum funding requirement	**2**	5	**–**	–	**–**	–
Past service cost[2]	**–**	–	**–**	–	**–**	–
Defined benefit administrative expenses	**3**	2	**–**	–	**1**	1
Total	**$ 38**	$ 44	**$ 7**	$ 7	**$ 12**	$ 12
					For the nine months ended	
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023	**July 31 2024**	July 31 2023
Service cost – benefits earned	**$ 162**	$ 186	**$ 4**	$ 4	**$ 12**	$ 13
Net interest cost (income) on net defined benefit liability (asset)	**(62)**	(75)	**15**	15	**19**	17
Interest cost on asset limitation and minimum funding requirement	**8**	15	**–**	–	**2**	2
Past service cost[2]	**35**	–	**–**	–	**–**	–
Defined benefit administrative expenses	**7**	7	**–**	–	**3**	4
Total	**$ 150**	$ 133	**$ 19**	$ 19	**$ 36**	$ 36

[1] Includes Canada Trust defined benefit pension plan, TD Banknorth defined benefit pension plan, TD Auto Finance defined benefit pension plan, TD Insurance defined benefit pension plan, and supplemental executive defined benefit pension plans.

[2] Relates to the Pension Fund Society that was modified in the prior quarter.

The following table summarizes expenses for the Bank's defined contribution plans for the three and nine months ended July 31, 2024 and July 31, 2023.

Defined Contribution Plan Expenses

(millions of Canadian dollars)	*For the three months ended*		*For the nine months ended*	
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023
Defined contribution pension plans[1]	**$ 81**	$ 62	**$ 239**	$ 188
Government pension plans[2]	**118**	110	**447**	404
Total	**$ 199**	$ 172	**$ 686**	$ 592

[1] Includes defined contribution portion of the TD Pension Plan (Canada) and TD Bank, N.A. defined contribution 401(k) plan.
[2] Includes Canada Pension Plan, Quebec Pension Plan, and Social Security under the U.S. *Federal Insurance Contributions Act*.

The following table summarizes the remeasurements recognized in OCI for the Bank's principal pension and post-retirement defined benefit plans and certain of the Bank's other material defined benefit pension plans, for the three and nine months ended July 31, 2024 and July 31, 2023.

Amounts Recognized in Other Comprehensive Income for Remeasurement of Defined Benefit Plans[1,2,3]

(millions of Canadian dollars)	**Principal pension plans**		**Principal post-retirement benefit plan**		**Other pension plans**	
						For the three months ended
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023	**July 31 2024**	July 31 2023
Remeasurement gain/(loss) – financial	**$ (314)**	$ 253	**$ (15)**	$ 13	**$ (18)**	$ –
Remeasurement gain/(loss) – return on plan assets less interest income	**704**	(412)	**–**	–	**–**	–
Change in asset limitation and minimum funding requirement	**(34)**	11	**–**	–	**–**	–
Total	**$ 356**	$ (148)	**$ (15)**	$ 13	**$ (18)**	$ –
						For the nine months ended
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023	**July 31 2024**	July 31 2023
Remeasurement gain/(loss) – financial	**$ (999)**	$ (276)	**$ (38)**	$ (14)	**$ (43)**	$ –
Remeasurement gain/(loss) – return on plan assets less interest income	**980**	12	**–**	–	**–**	–
Change in asset limitation and minimum funding requirement	**166**	190	**–**	–	**–**	–
Total	**$ 147**	$ (74)	**$ (38)**	$ (14)	**$ (43)**	$ –

[1] Excludes the Canada Trust defined benefit pension plan, TD Banknorth defined benefit pension plan, TD Auto Finance defined benefit pension plan, TD Insurance defined benefit pension plan, and other employee defined benefit plans operated by the Bank and certain of its subsidiaries not considered material for disclosure purposes as these plans are not remeasured on a quarterly basis.
[2] Changes in discount rates and return on plan assets are reviewed and updated on a quarterly basis. All other assumptions are updated annually.
[3] Amounts are presented on a pre-tax basis.

NOTE 17: INCOME TAXES

International Tax Reform – Pillar Two Global Minimum Tax

The OECD published Pillar Two model rules as part of its efforts toward international tax reform. The Pillar Two model rules provide for the implementation of a 15% global minimum tax for large multinational enterprises, which is to be applied on a jurisdiction-by-jurisdiction basis. Pillar Two legislation was enacted in Canada on June 20, 2024 under Bill C-69, which includes the *Global Minimum Tax Act* addressing the Pillar Two model rules. The rules will be effective for the Bank for the fiscal year beginning on November 1, 2024. Similar legislation has also passed in other jurisdictions in which the Bank operates. The Bank is currently assessing the impact of the new legislation.

Other Tax Matters

The Canada Revenue Agency (CRA), Revenu Québec Agency (RQA) and Alberta Tax and Revenue Administration (ATRA) are denying certain dividend and interest deductions claimed by the Bank. As at July 31, 2024, the CRA has reassessed the Bank for $1,661 million for the years 2011 to 2018, the RQA has reassessed the Bank for $52 million for the years 2011 to 2018, and the ATRA has reassessed the Bank for $71 million for the years 2011 to 2018. In total, the Bank has been reassessed for $1,784 million of income tax and interest. The Bank expects to continue to be reassessed for open years. The Bank is of the view that its tax filing positions were appropriate and filed a Notice of Appeal with the Tax Court of Canada on March 21, 2023.

NOTE 18: EARNINGS PER SHARE

Basic earnings per share is calculated by dividing net income attributable to common shareholders by the weighted-average number of common shares outstanding for the period.

Diluted earnings per share is calculated using the same method as basic earnings per share except that certain adjustments are made to net income attributable to common shareholders and the weighted-average number of shares outstanding for the effects of all dilutive potential common shares that are assumed to be issued by the Bank.

The following table presents the Bank's basic and diluted earnings per share for the three and nine months ended July 31, 2024 and July 31, 2023.

Basic and Diluted Earnings Per Share[1]

(millions of Canadian dollars, except as noted)	*For the three months ended*		*For the nine months ended*	
	July 31 2024	July 31 2023	**July 31 2024**	July 31 2023
Basic earnings (loss) per share				
Net income (loss) attributable to common shareholders	**$ (250)**	$ 2,807	**$ 4,874**	$ 7,401
Weighted-average number of common shares outstanding (millions)	**1,747.8**	1,834.8	**1,762.4**	1,827.9
Basic earnings (loss) per share (Canadian dollars)	**$ (0.14)**	$ 1.53	**$ 2.77**	$ 4.05
Diluted earnings (loss) per share				
Net income (loss) attributable to common shareholders	**$ (250)**	$ 2,807	**$ 4,874**	$ 7,401
Net income (loss) attributable to common shareholders including impact of dilutive securities	**(250)**	2,807	**4,874**	7,401
Weighted-average number of common shares outstanding (millions)	**1,747.8**	1,834.8	**1,762.4**	1,827.9
Effect of dilutive securities				
Stock options potentially exercisable (millions)[2]	**0.8**	1.5	**1.2**	2.0
Weighted-average number of common shares outstanding – diluted (millions)	**1,748.6**	1,836.3	**1,763.6**	1,829.9
Diluted earnings (loss) per share (Canadian dollars)[2]	**$ (0.14)**	$ 1.53	**$ 2.76**	$ 4.04

[1] Amounts for the three and nine months ended July 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.

[2] For the three and nine months ended July 31, 2024, the computation of diluted earnings per share excluded average options outstanding of 7.2 million and 6.8 million, respectively, with a weighted-average exercise price of $89.16 and $89.69, respectively, as the option price was greater than the average market price of the Bank's common shares. For the three and nine months ended July 31, 2023, the computation of diluted earnings per share excluded average options outstanding of 4.9 million and 4.4 million, respectively, with a weighted-average exercise price of $92.89 and $93.16, respectively, as the option price was greater than the average market price of the Bank's common shares.

NOTE 19: PROVISIONS AND CONTINGENT LIABILITIES

Other than as described below, there have been no new significant events or transactions except as previously identified in Note 26 of the Bank's 2023 Annual Consolidated Financial Statements.

(a) RESTRUCTURING

The Bank continued to undertake certain measures in the third quarter of 2024 to reduce its cost base and achieve greater efficiency. In connection with these measures, the Bank incurred $110 million and $566 million of restructuring charges during the three and nine months ended July 31, 2024, respectively. The restructuring costs primarily relate to: (i) employee severance and other personnel-related costs recorded as provisions and (ii) real estate optimization mainly recorded as a reduction to buildings. The restructuring program has concluded.

(b) LEGAL AND REGULATORY MATTERS

Other than as described below, there have been no new significant legal and regulatory matters, and no significant developments to the matters previously identified in Note 26 of the Bank's 2023 Annual Consolidated Financial Statements.

In the ordinary course of business, the Bank and its subsidiaries are involved in various legal and regulatory actions, including but not limited to civil claims and lawsuits, regulatory examinations, investigations, audits, and requests for information by governmental, regulatory and self-regulatory agencies and law enforcement authorities in various jurisdictions, in respect of our businesses and compliance programs. The Bank establishes provisions when it becomes probable that the Bank will incur a loss and the amount can be reliably estimated. The Bank also estimates the aggregate range of reasonably possible losses (RPL) in its legal and regulatory actions (that is, those which are neither probable nor remote), in excess of provisions. As at July 31, 2024, the Bank's RPL is from zero to approximately $1.33 billion (October 31, 2023 – from zero to approximately $1.44 billion). The Bank's provisions and RPL represent the Bank's best estimates based upon currently available information for actions for which estimates can be made, but there are a number of factors that could cause the Bank's provisions and/or RPL to be significantly different from its actual or RPL. For example, the Bank's estimates involve significant judgment due to the varying stages of the proceedings, the existence of multiple defendants in many proceedings whose share of liability has yet to be determined, the numerous yet-unresolved issues in many of the proceedings, some of which are beyond the Bank's control and/or involve novel legal theories and interpretations, the attendant uncertainty of the various potential outcomes of such proceedings, and the fact that the underlying matters will change from time to time. In addition, some actions seek very large or indeterminate damages.

In connection with the civil and criminal investigations into the Bank's U.S. *Bank Secrecy Act* (BSA)/anti-money laundering (AML) program by its U.S. prudential regulators, the Financial Crimes Enforcement Network (FinCEN) and the U.S. Department of Justice (DOJ), and in anticipation of a global resolution, which will include monetary and non-monetary penalties, the Bank has taken a further provision of $3.57 billion (US$2.60 billion) to reflect the Bank's current estimate of the total fines related to these matters. In the second quarter of 2024, the Bank took an initial provision of $615 million (US$450 million) in connection with its discussions with one of its U.S. regulators related to this matter. The Bank expects that a global resolution will be finalized by calendar year end.

The Bank has been named as a defendant in four overlapping proposed class action lawsuits purporting to be brought on behalf of shareholders alleging that its disclosure with respect to its U.S. AML program has been misleading. None of these proposed class actions have been certified or granted leave to proceed by the court, and losses or damages cannot be estimated at this time.

The Bank and certain of its subsidiaries have resolved the investigations by the Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC) concerning compliance with records preservation requirements relating to business communications exchanged on unapproved electronic channels. The Bank and its subsidiaries in the aggregate paid penalties totaling US$124.5 million, for which the Bank is fully provisioned, and agreed to various other customary terms similar to those imposed on other financial institutions that have resolved similar investigations.

On May 31, 2024, the claims against the Bank were dismissed with prejudice in *Rotstain v. Trustmark National Bank, et al*. On June 3, 2024, the United States Supreme Court denied R. Allen Stanford's request for rehearing regarding the denial of his petition for a writ of certiorari in which he challenged the settlement in this action. This brings to a close the Stanford litigation in the United States.

In the second quarter of 2024, the Bank and certain of its subsidiaries reached a settlement in principle relating to a civil matter, pursuant to which the Bank recorded a provision of $274 million.

In management's opinion, based on its current knowledge and after consultation with counsel, the ultimate disposition of these actions, individually or in the aggregate, will not have a material adverse effect on the consolidated financial condition or the consolidated cash flows of the Bank. However, because of the factors listed above, as well as other uncertainties inherent in litigation and regulatory matters, there is a possibility that the ultimate resolution of legal or regulatory actions may be material to the Bank's consolidated results of operations for any particular reporting period.

NOTE 20: SEGMENTED INFORMATION

For management reporting purposes, the Bank reports its results from business operations and activities under four key business segments: Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, and Wholesale Banking. The Bank's other activities are grouped into the Corporate segment.

Canadian Personal and Commercial Banking provides financial products and services to personal, small business and commercial customers, and includes TD Auto Finance Canada. U.S. Retail is comprised of personal and business banking in the U.S., TD Auto Finance U.S., the U.S. wealth business, as well as the Bank's equity investment in Schwab. Wealth Management and Insurance includes the Canadian wealth business which provides investment products and services to institutional and retail investors, and the insurance business which provides property and casualty insurance, as well as life and health insurance products to customers across Canada. Effective the first quarter of 2024, certain asset management businesses which were previously reported in the U.S. Retail segment are now reported in the Wealth Management and Insurance segment. Comparative period information has been adjusted to reflect the new alignment. Wholesale Banking provides a wide range of capital markets, investment banking, and corporate banking products and services, including underwriting and distribution of new debt and equity issues, providing advice on strategic acquisitions and divestitures, and meeting the daily trading, funding, and investment needs of the Bank's clients. The Corporate segment includes the effects of certain asset securitization programs, treasury management, elimination of taxable equivalent adjustments and other management reclassifications, corporate level tax items, and residual unallocated revenue and expenses.

The following table summarizes the segment results for the three and nine months ended July 31, 2024 and July 31, 2023.

Results by Business Segment[1,2]

(millions of Canadian dollars)	Canadian Personal and Commercial Banking		U.S. Retail		Wealth Management and Insurance		Wholesale Banking[3]		Corporate[3]		Total	
											For the three months ended July 31	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Net interest income (loss)	**$ 3,994**	$ 3,571	**$ 2,936**	$ 2,877	**$ 316**	$ 258	**$ (26)**	$ 270	**$ 359**	$ 313	**$ 7,579**	$ 7,289
Non-interest income (loss)	**1,009**	999	**616**	606	**3,033**	2,700	**1,821**	1,298	**118**	22	**6,597**	5,625
Total revenue	**5,003**	4,570	**3,552**	3,483	**3,349**	2,958	**1,795**	1,568	**477**	335	**14,176**	12,914
Provision for (recovery of) credit losses	**435**	379	**378**	249	**–**	–	**118**	25	**141**	113	**1,072**	766
Insurance service expenses	**–**	–	**–**	–	**1,669**	1,386	**–**	–	**–**	–	**1,669**	1,386
Non-interest expenses	**1,967**	1,895	**5,498**	1,972	**1,104**	979	**1,310**	1,247	**1,133**	1,266	**11,012**	7,359
Income (loss) before income taxes and share of net income from investment in Schwab	**2,601**	2,296	**(2,324)**	1,262	**576**	593	**367**	296	**(797)**	(1,044)	**423**	3,403
Provision for (recovery of) income taxes	**729**	641	**129**	148	**146**	162	**50**	24	**(260)**	(271)	**794**	704
Share of net income from investment in Schwab[4,5]	**–**	–	**178**	191	**–**	–	**–**	–	**12**	(9)	**190**	182
Net income (loss)	**$ 1,872**	$ 1,655	**$ (2,275)**	$ 1,305	**$ 430**	$ 431	**$ 317**	$ 272	**$ (525)**	$ (782)	**$ (181)**	$ 2,881
											For the nine months ended July 31	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Net interest income (loss)	**$ 11,639**	$ 10,487	**$ 8,676**	$ 9,078	**$ 905**	$ 799	**$ 361**	$ 1,293	**$ 951**	$ 793	**$ 22,532**	$ 22,450
Non-interest income (loss)	**3,087**	3,076	**1,826**	1,689	**8,693**	7,875	**5,154**	3,037	**417**	(615)	**19,177**	15,062
Total revenue	**14,726**	13,563	**10,502**	10,767	**9,598**	8,674	**5,515**	4,330	**1,368**	178	**41,709**	37,512
Provision for (recovery of) credit losses	**1,325**	953	**1,143**	639	**–**	1	**183**	69	**493**	393	**3,144**	2,055
Insurance service expenses	**–**	–	**–**	–	**4,283**	3,668	**–**	–	**–**	–	**4,283**	3,668
Non-interest expenses	**5,908**	5,661	**10,505**	6,034	**3,178**	2,951	**4,240**	3,319	**3,612**	4,262	**27,443**	22,227
Income (loss) before income taxes and share of net income from investment in Schwab	**7,493**	6,949	**(1,146)**	4,094	**2,137**	2,054	**1,092**	942	**(2,737)**	(4,477)	**6,839**	9,562
Provision for (recovery of) income taxes	**2,097**	1,940	**197**	541	**531**	545	**209**	189	**(877)**	(713)	**2,157**	2,502
Share of net income from investment in Schwab[4,5]	**–**	–	**555**	742	**–**	–	**–**	–	**(30)**	(34)	**525**	708
Net income (loss)	**$ 5,396**	$ 5,009	**$ (788)**	$ 4,295	**$ 1,606**	$ 1,509	**$ 883**	$ 753	**$ (1,890)**	$ (3,798)	**$ 5,207**	$ 7,768

[1] Amounts for the three and nine months ended July 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.
[2] The retailer program partners' share of revenues and credit losses is presented in the Corporate segment, with an offsetting amount (representing the partners' net share) recorded in Non-interest expenses, resulting in no impact to Corporate reported Net income (loss). The Net income (loss) included in the U.S. Retail segment includes only the portion of revenue and credit losses attributable to the Bank under the agreements.
[3] Net interest income within Wholesale Banking is calculated on a taxable equivalent basis (TEB). The TEB adjustment reflected in Wholesale Banking is reversed in the Corporate segment.
[4] The after-tax amounts for amortization of acquired intangibles, the Bank's share of acquisition and integration charges associated with Schwab's acquisition of TD Ameritrade, the Bank's share of Schwab's restructuring charges, and the Bank's share of Schwab's FDIC special assessment charge are recorded in the Corporate segment.
[5] The Bank's share of Schwab's earnings is reported with a one-month lag. Refer to Note 7 for further details.

Total Assets by Business Segment[1]

(millions of Canadian dollars)	Canadian Personal and Commercial Banking	U.S. Retail	Wealth Management and Insurance	Wholesale Banking	Corporate	Total
						As at July 31, 2024
Total assets	**$ 579,763**	**$ 560,691**	**$ 22,034**	**$ 668,249**	**$ 136,444**	**$ 1,967,181**
						As at October 31, 2023
Total assets	$ 560,303	$ 561,350	$ 22,293	$ 673,398	$ 137,795	$ 1,955,139

[1] Balances as at October 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.

NOTE 21: INTEREST INCOME AND EXPENSE

The following tables present interest income and interest expense by basis of accounting measurement.

Interest Income

(millions of Canadian dollars)	*For the three months ended*		*For the nine months ended*	
	July 31, 2024	July 31, 2023	**July 31, 2024**	July 31, 2023
Measured at amortized cost[1]	**$ 20,586**	$ 17,866	**$ 59,846**	$ 50,027
Measured at FVOCI – Debt instruments[1]	**966**	877	**2,864**	2,393
	21,552	18,743	**62,710**	52,420
Measured or designated at FVTPL	**2,173**	2,113	**6,670**	5,666
Measured at FVOCI – Equity instruments	**81**	79	**235**	212
Total	**$ 23,806**	$ 20,935	**$ 69,615**	$ 58,298

[1] Interest income is calculated using EIRM.

Interest Expense

(millions of Canadian dollars)	*For the three months ended*		*For the nine months ended*	
	July 31, 2024	July 31, 2023	**July 31, 2024**	July 31, 2023
Measured at amortized cost[1]	**$ 12,939**	$ 10,916	**$ 37,635**	$ 29,199
Measured or designated at FVTPL	**3,288**	2,730	**9,448**	6,649
Total	**$ 16,227**	$ 13,646	**$ 47,083**	$ 35,848

[1] Interest expense is calculated using EIRM.

NOTE 22: REGULATORY CAPITAL

The Bank manages its capital under guidelines established by OSFI. The regulatory capital guidelines measure capital in relation to credit, market, and operational risks. The Bank has various capital policies, procedures, and controls which it utilizes to achieve its goals and objectives. The Bank is designated as a domestic systemically important bank (D-SIB) and a global systemically important bank (G-SIB).

Canadian banks designated as D-SIBs are required to comply with OSFI's minimum targets for risk-based capital and leverage ratios. The minimum targets include a D-SIB surcharge and Domestic Stability Buffer (DSB) for Common Equity Tier 1 (CET1), Tier 1, Total Capital and risk-based Total Loss Absorbing Capacity (TLAC) ratios. The DSB level was increased to 3.5% as of November 1, 2023, which sets these minimum target ratios at 11.5%, 13.0%, 15.0% and 25.0%, respectively. The OSFI target includes the greater of the D-SIB or G-SIB surcharge, both of which are currently 1% for the Bank. On February 1, 2023, OSFI announced revisions to the Leverage Requirements Guideline to introduce a requirement for D-SIBs to hold a leverage ratio buffer of 0.50% in addition to the existing minimum requirement. This sets the minimum targets for leverage and TLAC leverage ratios at 3.5% and 7.25%, respectively.

The Bank complied with all minimum risk-based capital and leverage ratio requirements set by OSFI in the nine months ended July 31, 2024.

The following table summarizes the Bank's regulatory capital positions as at July 31, 2024 and October 31, 2023.

The impact to CET1 capital upon adoption of IFRS 17 is immaterial to the Bank.

Regulatory Capital Position

(millions of Canadian dollars, except as noted)	*As at*	
	July 31 2024	October 31 2023
Capital		
Common Equity Tier 1 Capital	**$ 78,377**	$ 82,317
Tier 1 Capital	**88,898**	92,752
Total Capital	**99,481**	103,648
Risk-weighted assets used in the calculation of capital ratios	**610,482**	571,161
Capital and leverage ratios		
Common Equity Tier 1 Capital ratio	**12.8 %**	14.4 %
Tier 1 Capital ratio	**14.6**	16.2
Total Capital ratio	**16.3**	18.1
Leverage ratio	**4.1**	4.4
TLAC Ratio	**29.1**	32.7
TLAC Leverage Ratio	**8.3**	8.9

SHAREHOLDER AND INVESTOR INFORMATION

Shareholder Services

If you:	And your inquiry relates to:	Please contact:
Are a registered shareholder (your name appears on your TD share certificate)	Missing dividends, lost share certificates, estate questions, address changes to the share register, dividend bank account changes, the dividend reinvestment plan, eliminating duplicate mailings of shareholder materials or stopping (or resuming) receiving annual and quarterly reports	**Transfer Agent:** TSX Trust Company 301-100 Adelaide Street West Toronto, ON M5H 4H1 1-800-387-0825 (Canada and U.S. only) or 416-682-3860 Facsimile: 1-888-249-6189 shareholderinquiries@tmx.com or www.tsxtrust.com
Hold your TD shares through the Direct Registration System in the United States	Missing dividends, lost share certificates, estate questions, address changes to the share register, eliminating duplicate mailings of shareholder materials or stopping (or resuming) receiving annual and quarterly reports	Co-Transfer Agent and Registrar: Computershare Trust Company, N.A. P.O. Box 43006 Providence, RI 02940-3006 or Computershare Trust Company, N.A. 150 Royall Street Canton, MA 02021 1-866-233-4836 TDD for hearing impaired: 1-800-231-5469 Shareholders outside of U.S.: 201-680-6578 TDD shareholders outside of U.S.: 201-680-6610 Email inquiries: web.queries@computershare.com For electronic access to your account visit: www.computershare.com/investor
Beneficially own TD shares that are held in the name of an intermediary, such as a bank, a trust company, a securities broker or other nominee	Your TD shares, including questions regarding the dividend reinvestment plan and mailings of shareholder materials	Your intermediary

For all other shareholder inquiries, please contact TD Shareholder Relations at 416-944-6367 or 1-866-756-8936 or email tdshinfo@td.com. Please note that by leaving us an e-mail or voicemail message, you are providing your consent for us to forward your inquiry to the appropriate party for response.

General Information
Products and services: Contact TD Canada Trust, 24 hours a day, seven days a week: 1-866-567-8888
French: 1-866-233-2323
Cantonese/Mandarin: 1-800-328-3698
Telephone device for the hearing impaired (TTY): 1-800-361-1180

Website: www.td.com
Email: customer.service@td.com

Quarterly Earnings Conference Call
TD Bank Group will host an earnings conference call in Toronto, Ontario on August 22, 2024. The call will be audio webcast live through TD's website at 8:00 a.m. ET. The call will feature presentations by TD executives on the Bank's financial results for the third quarter and discussions of related disclosures, followed by a question-and-answer period with analysts. The presentation material referenced during the call will be available on the TD website at www.td.com/investor on August 22, 2024, in advance of the call. A listen-only telephone line is available at 416-641-6150 or 1-866-696-5894 (toll free) and the passcode is 2727354#.

The audio webcast and presentations will be archived at www.td.com/investor. Replay of the teleconference will be available from 5:00 p.m. ET on August 22, 2024, until 11:59 p.m. ET on September 6, 2024, by calling 905-694-9451 or 1-800-408-3053 (toll free). The passcode is 7300743#.

Annual Meeting
Thursday, April 10, 2025
Toronto, Ontario