



2022
**Environmental,
Social and
Governance
Report**

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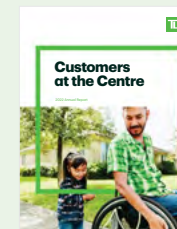
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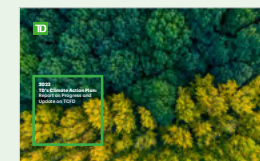
This publication is part of our reporting suite. For more information about TD and our activities, **please read our other reports:**



Annual Report



TD Ready Commitment Report



TD's Climate Action Plan: Report on Progress and Update on TCFD

Policies and References



Introduction



Performance Highlights for Investors



ESG Ratings

- Listed on the **Dow Jones Sustainability World Index** for the ninth consecutive year, TD is the only North American-based bank on the World Index, as of December 2022.
- Included on the **2023 Bloomberg Gender-Equality Index** for the seventh consecutive year.
- Awarded with a Top 10% S&P Global ESG Score distinction in the **2023 S&P Global Sustainability Yearbook**. TD was the only North American bank to be recognized in the Top 10%.



Governance

- Continued to educate Board of Directors and Senior Executive Team (SET) on ESG-related topics.
- Formalized key sustainability and ESG risk teams with the appointment of new executive leadership for Enterprise Decarbonization and Enterprise Sustainable Finance teams, and aligning ESG risk teams under the leadership of the newly created role of Senior Vice President, ESG Risk Management.
- Continued to embed ESG across our organization and integrate ESG considerations into our business strategy, risk management and decision-making, coordinated through our ESG Centre of Expertise and ESG Target Operating Model.
- Participated in industry working groups and pilots to standardize methodologies and approaches for climate risk identification, assessment and measurement.



Sustainable Finance

- Achieved our target of \$100 billion in low-carbon lending, financing, asset management and internal corporate programs, and set a new \$500 billion Sustainable & Decarbonization Finance Target.
- Launched a Carbon Advisory business within the TD Securities ESG Solutions group, bolstering the team's capabilities to support clients' transitions to a low-carbon economy.
- Issued a US\$500 million green bond under our TD Bank Group Sustainable Bonds Framework.
- Launched a new ESG-related fund through TD Asset Management called the TD Emerald Low Carbon Global Equity Index Non-Taxable Investor PFT.



Environmental

- Expanded the disclosure of our Scope 3 financed emissions footprint to include the automotive, shipping, aviation, industrials and agricultural sectors in addition to the energy sector and power and utilities sector.
- Disclosed our financed emissions footprint for additional asset classes, including consumer auto loans and residential mortgages.
- Set two new interim 2030 Scope 3 financed emissions targets for the transportation industry, covering the automotive manufacturing and aviation sectors.
- Announced a \$10 million investment by TD Securities in the Nature Conservancy of Canada's work to conserve nearly 1,500 square kilometres of boreal forest in Northern Ontario.



Social

- Continued to build on our history of working to further financial and economic inclusion by developing TD Pathways to Economic Inclusion, focusing our efforts in three areas where we believe we have the knowledge and resources to make a meaningful impact: employment access, financial access and housing access.
- Delivered on our commitment to double the representation of Black executives (VP and above) at TD in North America by the end of 2022, compared to a July 2020 baseline.
- Provided financial support for Black entrepreneurs, funded in part by TD's \$10 million, five-year commitment to the Black Opportunity Fund (BOF), whereby BOF will provide microloans between \$10,000 and \$50,000 to eligible customers who are unable to obtain bank financing.



About This Report

Reporting Scope

This report presents information on TD's strategy and performance related to environmental, social and governance (ESG) issues with potential to have an impact on our organization and society and the environment during the fiscal year ending October 31, 2022. Reports from previous years are available at <https://www.td.com/esg>.

This report encompasses all of TD's wholly owned operations and activities, which are organized into the following operating business segments: Canadian Personal and Commercial Banking, U.S. Retail, Wholesale Banking and Wealth Management and Insurance.

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

Currency

All currency is in Canadian dollars unless otherwise noted. All restatements and significant changes of data included in a previous report are described in the performance data footnotes.

Endnotes and Acronyms

The endnotes on [page 67](#) referred to throughout this report provide additional information on key concepts and metrics. Acronyms are used throughout this report. The complete list of acronyms can be found on [page 68](#).

Reporting Frameworks

TD has referred to the Global Reporting Initiative (GRI) framework for sustainability reporting since 2007. TD reports in alignment with the voluntary GRI Standards (2021) and the Sustainability Accounting Standards Board (SASB). Our disclosures can be found here:

- + GRI Content Index
- + SASB Index

External Assurance and Other Reviews

Ernst & Young LLP (EY) performed a limited assurance engagement over a selection of TD's social and environmental performance indicators and reasonable assurance engagements with respect to TD's use of net proceeds from its 2020 Sustainability Bond Issuance and its 2021 Green Bond issuance. For further information, please see the links below:

- + Assurance Statement for the TD Sustainability Bond (2020) Issuance – Use of Proceeds
- + Assurance Statement for the TD Green Bond (2021) Issuance – Use of Proceeds
- + Assurance Statement for the 2022 ESG Metrics, Greenhouse Gas Emissions and Carbon Neutral Schedule

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

- + LBG Verification Statement

Ways to Reach Us

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

Customers: customer.service@td.com

Shareholders: tdshinfo@td.com

Institutional Investors: tdir@td.com

Suppliers: tdsource@td.com

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

On Twitter: [@TD_Canada](#) or [@TDBank_US](#)

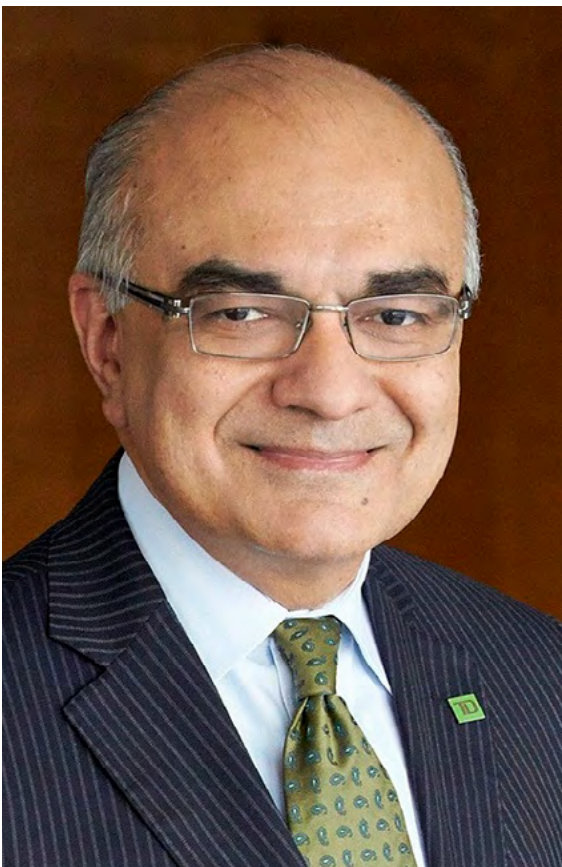
By text: TDHELP (834357)



Symbol Key

- + Supporting content/links
- ✓ Facts and figures for which EY provided a limited level of assurance
- LBG Facts and figures for which LBG assessed our data and calculated our corporate giving based on their methodology
- ↓ Analyst Corner: Links to additional policies and references

A Message from Our Leadership



Bharat Masrani
President and CEO

In 2022, we continued to invest in ESG to create a more inclusive and sustainable future for those we serve. Our work was guided by our purpose – to enrich the lives of our customers, communities, and colleagues – and built on our momentum of recent years to create lasting change.

Across TD, we are integrating ESG into our strategy, corporate governance practices, operations, and customer and client offerings. And we are bringing the full scale and resources of the Bank to meet the challenges and opportunities ahead.

I am incredibly proud that the efforts of more than 95,000 TD bankers have been acknowledged globally. In fact, TD is the only North American based bank to be listed on the Dow Jones Sustainability World Index this year. I am pleased this is the ninth year we have been featured. We were also the only bank in North America to be awarded a Top 10% S&P Global ESG Score on the 2023 S&P Global Sustainability Yearbook. But we know that there is still much work to do.

Our colleagues enable our progress

Banking is a business built on trust, and that trust is earned every day by TD colleagues who deliver for our customers, clients, communities, and each other. In 2022, we further invested in our people to help them build meaningful careers and thrive in a rapidly changing world.

We encourage our colleagues to contribute their time, passion, and know-how to community and charitable initiatives that both inspire them and align with our purpose. We invested \$147 million towards community giving efforts through the TD Ready Commitment, making progress toward our target of \$1 billion by 2030.

At TD, diversity and inclusion are core to our culture. We significantly advanced this important work in 2022, investing in training, education, and programs that elevate diverse perspectives. We also partnered with organizations across our footprint to help create a more equitable future.

Creating a more sustainable future together with our customers and clients

In 2020, we published our Climate Action Plan and were the first Canadian bank to set a 2050 net-zero target. This was a significant milestone that built on our long history of environmental leadership.

Across virtually every industry, businesses are seeking trusted advice to navigate the challenges ahead and realize the opportunities of the transition to a low-carbon economy. And TD will be there for them along the way.

Through the TD Securities ESG Solutions Group, we provide advisory services, market perspectives, and initiatives to support our clients in their own transitions. As part of TD's Climate Action Plan, we expanded our Scope 3 interim financed emissions reporting to include the Automotive Manufacturing and Aviation sectors, adding to previously announced targets for the Energy and Power Generation sectors.

As you'll read in this report, we also announced our new \$500-billion 2030 Sustainable and Decarbonization Finance Target. This is an important

step toward supporting our ESG Strategy and Climate Action Plan, helping our clients seize the opportunities of a low-carbon economy and contributing to a more sustainable and inclusive future.

Inclusive growth enables a stronger future for all

At TD, we believe that when our communities thrive, we thrive. This has guided our philanthropic investments for decades. In 2022, we continued a long tradition of supporting those who are marginalized, underserved or vulnerable, including:

- Reaching more than 230,000 participants through TD-funded initiatives in Canada and the U.S. that helped support entrepreneurs and build skills for the jobs of tomorrow.
- Leveraging the skills of our people to deliver TD-supported financial literacy initiatives to more than 339,000 people across Canada and the U.S.
- Building or refurbishing over 6,200 units of affordable housing through TD community development loans and donations in Canada and the U.S.
- Introducing a new TD Home Access Mortgage, designed to increase home ownership opportunities in Black and Hispanic communities in the U.S.

In 2023, we will bring increased focus to the Social pillar of our ESG strategy and build on our history of supporting financial, housing, and employment access to help create a more inclusive future.

A Message from Our Leadership

Banking serves a higher purpose

The work to build a more inclusive economy and to support stronger communities transcends industries, geographies, and borders. We do not underestimate the effort required. It will take time, investment, and sustained partnership across key stakeholders.

At TD, we believe that banking serves a higher purpose and plays a critical role in our society and economy. As a bank, we help individuals and businesses realize their aspirations. As an employer, we help talented people achieve their full potential. And as a corporate citizen, we support positive change in our communities.

In the years ahead, we will continue our ESG efforts and accelerate our journey. And we will stay true to our purpose as we work to create an even better tomorrow.

Bharat Masrani
President and CEO



TD is on a path to integrate ESG considerations into every aspect of our business. This report outlines the progress we have made together. It is a path guided by our purpose and enabled by our people as they drive toward our goals and capitalize on the business opportunities of a more sustainable economy. Guided by the oversight of the Board and its committees, TD continues to find new and innovative ways to leverage our knowledge and resources to have a meaningful impact and deliver value for our customers, colleagues, communities and shareholders.

Brian Levitt
Chair of the Board

A Message from Our Leadership



Our Environmental, Social and Governance (ESG) strategy aligns to our purpose and guides how the Bank lives up to the expectations of our customers and clients and connects with the communities we serve. For us, ESG is a key strategic priority, and something that's embedded in who we are as an employer, a community partner, and as a financial institution.

Today, we are more determined than ever to help drive meaningful outcomes for a more sustainable and inclusive economy, and a healthier planet where everyone can thrive. As a leading North American bank, we have an opportunity to support better environmental health and social outcomes through the financial products, services and programs that we offer.

This year, we focused efforts to embed inclusive financial and economic outcomes through our business activities, supply chain and philanthropy. Whether it is financing a 72-unit supportive housing development in New York City for those who have experienced chronic homelessness or providing financial support for Black entrepreneurs as part of our commitment to the Black Opportunity Fund, we are finding new ways to leverage our business to create positive social change. To further support these efforts, in this report we lay out a new framework called TD Pathways to Economic Inclusion, which focuses our social impact on three pillars: greater employment access, financial access and housing access. These are areas where we believe we have the knowledge and resources to help make meaningful impact.

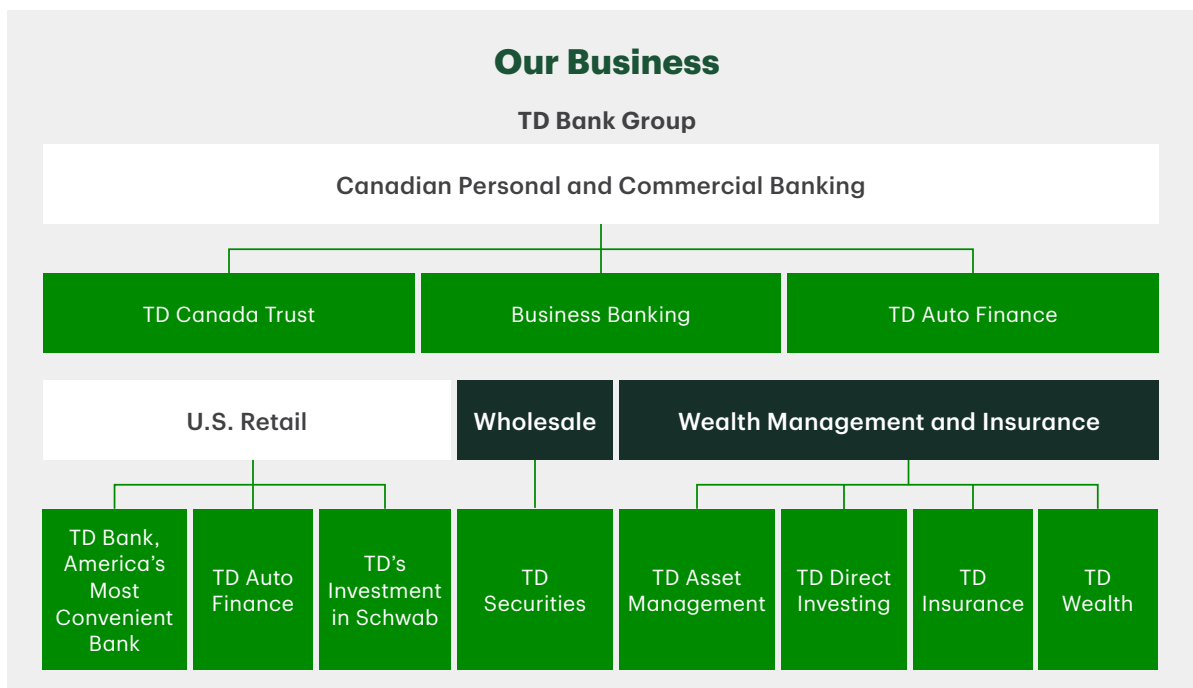
TD colleagues deserve our deepest thanks for their dedication and commitment to bringing about positive change in our communities, across society and in the lives of those who need it most.

Barbara Hooper

Senior Executive Vice President and Chief Operating Officer,
Canadian Business Banking and Chair of the Disclosure Technical Expert Group,
Sustainable Finance Action Council

About TD

Anchored in our proven business model, we are guided by our purpose to enrich the lives of our customers, colleagues and communities.



Our Locations



2,220
retail locations across North America



16
TD Securities offices world-wide

Our Business (as of October 31, 2022)



~100k
colleagues¹



6th
largest bank in North America²



15.7m
active digital customers³



27m
customers served throughout the globe

2022 Financial Performance⁴

\$17.4b reported earnings **\$1.9t** total assets **\$1.2t** total deposits

\$6.7b cash dividends to shareholders⁵ **7.8%** total shareholder return⁶ (5-year CAGR)⁷

Economic Contribution (during year ended October 31, 2022)

>\$147m community giving⁸ **\$13.4b** in salaries and benefits

>90k volunteer hours by TD colleagues in our communities⁹ **>\$5.7b** paid in total taxes

1 Reflects employee headcount rather than full-time equivalent employees.
 2 By total assets, as at October 31, 2022. Source: Bloomberg.
 3 Active digital users are users who have logged in online or via mobile devices at least once in the last 90 days.
 4 Financial performance indicators are based on TD's full year reported results for the year ended October 31, 2022. Unless otherwise indicated, all amounts are expressed in Canadian dollars and have been primarily derived from the Bank's annual Consolidated Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Results prepared in accordance with IFRS are referred to as the "reported" results.
 5 Dividend payment includes common, preferred, and distributions on other equity instruments.
 6 For additional information about this metric, refer to the [Glossary in the 2022 MD&A](#), page 129.
 7 Five-year CAGR is the compound annual growth rate calculated from 2017 to 2022. Source: Bloomberg.
 8 Figures are disclosed in CAD Equivalent and include any donation commitments recognized as a legal obligation or a constructive obligation and expensed in 2022 before they were paid out. This includes a US\$5 million commitment expensed in 2022 and to be paid out over the next five years. Figure does not include donations made through TD Friends of the Environment Foundation.
 9 As logged by TD colleagues on the TD Ready Commitment Network.

ESG Highlights Across Our Businesses

The following section provides a snapshot of just some of the ways we're working to embed ESG considerations into the way we do business and build ESG knowledge and expertise across the enterprise.



Retail

Canadian Personal Banking (CPB) instituted an ESG Executive Steering Committee with the mandate to provide support and insights to enable the ESG-related work undertaken by CPB, act as ESG champions within business lines and support the development of a pipeline of environmental and social products, services and programs. CPB's ESG team is a core member of TD's ESG Centre of Expertise and share insights gleaned from the CPB ESG Executive Steering Committee.

In the United States, TD Bank introduced the TD Home Access Mortgage product in 2022, designed to increase home ownership opportunities in Black and Hispanic communities within TD Bank's footprint. For example, the product offers eligible borrowers a US\$5,000 lender credit that does not require repayment, which can be used for closing costs or toward a down payment on a home purchase.¹

- + Financial Access and Inclusion
- + Highlight on Affordable Housing
- + Diversity and Inclusion
- + Product and Service Responsibility

Commercial and Business Banking

The Sustainable Finance Executive Council (SFEC) plays a critical role in mobilizing sustainable finance across the Bank and aligning sustainable finance opportunities with TD's enterprise-wide ESG strategy. Chaired by TD's Executive Vice President of Canadian Business Banking, the SFEC consists of 12 senior leaders who champion sustainable finance within their respective business lines and provide banking expertise to advance sustainable finance practices.

As part of our work to support the development of affordable housing units, TD Bank closed a debt and equity transaction in 2022 to finance The Rise, a US\$50 million, 72-unit affordable and supportive housing development in Brownsville, Brooklyn, New York. The Rise will house individuals who have experienced chronic homelessness or individuals that have previously been incarcerated. The Women's Prison Association (WPA), the first organization for women impacted by incarceration in the United States, was part of the development team and will provide the supportive services offered at The Rise. Additionally, this development project is part of New York State's US\$1.4 billion "Vital Brooklyn" initiative that is expected to redevelop underutilized or vacant land into community development projects that address chronic social, economic and health disparities in Central Brooklyn.

- + Sustainable Finance
- + Highlight on Affordable Housing
- + Financial Access and Inclusion
- + Diversity and Inclusion



Small Business Banking

TD provided financial support for Black entrepreneurs, funded in part by TD's \$10 million, five-year commitment to the Black Opportunity Fund (BOF) whereby BOF will provide microloans between \$10,000 and \$50,000 to eligible customers who are unable to obtain bank financing.

- + Sustainable Finance
- + Financial Access and Inclusion
- + Highlight on Affordable Housing



ESG Highlights Across Our Businesses



Corporate

TD Strategic Sourcing Group's goal is to enable a responsible and diverse network of suppliers who deliver high-quality goods and services. We buy products and services from suppliers who share our values and demonstrate responsible practices through strong sustainability programs. Additionally, during the supplier registration process, we require all new suppliers and suppliers with contracts that were renewed or amended (November 2019 to present) to attest that they operate in accordance with the expectations described in our Supplier Code of Conduct, including protection of human rights.

- + Responsible Sourcing
- + Corporate Governance and Integrity

We believe that incorporating ESG considerations into our investment decision-making contributes to the overall economy and long-term sustainability of the Bank, our society and the environment. In 2022, TD set a target to hold \$15 to \$20 billion in green, social, sustainability and pandemic bonds in its Treasury investment portfolio by the end of 2025.²

- + Sustainable Finance Highlights

The TD Enterprise Real Estate (ERE) team continues to support our enterprise-wide goal to reach net zero by 2050 through efforts to help reduce our GHG emissions across our operations. Through the incorporation of green building design standards, the Bank has over 280 locations certified by Leadership in Energy and Environmental Design (LEED) that promote energy efficiency, reduced water consumption, and renewable power sources. The ERE team has also worked to integrate solar energy across our North American facilities, including at TD's Cypress Creek location in Florida, which is TD's first net-zero-energy store in the United States. These efforts are part of TD's ongoing commitment to carbon reduction and green building design that conserves natural resources and energy.

- + Climate Change
- + 2022 TD Climate Action Report

TD Insurance

TD Insurance (TDI) continues to play a thought leadership role in the insurance industry through organizations such as the United Nations Environment Programme Finance Initiative (UNEP FI). TDI's President and CEO is a member of the UNEP FI Leadership Council and is the only Canadian insurer representative invited to join the council. TDI's AVP of Environment, Government and Industry Relations is the Vice-chair of the UNEP FI Principles of Sustainable Insurance (PSI) board and a board member for North America.

- + Sustainable Insurance
- + 2022 TD Climate Action Report



TD Asset Management

TD Asset Management (TDAM) regularly prepares thought leadership pieces on a variety of ESG-related subjects for external publications and its own communication channels.

- + Carbon Pricing: Why Investors Should Care
- + Stewardship & Inclusively Addressing the Labour Crunch
- + Task Force on Climate-related Financial Disclosures Report
- + TDAM's Commitment to Diversity & Inclusion
- + Sustainable Investing
- + 2022 TD Climate Action Report



TD Securities

The TD Securities ESG Solutions group (formerly the Sustainable Finance and Corporate Transitions group) focuses on providing ESG advice and delivering client-focused solutions to help advance our clients' own ESG strategies and provide access to sustainable financing. The ESG Solutions group offers advisory services such as advice on best practices/market standards for ESG integration and reporting and market access through ESG due diligence in mergers and acquisitions and private equity transactions. Through the ESG Solutions group, TD Securities launched its Carbon Advisory business, offering clients end-to-end carbon market solutions to support the transition to a low-carbon economy.

- + Sustainable Finance
- + Sustainable Finance Highlights
- + Responsible Resource Use and Nature-Based Solutions
- + 2022 TD Climate Action Report



A View of ESG at TD: A Message from Janice Farrell Jones



At their core, sustainability and ESG are about trust, community and shared prosperity. Therefore, in some ways, TD has been in the sustainability business for over 150 years. We believe we have a critical role to play across the economy and society: as a financial institution, business, corporate citizen and employer.

When it comes to sustainability and ESG, it's important for organizations to have clarity around their "why." Why is this work important? At TD, ESG is important because it's through this work that we are living our purpose of enriching the lives of our customers, colleagues and communities, and we have the opportunity to help create the conditions for the economic inclusion and environmental health that is fundamental to delivering on our purpose. Making progress against our ESG objectives is important for many reasons; not only is it the right thing to do, but it's also crucial in managing and mitigating risk. It's also a significant opportunity for growth – and from the Board to our most senior leaders to the front lines, we are embracing its potential.

ESG is a framework for our approach to protecting and responsibly building upon our employer brand, customer brand and social licence. We have aligned our ESG priorities with TD's purpose, vision and strategy. Our ESG strategy is embedded in our proven business model, guided by our purpose and inspired by our forward focus. We are committed to taking an all-Bank approach to embed ESG into our businesses, processes and operations. Our introduction of the Sustainable Finance pillar of our report showcases the ways in which our different lines of business are integrating ESG into their product and service offerings and highlights the interconnectedness of environmental and social factors.

In executing our ESG strategy, we aim to further understand the varied needs of the customers and communities across our footprint and to provide products and services to help serve those needs. As one example, we know that climate and equity are not separate issues. In 2022, we proudly reached our \$100 billion low-carbon target and, this year, launched a new target, including social, environmental and decarbonization domains, with the goal of mobilizing \$500 billion by 2030 as part of TD's broader enterprise ESG strategy. In this report, we are also sharing TD Pathways to Economic Inclusion, which amplify our existing business and philanthropic efforts and create a foundation for deepening our contributions to financial and economic inclusion. This includes our efforts to promote a diverse and inclusive culture for our colleagues at TD. As the global economy changes, TD's Sustainability and Corporate Citizenship group enables TD to be bold and forward-focused, to pursue purpose-driven growth, and to have positive and measurable impacts on society and our environment.

As we continue to advance our work on those ESG issues that are top priorities for the Bank, it will be imperative to keep our "why" clear in our minds, as it is the axis that ties us to our work. Over the next few years, we will work across the Bank as we strive to deliver on our public commitments and related targets, further the key ESG priorities of the Bank, and use our resources as a financial institution, business, corporate citizen and employer to help drive measurable progress. For us, ESG is not a box-checking exercise – we're weaving it into the way we do business.

Janice Farrell Jones

Senior Vice President, Sustainability and Corporate Citizenship

TD's ESG Framework

TD will drive progress toward an inclusive and sustainable future by using our resources as a leading corporate citizen and one of the top banks in North America to help bring about positive change, capture the business opportunity, and deliver on our purpose.

TD's ESG strategy is:

- ✓ Embedded in our **proven business model** – Delivering consistent earnings growth, underpinned by a strong risk culture;
- ✓ Guided by our **purpose** – Centring everything we do on our vision, [purpose and Shared Commitments](#) and;
- ✓ Inspired by our **forward focus** – Shaping the future of banking in the digital age.

Environmental

We are supporting **better environmental health**. Our efforts include taking action on climate change and nature loss through greenhouse gas (GHG) reduction and encouraging responsible resource use.

Our Approach

- Our **Climate Action Plan** sets a **target of net-zero GHG emissions** across our operations and financing activities by 2050, aligned with the Paris Agreement.
- To deliver on this, we are focused on **supporting our clients in the transition to a low-carbon economy** through sustainable finance products and services focused on emissions reduction as well as transition-related tools and guidance.
- We are also developing new and working to achieve existing **interim emissions reduction targets** for both our operations and financing activities.
- We have the opportunity to look for ways to **reduce our own consumption and impact on nature** through our operations as well as help our clients reduce their consumption of nature.

Sustainable Finance

- Our **Sustainable & Decarbonization Finance Target** is focused on supporting environmental, decarbonization, and social activities with the goal of mobilizing \$500 billion by 2030 through lending, financing, underwriting, advisory services, insurance and the Bank's own investments.³
- The new target is a quantitative indicator of our support for clients through the transition to a low-carbon economy with a focus on **low-carbon finance**, as well as **decarbonization finance**, areas critical to make progress toward global net-zero goals.
- **Social finance** is an important means of using business activities to improve social outcomes. By including social activities alongside environment-related activities, we can help create a sustainable and inclusive future through our business.

Social

We are contributing to inclusive **financial and economic outcomes** through our business activities, supply chain, philanthropy, and as an employer in our communities.

Our Approach

Our **TD Pathways to Economic Inclusion** framework focuses our efforts on three areas.

- Through **employment access**, we are focused on providing equitable access to training, development and critical work experience for the long-term success and growth of our colleagues and the workforce external to TD. We are also focused on advancing diversity and inclusion throughout the organization and across our supply chain.
- Through **financial access**, we seek to improve access to banking with a focus on financial education and advice as well as enhancing or building products, services and processes to remove barriers and help build financial health and resilience for our customers, colleagues and communities.
- Finally, through **housing access**, we are focused on providing tools and advice to help people access and remain in their homes. We are also focused on contributing to the supply and refurbishment of affordable housing and supporting organizations that increase access to secure housing and supports for vulnerable members of our community through our financing and philanthropy.

Governance

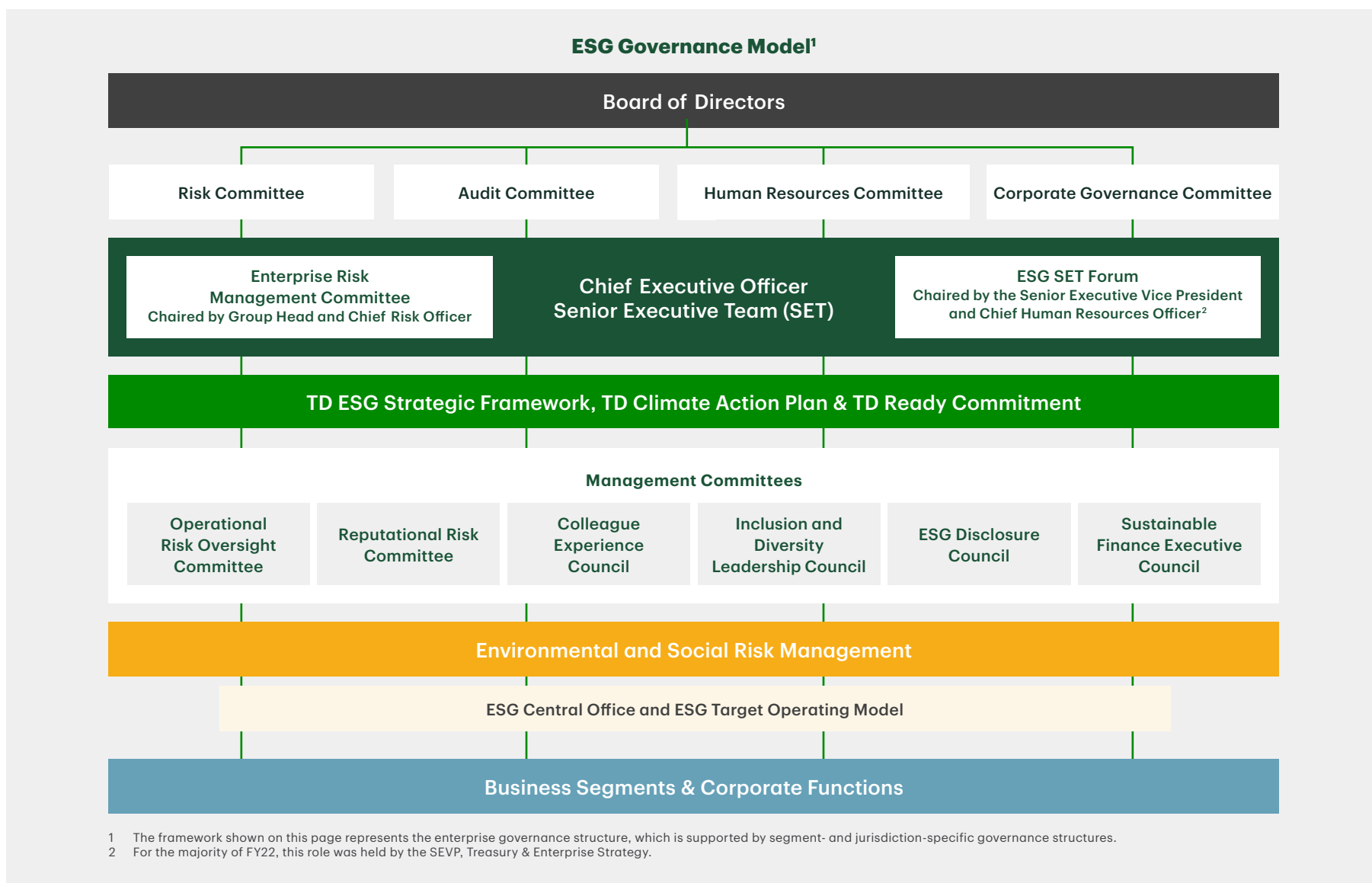
We are a **leader in corporate governance**. Key governance matters we are focused on include risk management, corporate governance, ethics and integrity, human rights, data security and privacy.

Our Approach

- TD's Board of Directors is elected by the shareholders to oversee management and to assure that the **long-term interests of shareholders are advanced responsibly** while addressing the concerns of other relevant stakeholders and interested parties including our employees, customers, communities, debt holders, regulators and the public at large.
- Our ESG performance is underpinned and enabled by our strong risk management culture, policies and procedures. We are **building enterprise resilience** by working to embed ESG across our organization and to integrate ESG considerations into our business strategy, risk management and decision-making. This work is coordinated through our ESG Centre of Expertise, ESG Central Office and ESG Target Operating Model.

TD's ESG Framework

The graphic on this page depicts our ESG governance model, which enables the implementation and monitoring of our ESG strategy at all levels, from the Board of Directors to our business segments and corporate functions. Our ESG SET Forum oversees ESG and climate strategy development, and Kenn Lalonde, Senior Executive Vice President and Chief Human Resources Officer, and Ajai Bambawale, Group Head and Chief Risk Officer, are responsible for executive oversight of TD's ESG strategy and ESG Risk Management, respectively. For additional details on the Board of Directors' ESG engagement, please refer to the [Corporate Governance and Integrity](#) section of this report.



TD's ESG Framework

ESG Centre of Expertise (COE): This is the mechanism within the Bank that brings together the experience, expertise and talent of colleagues working on ESG issues across the enterprise to coordinate and streamline efforts and provide thought leadership to support decision-making and inform the enterprise strategy. The COE supports collaboration, ideation, analysis and the communications related to various ESG initiatives and uses a six-hub model to facilitate knowledge sharing and coordination in key areas. These hubs build on and help integrate the ESG strategy into our operations.

ESG Central Office (ECO) and ESG Target Operating Model (TOM): The ECO sits within the ESG Risk Management team. The ECO is a key function that determines accountabilities and coordinates involvement of stakeholders across the Bank to define TD's ESG TOM and leads work to identify and develop related implementation plans. The ESG TOM guides how ESG considerations are being incorporated into business-as-usual practices and processes across the Bank on a prioritized basis. By executing the ESG TOM, we will help ensure that the Bank has the right capabilities to deliver on the ESG strategy. Currently, this is focused on climate-related deliverables but as we make progress, this will expand to include other facets of our ESG strategy.

Specialized business teams and capabilities: As ESG has grown in priority in the world around us, our customers and clients are looking for advice as they embed it as a priority within their own businesses. The ESG Solutions group within TD Securities serves as a strategic advisor to our clients and helps capitalize on the business opportunity and impact the Bank can have in moving toward our ESG goals.



Intersection of Our ESG Strategy and the TD Ready Commitment

TD's ESG strategy is enabled and supported by various programs and initiatives across the Bank, which help to **accelerate and amplify** the progress we're making.

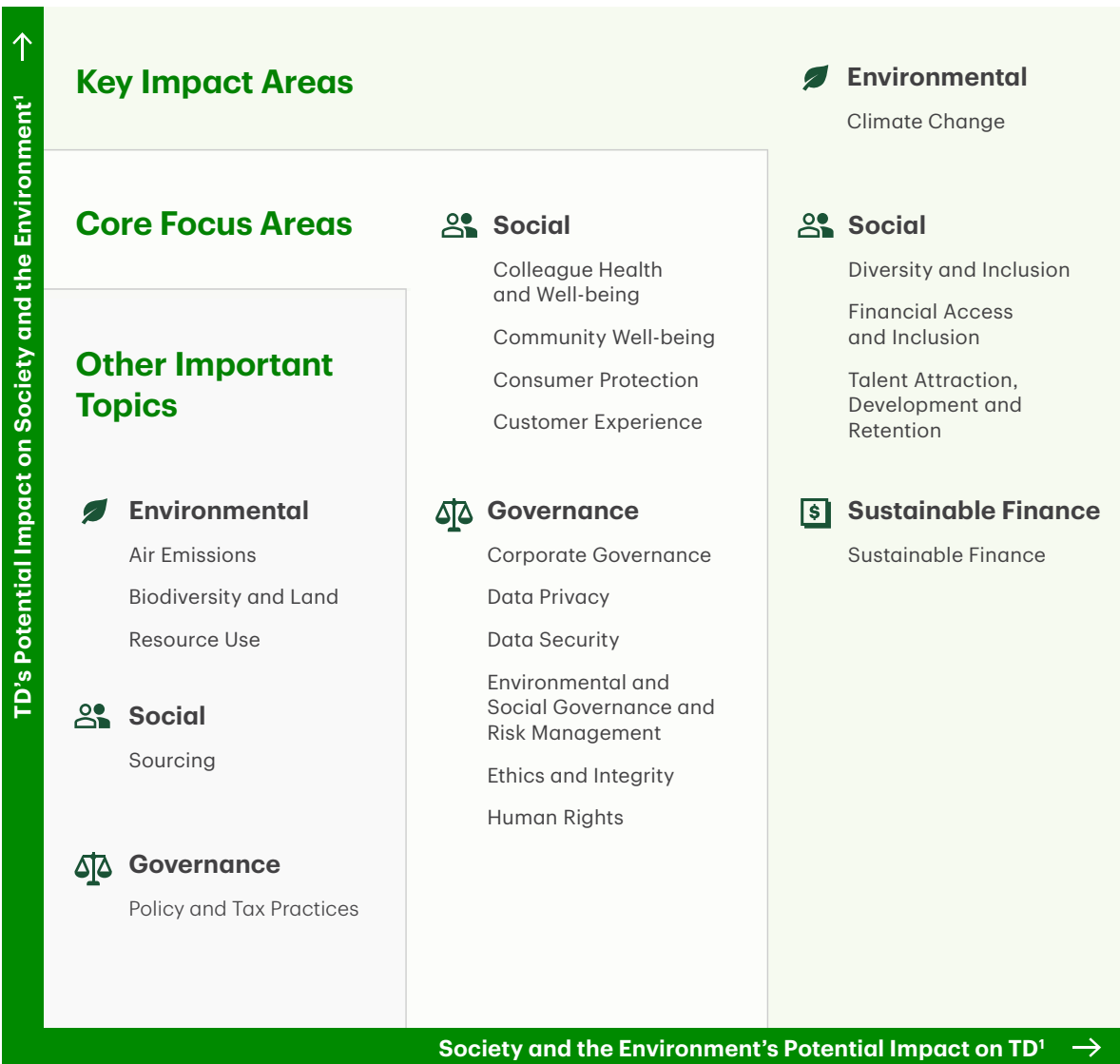
Our Corporate Citizenship platform, **the TD Ready Commitment**, aims to help open doors to a more inclusive, equitable and sustainable tomorrow through four areas we call the Interconnected Drivers of Change: Financial Security, Vibrant Planet, Connected Communities and Better Health. The TD Ready Commitment has points of intersection with the ESG strategy through its philanthropy and human capital approaches.

+ See TD Ready Commitment Report

The environmental and societal factors that are important to ESG and the enterprise will evolve and change as we make progress and as the external landscape changes. By bringing together TD's business, philanthropy, and human capital through our ESG Framework, our goal is to contribute to a more inclusive and sustainable future and deliver on our purpose to enrich the lives of our customers, communities and colleagues.

TD READY COMMITMENT

Engaging Our Stakeholders and Prioritizing TD's Top ESG Topics



There is increasing interest from stakeholders in TD's ESG work, and there are many ways in which we engage with and listen to our stakeholders. Our ESG Stakeholder Engagement group is dedicated to managing the engagement process and responding to stakeholders on ESG-related matters. They work with groups across the Bank to monitor stakeholder perspectives on ESG matters. Twice a year we present on developments in this area to the Corporate Governance Committee of the Bank's Board of Directors.

+ See [How We Listen to Stakeholders](#) for more details on our 2022 engagements

We conducted our biennial materiality⁴ assessment in 2022 to identify and prioritize ESG topics. This process helps us prioritize sustainability-related topics to report on and helps inform future strategies. We conduct this assessment every two years so that the results reflect changing business and external landscapes.

In 2022, we deepened our approach to identify topics as material⁵ based on two conditions: the potential to have an impact on TD's business (i.e., potential risks and opportunities the topics pose to our business) and the degree to which TD's business activities have the potential to have an impact externally (i.e., on the economy, environment, and/or society). Our refreshed assessment included input from key stakeholders, including our customers, colleagues, investors, suppliers, communities, NGOs and industry associations (e.g., Canadian Bankers Association, American Bankers Association, UN Environment Programme Finance Initiative), on their priorities and concerns. We leveraged a third-party analytics platform that incorporates a broad range of external sources, including mandatory regulations, peer annual filings, voluntary policy initiatives, news and media, for input to the analysis. More details on this approach can be found in our [ESG Reporting Details](#).

Our ESG Topic Prioritization

Based on the 2022 materiality⁶ assessment results, we organized ESG topics into three groups: "key impact areas" (topics where TD can have the greatest impact), "core focus areas" (topics fundamental to TD and our stakeholders), and "other important topics" (topics to monitor and manage). We consider our material topics to be those that are identified as core focus areas and key impact areas per the graphic on this page. Our 2022 results are not directly comparable to those of previous years due to evolutions in our methodology. While they are not new matters of concern to TD, Colleague Health and Well-being, Consumer Protection and Human Rights are newly identified as material topics in our 2022 results. Stakeholder Engagement is now encompassed as an aspect of our Corporate Governance material topic. Our Community Well-being topic was previously termed Social Inclusion.

Environmental Social Governance Sustainable Finance

¹ Topic positions are estimated on a relative basis within TD's operating environment; they are not intended to express absolute impact.

TD Performance Against Goals

	Target	FY21 Result	FY22 Result	Status
Environmental Support better environmental health through sustainable financial products and services and programs				
Operational Emissions				
Be carbon neutral ¹	Be carbon neutral	Yes	Yes	Met ✓
Reduction in Scope 1 and 2 GHG emissions from 2019 baseline ²	25% reduction by 2025	25% reduction	24.6% reduction	On track ⚙️
Financed Emissions				
Number of carbon-intensive sectors covered by financed emissions targets	Continue to develop financed emissions targets for the sectors defined by NZBA to cover the significant majority of our financed emissions ³	2 sectors covered	4 sectors covered	On track ⚙️
Financed emissions footprint's coverage of TD's lending to carbon-intensive sectors (including retail and non-retail lending) ⁴	Report financed emissions across PCAF asset classes for which methodologies are available	10%	89%	On track ⚙️
Social Contribute to inclusive economic outcomes through our business activities, supply chain, philanthropy and as an employer in our communities				
Women in roles titled Vice President and above in Canada ⁵	45% by 2025	✓ 40.0%	✓ 40.3%	On track ⚙️
Black, Indigenous and minority representation at executive levels across North America ^{6, 7}	25% by 2025	18.5%	22.5%	On track ⚙️
Representation of Black executives at TD in North America relative to a 2021 baseline ^{7, 8}	Double by end of 2022	95.5%	100%	Met ✓
Legendary Experience Index (LEI) - TD Composite Score ⁹	69.96	✓ 70.22	✓ 70.69	Met ✓
Employee Engagement Index ¹⁰	85%	✓ 84%	✓ 85%	Met ✓
Total donations, cumulative from 2019 ¹¹	\$1 billion by 2030	\$381 million	\$528 million	On track ⚙️

Footnotes for this chart can be found on the next page.



TD Performance Against Goals

	Target	FY21 Result	FY22 Result	Status
Governance Build enterprise resilience through ESG integration				
Women on the Board of Directors	At least 30% - 40% of the Board's Directors	40%	✓ 44%	Met ✓
Independent Directors	Substantial majority	93%	94%	Met ✓
Directors that voluntarily self-identified as a visible minority, an Indigenous person, 2SLGBTQ+ or a person with a disability ¹²	n/a	33%	44%	n/a
Eligible employees who completed the Code of Conduct and Ethics training ¹³	n/a	100%	100%	n/a
Sustainable Finance Support our clients through a transition to a low-carbon economy with a focus on low-carbon, decarbonization and social finance				
TD's contribution to low-carbon lending, financing, asset management and internal corporate programs, cumulative from 2017	\$100 billion by 2030	Over \$86 billion	Over \$107 billion	Met ✓
Applicable project finance transactions reviewed under Equator Principles	100%	100%	100%	Met ✓
TD's support of environmental, decarbonization and social activities through lending, financing, underwriting, advisory services, insurance and the Bank's own investments ¹⁴	\$500 billion by 2030			

1 Carbon neutrality entails compensating for GHGs emitted to the atmosphere through preventing the release of an equivalent amount of GHG emissions. TD maintains its carbon-neutral status through its carbon offset and renewable energy certificate purchase program. TD's carbon neutrality covers Scope 1 and 2 emissions, and Scope 3 business travel emissions, but does not include Scope 3 financed emissions. At the same time, TD also works to reduce our operational GHG emissions for which we set Scope 1 and 2 GHG emission reduction targets. The reporting period for real estate data (heating and cooling, and electricity) is August 1 to July 31, the reporting period for business travel data is aligned with TD's fiscal year (November 1 to October 31).

2 Scope 1 GHG emissions include direct emissions from heating and cooling, leased aircraft and corporate fleet. Scope 2 GHG emissions include indirect emissions from electricity, heating and cooling. For additional information on our Scope 1 and 2 targets, please see the [Climate Change section](#) and our [Climate Change Data](#).

3 As per Net-Zero Banking Alliance (NZBA) guidelines, TD intends to set financed emissions interim sectoral targets for the significant majority of our financed emissions where data and methodologies allow.

4 Our 2021 reporting included 2020 emissions for the footprint, but it was based on lagging emissions data (2019 emissions data, 2020 exposure and client enterprise value data). The reported figures this year use 2020 emissions for a complete 2020 footprint. In addition to refreshing last year's results, we have expanded our footprint reporting this year to include seven new carbon-intensive sectors and two new asset classes.

5 Women in Vice President and above roles commitment is applicable to TDBG Canadian businesses.

6 All executive appointments include roles Vice President and above.

7 Data is voluntarily disclosed by colleagues and therefore may not be reflective of the actual workforce.

8 Result reflects progress towards commitment.

9 Refer to [page 62](#) of this report for information on TD's performance compared to its LEI target.

10 TD measures employee engagement using the TD Pulse Survey, which asks colleagues to rate their level of commitment and connection to TD and their role along three dimensions (intention to stay, pride in working at TD and job satisfaction) on a scale of one to five: Strongly Disagree (1), Disagree (2), Neither Agree Nor Disagree (3), Agree (4) and Strongly Agree (5). The percentages represent the average proportion of overall respondents who either agreed (4) or strongly agreed (5) with the first three statements shown in the Pulse Survey Results table on [page 91](#) of this report.

11 Figures are disclosed in CAD equivalent and include any donation commitments recognized as a legal obligation or a constructive obligation and expensed in 2022 before they were paid out. This includes a US\$5 million commitment expensed in 2022 and paid out over the next five years. Figure does not include donations made through TD Friends of the Environment Foundation.

12 "Visible minority" is defined as non-Caucasian in race or non-white in colour, other than an Indigenous person. "Indigenous person" is defined as First Nations, Inuit, Métis, American Indian, Alaska Native, Native Hawaiian or other. "2SLGBTQ+" is defined as a member of the Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer, Plus community. "Person with a disability" is defined as a person having a long-term or recurring visible or invisible physical, mental, sensory, psychiatric or learning impairment, including impairment relating from or related to hearing, seeing, vocal, mobility, agility, pain, neurological, memory, development, psychological or addiction.

13 Completion rates for Code of Conduct and Ethics training are based on the applicable definitions of eligible and exempt employees pursuant to our internal policies.

14 For more information on the Sustainable & Decarbonization Finance Target, please see the [TD Sustainable & Decarbonization Finance Target Methodology](#).



Governance



Corporate Governance and Integrity

Why It Matters to TD and Our Stakeholders



TD: Our Board of Directors and management are committed to sound corporate governance practices that contribute to the effective management of the Bank and to achieving the Bank's strategic and operational plans, goals and objectives.

Stakeholders: Investors, other interested parties and the public seek transparent information about how TD works to create sustainable value for shareholders over the long term.

Our Approach

The Board of Directors ("the Board") and the management of TD are committed to leadership in corporate governance. We have designed our corporate governance policies, principles and practices to focus on discharging our responsibilities to shareholders and creating long-term shareholder value. The Bank is committed to proactive, open and responsive communications with shareholders, other interested parties and the public. The Bank recognizes the importance of the engagement of Directors with shareholders on areas that are core to the Board's mandate. We have an independent Chair with a clear corporate governance leadership mandate and a Board that is responsible for fulfilling a number of duties.

These include:

- Setting the tone for risk, integrity and compliance culture throughout TD.
- Approving the strategy and business objectives of the Bank and overseeing their execution.
- Overseeing the identification and monitoring of the top and emerging risks affecting the Bank's businesses.

Our [2023 Management Proxy Circular](#) provides an overview of TD's corporate governance structure, policies and practices and describes the core principles that guide our approach to governance.

Our Approach in Action

Promoting Responsible Conduct

TD promotes the responsible conduct of our employees and business activities through various programs. Visit the links below for additional details.

+ Code of Conduct and Ethics

Enterprise Conduct Risk Management (ECRM):

Conduct risk management is embedded into TD's Legal, Compliance and Conduct Risk Framework and TD Culture Framework. ECRM provides guidance through policy and guidelines and, in collaboration with key internal partners, governs employee conduct risk that may arise from the failure to comply with laws, regulatory rules and standards or with the TD Code of Conduct and Ethics. Conduct risk management strengthens our compliance with TD's Shared Commitments and provides a framework for our senior management and the Board to oversee conduct risk.

Between Us: Employee Ombudsman Office:

This office provides confidential, impartial and informal guidance on work-related concerns to all employees and reviews possible options for resolution. In 2022, 898 employees accessed support through this program.

See [TD's Code of Conduct and Ethics](#) for details on **Conduct Risk Management and Between Us.**

+ Respectful Workplace Policy

+ Conduct and Ethics Hotline

+ Statement on Public Policy and Political Contributions

+ TD Bank Statement on Anti-Money Laundering (AML)/Anti-Terrorist Financing (ATF)/Sanctions

+ Statement on Anti-Corruption

Analyst Corner



Corporate Governance and Integrity Data ([p. 71](#))

[2023 Management Proxy Circular](#)

[Code of Conduct and Ethics for Employees and Directors](#)

[Conduct and Ethics Hotline](#)

[Proxy Access Policy](#)

[Tax Governance and Taxes We Pay and Collect](#)

[TD Bank Statement on Anti-Money Laundering \(AML\)/Anti-Terrorist Financing \(ATF\)/Sanctions](#)

[Statement on Anti-Corruption](#)

[Public Policy and Political Contributions](#)

[Respectful Workplace Policy](#)

[TD Bank Group: Statement on Human Rights](#)

[TD Bank Group: Slavery and Human Trafficking Statement](#)

[TD's Approach to Total Rewards](#)

Our Commitment to Human Rights

In all our operations and across our businesses, TD is committed to supporting and respecting the protection of human rights. TD's primary businesses are conducted in countries that are governed by strong legal protections. Our statements on [Human Rights](#) and [Slavery and Human Trafficking](#) outline our commitment to human rights. You can identify our work in the area of human rights throughout this report by looking for this icon:



Corporate Governance and Integrity



Targets

Progress on Goal		
Commitment	2022 Target	2022 Result
Women on the Board of Directors	At least 30%–40% of the Board of Directors	✔ 44%
Independent Directors	Substantial majority	94%

Board Diversity

The Board recognizes and embraces the benefits of diversity in its membership as a competitive advantage, which is in keeping with the Bank's commitment to diversity and inclusion.

As set out in the Bank's Board Diversity Policy, when identifying and considering qualified candidates for the Board, the Corporate Governance Committee (CGC) considers diversity criteria reflecting the communities TD serves and in which it operates, including diversity in skills, regional and industry experience, gender, age, race, cultural background and other attributes, while recognizing that the Board comprises a limited number of individuals. The Board has established a goal that women and men each comprise at least 30% to 40% of the Board's Directors.

Details about our 2022 performance regarding diversity and inclusion at the Board level can be found in the Performance Highlights section below, and for details about the Board Diversity Policy, please see pages 30 and 103 of [TD's 2023 Management Proxy Circular](#).

Linking ESG Factors in Executive Total Rewards

One of the objectives of the executive compensation program is to reward executives for successfully implementing TD's strategy, which includes ESG factors. In 2021, the Bank formally incorporated a number of ESG factors into the key metrics used to help determine the variable compensation pool for the Senior Executive Team (SET). These ESG metrics supplemented the existing customer experience metrics and support the Bank's overall ESG strategy, including objectives related to climate change, diversity and inclusion and employee engagement.

+ Details on the ESG metrics, results and impact on the variable compensation pool can be found in our [2023 Management Proxy Circular](#).

Equitable Pay

Our goal is to foster a culture of inclusion by providing a working environment that is supportive of all colleagues – giving every employee the opportunity to fully realize their potential. Our approach to equitable compensation is based on comprehensive and well-established programs and structures designed so that employees performing the same job have the same opportunity, supporting internal equity and fairness, while recognizing differences in experience, performance and contribution.

Gender Pay Ratio and Minority Pay Ratio

Since 2018, the Bank has worked with a third-party provider on an annual basis to complete a detailed statistical analysis of compensation to assess potential differences based on gender and ethnicity. These reviews are used to actively monitor our compensation outcomes and make adjustments as appropriate for consistency and fairness. After adjusting for factors such as job level, geography and role, the 2022 review, which included over 90,000 employees globally, found that for both base salary and total compensation:

- Women globally earned more than 99 cents for every dollar earned by men.
- Visible minorities⁷ in Canada earned more than 99 cents for every dollar earned by non-visible minorities.
- Minorities⁸ in the U.S. earned one dollar for every dollar earned by non-minorities.

+ See [TD's Approach to Total Rewards](#) for details on equitable pay and gender and minority pay ratios.

Racial Equity Assessment

TD Bank Group has commissioned a racial equity assessment (REA), to be performed by Covington & Burling LLP and WeirFoulds LLP, to assess its Canadian and U.S. employment policies, practices and strategies related to diversity, equity and inclusion (DEI) in the workforce. The REA will evaluate and inform the Bank's continued progress toward its DEI-related commitments and identify areas for potential enhancements.

Performance Highlights

44%

of the Board voluntarily self-identified as a visible minority, an Indigenous person, 2SLGBTQ+ or a person with a disability¹

100%

of eligible employees completed the Code of Conduct and Ethics training²

¹ "Visible minority" is defined as non-Caucasian in race or non-white in colour, other than an Indigenous person. "Indigenous person" is defined as First Nations, Inuit, Métis, American Indian, Alaska Native, Native Hawaiian or other. "2SLGBTQ+" is defined as a member of Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer, Plus community. "Person with a disability" is defined as a person having a long-term or recurring visible or invisible physical, mental, sensory, psychiatric or learning impairment, including impairment relating from or related to hearing, seeing, vocal, mobility, agility, pain, neurological, memory, development, psychological or addiction.

² Completion rates for Code of Conduct and Ethics training are based on the applicable definitions of eligible and exempt employees pursuant to our internal policies.

Corporate Governance and Integrity

What We Did in 2022

Engaging on Environmental and Social (E&S) Matters

ESG Responsibility Highlights

Examples of 2022 ESG Engagement

Board of Directors

- Approves TD's strategy and business objectives and oversees the implementation, execution and monitoring of performance, including with respect to TD's corporate citizenship and ESG Strategy and objectives.
- Approves TD's Risk Appetite Statement and reviews the Bank's risk profile and performance, including E&S risks.
- Oversees TD's risk culture and the identification and monitoring of top and emerging risks affecting TD and management of those risks in accordance with TD's Risk Appetite Statement and Enterprise Risk Framework (ERF), including E&S risk.
- Oversees the establishment of TD's culture of integrity and compliance through its Code of Conduct and Ethics, Culture Framework, Conduct Risk Management Policy, Raising Conduct and Ethics Concerns Policy and Anti-Bribery and Anti-Corruption Policy.

+ For further information, refer to [TD's Board Charter](#).

- Received regular updates on TD's enterprise Risk Dashboard, including E&S risk.
- Approved Fiscal 2023 Integrated Plan which includes ESG metrics.
- Received updates on the Bank's Scope 3 financed emissions target-setting.
- Received an update on the development of enterprise social strategy.
- ESG education sessions on various topics.
- Received reports from the Committee Chairs after each Committee meeting regarding the Committees' activities, including those described below.

Corporate Governance Committee

- Oversees and monitors TD's alignment with its purpose and its strategy, performance and reporting on corporate responsibility for E&S matters, including:
 - > Keeping abreast of international trends and best practices in disclosure of ESG matters.
 - > Updating the Board on ESG matters.
 - > Reviewing TD's Slavery and Human Trafficking Statement.
- Develops and recommends to the Board corporate governance principles, including Code of Conduct and Ethics, to foster a healthy governance culture.
- Oversees enterprise-wide conduct risk.
- Oversees Directors' continuing education, including with respect to ESG matters.
- Oversees shareholder engagement practices.

+ For further information, refer to [TD's Corporate Governance Committee Charter](#).

- Received updates on ESG strategy, reporting and performance.
- Received updates on setting and operationalizing financed emissions targets.
- Received a report on culture of integrity and compliance monitoring with respect to TD's Code of Conduct and Ethics.
- Monitored ESG-related risks and opportunities, including receiving presentations on stakeholder feedback and governance developments.
- Received updates on Enterprise Conduct Risk Management.
- Reviewed an annual calendar of proposed ESG-related presentations for the Board and its committees.
- In the course of 24 meetings with institutional shareholders in 2022, the Board Chair and Human Resources Committee Chair discussed ESG matters raised by shareholders.

Corporate Governance and Integrity

ESG Responsibility Highlights

Examples of 2022 ESG Engagement

Risk Committee	<ul style="list-style-type: none"> Approves TD's Enterprise Risk Framework (ERF) and its major risks as set out in the ERF. Reviews and recommends TD's Enterprise Risk Appetite Statement for approval by the Board and oversees management of its risk profile and performance against its risk appetite, including reviewing and approving significant risk management frameworks and policies. Provides a forum for analysis of enterprise risk trends and current and emerging risks, including E&S risks. <p>+ For further information, refer to TD's Risk Committee Charter.</p>	<ul style="list-style-type: none"> Conducted regular reviews of TD's enterprise Risk Dashboard including E&S risk. Received update on a Bank of Canada-Office of the Superintendent of Financial Institutions (OSFI) Climate Scenario Analysis Pilot. Received progress update on the Bank's E&S Risk Management program.
Human Resources Committee	<ul style="list-style-type: none"> Oversees and monitors the Bank's people strategy, organization structure and compensation strategies, plans, policies, including that practices are consistent with the sustainable achievement of the Bank's strategic ambitions, business objectives, prudent management of its operations and risks, and safeguarding of its unique and inclusive culture. Reviews and approves the Bank's Culture Framework. Oversees and monitors the Bank's policies and programs in place to support a healthy and safe workplace and business environment for employees, to promote employee well-being and engagement, and to support the diversity and inclusion objectives of the Bank. <p>+ For further information, refer to TD's Human Resources Committee Charter.</p>	<ul style="list-style-type: none"> Monitored the people strategy of the Bank, including the Bank's response to COVID-19, the return to office and hybrid work strategy, and the response to the evolving environment. Considered the effectiveness of the link between ESG and executive compensation established for SET members in 2021 and 2022. Reviewed the TD culture dashboard and related monitoring activities. Monitored the progress on the Colleague Experience enterprise priority and people strategy key initiatives. Reviewed fair pay and significant colleague compensation outcomes and initiatives. Reviewed the diversity and inclusion strategy and outcomes. In the course of 24 meetings with institutional shareholders during 2022, the Board Chair and Human Resources Committee Chair discussed ESG matters raised by shareholders.
Audit Committee	<ul style="list-style-type: none"> Oversees financial reporting and disclosures and the effectiveness of internal control systems and processes in the areas of reporting (financial, operational and risk) and operations. Oversees the Internal Audit Division of the Bank. <p>+ For further information, refer to TD's Audit Committee Charter.</p>	<ul style="list-style-type: none"> Received updates from the Bank's Chief Auditor on the effectiveness of reporting and key internal controls with respect to top and emerging risks, including E&S. Received update on climate-related disclosure standards and the role of assurance in ESG reporting. <p>+ For additional information on the activities of the Board, refer to the 2023 Management Proxy Circular.</p>

Environmental and Social Risk Management

Why It Matters to TD and Our Stakeholders

TD and Stakeholders: As a large financial institution, it's essential we play our part to identify, assess, measure and mitigate the potential impact of a variety of risks in the financial services sector that may impact our business and stakeholders.



Our Approach

Defining Risk and Risk Appetite

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

TD's Risk Appetite Statement

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

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

Defining Environmental and Social Risk (Including Climate Risk)

Environmental risk is the risk of financial loss, reputational damage or other harm resulting from environmental factors, including climate change and other environmental degradation (e.g., loss of biodiversity, deforestation, desertification and drought, land and water degradation and air pollution).

Climate risk is the risk of reputational damage and/or financial loss arising from materialized credit, market, operational or other risks resulting from the physical and transition risks of climate change to the Bank, its clients or the communities the Bank operates in. This includes physical risks arising from the consequences of a changing climate, including acute physical risks stemming from extreme weather events happening with increasing severity and frequency (e.g., wildfires and floods) and chronic physical risks stemming from longer-term, progressive shifts in climatic and environmental conditions (e.g., rising sea levels and global warming). Transition risks arise from the process of shifting to a low-carbon economy, influenced by new and emerging climate-related public policies and regulations, technologies, stakeholder expectations and legal developments.

Analyst Corner

[Annual Report](#): Managing Risk (p. 82-114)

[2023 Management Proxy Circular: Update From the Risk Committee](#)

TD's Climate Action Plan: Report on Progress and Update on TCFD (p. 28-37)



Environmental and Social Risk Management

Social risk is the risk of loss, reputational damage or other harm resulting from social factors, including human rights (e.g., discrimination including racial inequity, Indigenous Peoples' rights, modern slavery and human trafficking), the social impacts of climate change (e.g., poverty, economic and physical displacement) and the health and well-being of employees (e.g., inclusion and diversity, pay equity, mental health, physical well-being, and workplace safety).

Environmental and Social (E&S) risk continues to be among the top and emerging risks for the Bank and remains a focus area for senior leaders at TD. E&S risk may have material financial and reputational and other implications for both the Bank and its stakeholders (including its customers, suppliers and shareholders).

Risk Governance

E&S risks are managed under the Bank's enterprise-wide E&S Risk Framework, which provides a comprehensive overview of the Bank's approach to E&S risk management and defines key pillars of activities for managing E&S risks. This framework is further supported by business-segment-level policies and procedures across the Bank. The Bank's enterprise-wide E&S Risk Framework and risk management approach are aligned with TD's ERF and Enterprise RAS, which include E&S risk principles and measures. Additional information about E&S risk management can be found in [TD's Annual Report](#) and in the [Environmental and Social Risk Process](#). Also, for more information about our approach to climate risk management and highlights from 2022, please see our [2022 TD Climate Action Report](#).

TD continues to enhance its capabilities in the governance of E&S risks and in 2022, the E&S Risk Management, ESG Credit Risk and ESG Central Office teams were aligned under the leadership of the newly created role of Senior Vice President, ESG Risk Management, who holds senior executive accountability for E&S risk management. Additional information about the accountabilities of the various ESG Risk Management teams can be found in [TD's Annual Report](#).

Upcoming Priorities

Going forward, TD's ESG Risk Management function expects to:

- Continue to proactively monitor industry, regulatory and legislative developments and assess the potential impacts of E&S risks on the Bank's operations, lending portfolios, investments and businesses.
- Enhance existing tools and capabilities to identify, assess, measure and monitor E&S risks.
- Advocate for more harmonization among standard-setters regarding disclosure requirements for E&S risks via memberships in stakeholder forums.



Data Security and Privacy

Why It Matters to TD and Our Stakeholders

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

Stakeholders: In this complex, interconnected digital era with evolving and sophisticated cyber threats and geopolitical unrest, customers expect TD to continue protecting their information and privacy.



Our Approach

Strengthening Cybersecurity at TD

Governance and Policy

- Cybersecurity is a formal component of TD's overall risk management framework. Our Chief Information Security Officer oversees our cybersecurity program and provides updates to the Board of Directors ("the Board") and to certain committees such as the Enterprise Risk Management Committee Cybersecurity Subcommittee. Our cybersecurity policy is internally available to all TD colleagues.
- TD's Technology Risk Management and Cybersecurity Policy outlines some of the organizational controls we have in place to help protect information. Security measures include firewalls, data encryption and around-the-clock monitoring to help maintain the quality of TD's technology systems and help identify unusual customer account activity.
- TD has a cybersecurity strategy that is regularly reviewed and updated. The Board has several Directors with experience in technology management and information security.

Training and Culture

- Everyone at TD has a role to play in keeping data secure and private and protecting the Bank from cyber threats. All colleagues are required to complete mandatory cyber, privacy and information security training that is refreshed and assigned annually.
- Colleagues in high-risk job functions and executives, as well as the Board, are provided relevant and enhanced cyber, information and security training.

- Managing cybersecurity risks and improving cyber threat awareness across the organization are the responsibility of TD's business units, with the Bank's Cybersecurity Subcommittee providing dedicated senior executive oversight, direction and guidance regarding management of risks relating to cybersecurity. Our businesses proactively drive cyber risk management within their businesses. Our cyber leadership monitors the cyber threat landscape, our technology and cyber risk profile, and emerging risks and roadmaps to keep our cybersecurity profile current.

Threat Monitoring

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

Analyst Corner

Data Security and Privacy Data (p. 72)

[How We Protect You \(Security Measures\)](#)

[Canadian Privacy Commitment](#)

[TD U.S. Privacy Notice](#)

[Europe and Asia-Pacific Privacy Notice](#)

[How You Can Protect Yourself](#)



Data Security and Privacy

Industry Frameworks

- We align our capabilities with the National Institute of Standards and Technology (NIST) Cybersecurity Framework.
- By having representation on the board of directors of the Cyber Risk Institute (CRI), TD has the opportunity to support the development of the CRI framework. To drive TD's overall strategy for implementing cybersecurity capabilities and improve peer benchmarking, TD is working to migrate to the CRI Profile.

Insurance

- TD has a dedicated cyber insurance policy to help mitigate the financial risk of cyber-related events within our suite of insurance coverages. See [TD's Annual Report](#) for information about technology and cybersecurity risk.

Enhancing Privacy

Governance and Policy

- The Global Chief Privacy Officer, in collaboration with other stakeholders within the Bank, oversees TD's Privacy program. Local privacy officers are engaged in the jurisdictions where the Bank operates outside of Canada.
- We strive to have clear and accessible privacy commitments that inform our customers of the ways in which we help protect privacy and the confidentiality of information, explain how we collect, use and disclose customer information, and outline individual rights and choices.
- The Privacy Office ("the Office"), together with other risk and control partners, provides objective guidance, and an assessment of TD departments' policies about current privacy laws and regulations. The Office also provides risk-based oversight of privacy compliance with the program and privacy laws and/or regulations applicable to the jurisdictions in which TD operates.

Training and Culture

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

Regulatory Frameworks

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

Industry Best Practices

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

Customer Education

- We strive to provide clear and accessible information to customers on how their information is collected, used, shared and disclosed (including with third parties). Where appropriate, we provide customers with choices that balance their expectations with legitimate business needs and requirements of the law in jurisdictions where TD operates.
- We are focused on maintaining and investing in this area by enhancing mechanisms for transparency and choice.

Performance Highlights

99%

of eligible employees completed Privacy training¹

What We Did in 2022

Strengthening Data Security

TD Fusion Centre: TD's Fusion teams continued to consider new ways to protect the Bank from cyber risk and other threats such as a potential increase in cyber and geopolitical activity in the midst of the ongoing conflict in Ukraine. The Toronto and Singapore Fusion Centres and operational sites globally leverage in-person and virtual capabilities to operate 24/7. This, coupled with a team of professionals with wide-ranging skills, helps improve threat detection and efficiency.

Cybersecurity Connections and Attracting Diverse Talent:

Competitively attracting and sourcing diverse talent with prioritized skills and capabilities continues to be a priority for TD. To develop diverse cyber talent and strengthen our talent pipeline and help enable us to continue delivering a future-focused cybersecurity strategy, we partnered with the University of New Brunswick's Research Intensive Cyber Knowledge Studies program. TD funded tuition for four students in the Master of Applied Cybersecurity program in 2022 and will be hosting them for a four-month internship.

¹ Completion rates for Privacy training are based on the applicable definitions of eligible and exempt employees pursuant to our internal policies.



Challenge: Threat Actors Continue Evolving Phishing Tactics, Affecting Companies Globally

Response: To help combat these evolving threats, TD colleagues receive training to help them recognize the signs of social engineering activities, including phishing, and the common techniques criminals use, as well as the appropriate steps to take in the event of a social engineering attempt. Phishing simulations continue to be an area of focus at TD to help colleagues learn how to appropriately respond to phishing attempts.

We also implemented updates in 2022 to help increase the effectiveness of TD's training programs and help colleagues improve their cybersecurity awareness. Enhancements include developing new communications for those individuals who do not interact with a phishing simulation to emphasize the importance of recognizing phishing emails and taking corrective action (i.e., reporting suspicious emails). Additionally, we introduced an ongoing enterprise-wide communication campaign about phishing best practices that amplifies the importance of acting on phishing emails and reinforces our colleagues' accountability in keeping the Bank safe.





Sustainable Finance



Sustainable Finance

Why It Matters to TD and Our Stakeholders

TD: Leveraging our products and services, TD can support our clients in the transition to an inclusive, low-carbon future while supporting economic growth. Evolving our products and services in line with changing customer preferences is also important to TD to continue to meet customer needs and support TD's continued growth.

Stakeholders: As we continue to broaden our offerings, we can provide our customers with options enabling them to make conscious choices that contribute to a more sustainable society.



Our Approach

Mobilizing sustainable finance is a valuable business opportunity as well as a critical part of our work as we strive to achieve net-zero greenhouse gas (GHG) emissions associated with our operations and financing activities by 2050. We have established an ESG Framework and Climate Action Plan, in which sustainable finance plays a key role, to advance our ESG strategy. As part of TD's Sustainability and Corporate Citizenship group, we established our Enterprise Sustainable Finance team under the broader TD Environment team in 2022 and appointed an Associate Vice President to lead the team. The Enterprise Sustainable Finance team develops Bank-wide strategies that aim to support business opportunities and progress in the focus areas of TD's ESG Framework.

Our Approach in Action

TD's Sustainable Finance Executive Council (SFEC) plays an important role in mobilizing sustainable finance across the Bank and aligning sustainable finance opportunities with TD's enterprise-wide ESG strategy. The council is chaired by TD's Executive Vice President of Canadian Business Banking and includes 12 leaders who support sustainable finance within their respective business lines. The members of the Council promote initiatives that help support TD's ESG strategy and Climate Action Plan and provide banking expertise to help advance sustainable finance practices at TD.

TD has sought to incorporate sustainable finance within each major business segment. Our work to date has led to transactions involving innovative ESG-themed financial products and services for our clients, including green, social and sustainable bonds; sustainability-linked loan and bond structuring and underwriting; ESG due diligence on mergers and acquisitions and private equity; and end-to-end carbon market solutions.

Analyst Corner



[Sustainable Finance Data \(p. 73\)](#)

[Green Banking](#)

[Green Products \(p. 73, p. 74 and p. 76\)](#)

[TD Securities ESG Solutions group](#)
(formerly Sustainable Finance and Corporate Transitions Group)

[TD's Climate Action Plan: Report on Progress and Update on TCFD](#)

Sustainable Finance

ESG Advice and Client-Focused Solutions

The TD Securities ESG Solutions group (formerly, the Sustainable Finance and Corporate Transitions Group) is the centre of excellence for client ESG coverage and coordinates activities across corporate and investment banking and global markets. The group provides ESG advice and delivers solutions that help us advance our clients' ESG strategies, across both global public and private sectors. The group offers:

- Advisory services, including best practices/market standards for ESG integration and reporting.
- Market perspectives through ESG due diligence in mergers and acquisitions and private and public equity transactions.
- Products such as green, social, sustainable and sustainability-linked (GSSS) bonds and sustainability-linked loans.
- Carbon market solutions such as carbon offset advice for project acquisition and investment and access to carbon markets and strategic insights.



The work of the ESG Solutions group supports clients in transition activities that may help reduce GHG emissions within their operations, which contributes directly to a reduction of TD's financed emissions. For more information, please see our [2022 TD Climate Action Report](#).

+ For details about TD Asset Management's Sustainable Investing Approach and how TD Insurance supports customers and the insurance industry, please see our [Sustainable Investing](#) and [Sustainable Insurance](#) sections.

In 2017, TD was the first Canadian bank to announce a financial target to further advance the low-carbon economy – \$100 billion, in total, in low-carbon lending, financing, asset management and internal corporate programs by 2030 – and we are proud to share we have reached this goal ahead of our plan.

- The natural capital value⁹ of the contribution over the last five years is estimated at over \$490.9 million.¹⁰
- The environmental impact of our contribution to date is estimated at over 2.7 million tonnes of CO₂e avoided (equivalent to the annual emissions from the energy use of approximately 320,100 North American homes).¹¹
- Our financing activities have supported more than 268,680 jobs and contributed approximately \$44.6 billion to the GDP.^{12,13}

This year, we set a Sustainable & Decarbonization Finance Target to mobilize \$500 billion by 2030, with a focus on supporting environmental, decarbonization and social activities through lending, financing, underwriting, advisory services, insurance and the Bank's own investments.¹⁴

We have developed a methodology outlining the environmental, decarbonization and social activities that are eligible for inclusion toward our target which was informed by guidelines, frameworks and industry practices.

Targets

Progress on Goal	
Target	2022 Result
\$100 billion, in total, in low-carbon lending, financing, asset management and internal corporate programs by 2030	\$107.8 billion
\$500 billion Sustainable & Decarbonization Finance Target ¹	New goal

¹ For more information on the Sustainable & Decarbonization Finance Target, please see the [TD Sustainable & Decarbonization Finance Target Methodology](#).



Performance Highlights

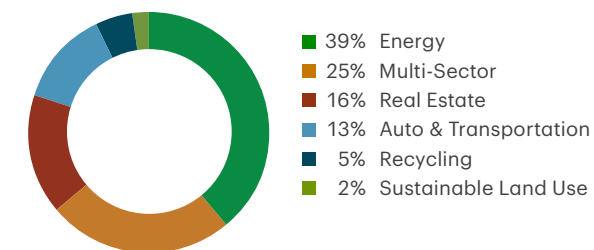
\$19 billion

green, social, sustainable and sustainability-linked (GSSS) bonds underwritten by TD Securities in 2022¹

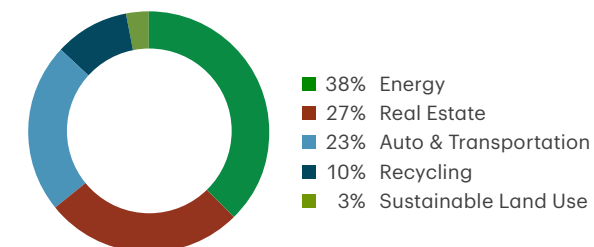
>\$122 billion

underwritten by TD Securities across GSSS bonds and loans since 2010²

Financial Support of the Low-Carbon Economy by Market Sector



Breakdown of Jobs Supported by Market Sector



¹ Reflects the apportioned value of lead-managed GSSS bonds and the committed value of sustainability-linked loans underwritten by TD Securities.

² Reflects the cumulative value of TD Securities' commitments to sustainability-linked loan facilities and the apportioned value of lead-managed green, social, sustainability and sustainability-linked bonds underwritten by TD Securities since 2010.

Sustainable Finance

The inclusion of decarbonization activities in our target reflects our focus on supporting new and existing clients in decarbonizing their operations and executing their emissions reduction plans. Eligible decarbonization activities are those that align with industry best practice including the International Energy Agency’s Net Zero Emissions by 2050 Scenario (IEA NZE) and other guidance developed by external bodies. You can read our full methodology [here](#).

TD intends to report annually, on a cumulative basis, on its progress toward the Sustainable & Decarbonization Finance Target in one or more of future ESG-related reports.¹⁵

Thought Leadership

TD is a member of the Canadian Sustainable Finance Action Council (SFAC), with Barbara Hooper, Senior Executive Vice President and Chief Operating Officer, Canadian Business Banking, serving as the Chair of SFAC’s Disclosure Technical Expert Group. TD is also a member of the SFAC’s Taxonomy Technical Expert Group and Net Zero Capital Allocation Working Group. Established in May 2021 as a response to the recommendations of the Government of Canada’s Expert Panel on Sustainable Finance, SFAC brings together financial sector experts to provide input on the foundational market infrastructure required for a stable and reliable sustainable finance market in Canada that will boost investor confidence and drive economic growth.¹⁶ In addition to our work with SFAC, TD Securities was selected to serve on the Advisory Council of the International Capital Market Association’s Green Bond Principles and Social Bond Principles Executive Committee. TD Securities also publishes thought leadership pieces in the form of articles and podcasts that deliver commentary and perspectives on current ESG trends and issues affecting capital markets. Additional TD Securities insights can be found on [their website](#).

Additional details regarding TD’s sustainable finance-related thought leadership and memberships can be found in our [2022 TD Climate Action Report](#).

What We Did in 2022

In 2022, TD focused on initiatives and products that are designed to have a positive green and social impact. Throughout this ESG report, we highlight the products and services introduced in 2022. For example, see the [Highlight on Affordable Housing](#) for more details on the TD Home Access Mortgage product in the United States and see [Sustainable Investing](#) and our [2022 TD Climate Action Report](#) for information about the TD Emerald Low Carbon Global Equity Index Non-Taxable Investor Pooled Fund Trust offered by TD Asset Management (TDAM).

Supporting Climate-Related Innovations

We believe TD can contribute to climate solutions as an investor and provider of capital. Advancing the development and employment of clean technology (cleantech) may provide attractive business opportunities and allows us to help accelerate the pace of the transition to a low-carbon economy.¹⁷ The following are a few ways in which we have contributed:¹⁸

- Has a commitment to cleantech principal investing, with multiple investments in North American cleantech venture and energy transition funds, including General Atlantic’s BeyondNetZero and Idealist Capital’s inaugural Climate Impact Fund.

- TD has recently joined the Low Carbon Patent Pledge, which was launched on Earth Day, April 22, 2021, by Hewlett Packard, Microsoft and Facebook with the support of the World Economic Forum to demonstrate the role of technology and innovation in the pursuit of sustainability and net-zero goals. This coalition of pledgors is providing the rights to use their pledged patents without charge. The intent of the program is to provide third parties with a patent pool to leverage to develop new and innovative ways to combat climate change. Through its participation, TD is contributing access to a family of 12 patents related to the Internet of Things (IoT) that can be applied to low-carbon innovations for energy savings. Across participating organizations, more than 500 patents have been pledged so far.



Sustainable Finance Highlights

Issuing

US\$500 million

TD issued an inaugural US\$500 million three-year sustainability bond in 2020 under the [TD Bank Group Sustainable Bonds Framework](#). The proceeds of this sustainability bond are used to finance and/or refinance loans,¹⁹ investments and internal or external projects (collectively, “Eligible Assets”²⁰) that meet the TD Bank Group Sustainable Bonds Framework criteria. TD followed this offering in December 2021 with a US\$500 million three-year green bond under the TD Bank Group Sustainable Bonds Framework, and this debt offering was led by a syndicate of underwriters that included minority-, women- and veteran-owned business enterprises (MWVBEs) and was the first time that a Canadian bank bond offering has been led by a syndicate group that included MWVBEs as active joint bookrunners²¹. To date, TD has issued four ESG-themed corporate bonds, bringing its total ESG bond issuance to approximately \$3 billion. Of TD’s issuance, a \$500 million bond matured in 2017, and a US\$1 billion bond matured in 2020.

Some of the projects funded by the 2020 TD Sustainability Bond Issuance¹

Description: Intercare Corporate Group Inc. is a supportive living accommodation and personal care service provider in the Calgary Health Region, currently operating four care facilities, comprising 886 beds. TD provided construction financing for renovation and expansion of one of those facilities, the Chinook Care Centre.

Expected Benefits: The Chinook Care Centre provides seniors who need supportive long-term care and services with a total of 279 beds. In addition to long-term care beds, the Centre offers 14 hospice beds, and an additional 28 specialized care beds.

Description: Credit facility to Mann MS2013400 LP (Mann) to develop and operate a rooftop solar facility located in Plattsville, Ontario. The solar facility is jointly owned by two entities, Mann and a local Indigenous Nation, who each have a 50% stake in the project.

Expected Benefits: Since 2019, the Plattsville rooftop solar facility has generated approximately 1 GW of power. The project has also facilitated a working relationship between Mann and the Indigenous Nation.

Some of the projects funded by the 2021 TD Green Bond Issuance¹

Description: Construction loan provided to 1 Madison Office Fee LLC (One Madison) to be used for the redevelopment of a 1.4 million square foot, 27-story, office tower located in the Midtown South/Gramercy neighborhoods of Manhattan, New York City. TD is one of the lead lenders in the syndicated loan for this development.

Expected Benefits: One Madison is expected to achieve both WELL and LEED-Gold certification. As part of the LEED Certification process, environmental goals are integrated in design, construction and planning decision-making. Planned features of the building include high efficiency mechanical systems to conserve energy, as well as a high-performance curtain wall that optimizes heating and cooling efficiency. The building is also planned to have more than one acre of outdoor space across various setback, terrace and rooftop spaces, each connected to a stormwater drainage system that feeds into a 74,000 gallon reclamation tank to provide makeup water to the building’s cooling towers.

Description: Credit facility to Lightsource Titan Borrower USD Limited (Lightsource bp), an international solar business, to support the development of utility-scale solar projects, which will support Lightsource bp’s goal to develop 25 GW of solar by 2025. Lightsource bp is a renewable energy company, with at least 95% of their revenue derived from sources that meet the TD Bank Group Sustainable Bonds Framework eligibility criteria.

Expected Benefits: The credit facility, along with other sources of financing, helped to develop an initial, approximate 2 GW of solar projects. Additionally, Lightsource bp seeks to limit adverse impacts on biodiversity while also incorporating ecosystem protection and biodiversity enhancements into its projects, with Lightsource bp reporting a large majority of its self-developed projects in 2021 utilizing a Biodiversity Management Plan.

Set a new \$500 billion Sustainable & Decarbonization Finance Target

with a focus on supporting environmental, decarbonization and social activities through lending, financing, underwriting, advisory services, insurance and the Bank’s own investments.²



¹ Information and specifications, including expected benefits, have been provided and/or confirmed by the applicable borrower.

² For more information on the Sustainable & Decarbonization Finance Target, please see the [TD Sustainable & Decarbonization Finance Target Methodology](#).

Sustainable Finance Highlights

Investing

\$22.3 billion

TD's Treasury and Balance Sheet Management team considers green, social, sustainability and pandemic²² bond investments when managing the Bank's Treasury investment portfolios. As of October 31, 2022, these portfolios included approximately \$22.3 billion in green, social, sustainability and pandemic bonds.

TD Bank Group ESG Investment Statement

We believe that incorporating environmental, social and governance considerations into our investment decision-making contributes to the overall economy and long-term sustainability of the environment. In 2022, TD set a target to hold \$15 to \$20 billion in green, social, sustainability and pandemic bonds in its Treasury investment portfolio by the end of 2025.²³

Underwriting

Over \$122 billion²⁴

underwritten by TD Securities across green, social, sustainable and sustainability-linked bonds and loans since 2010.

Examples²⁵:

In March 2022, TD Securities acted as a co-structuring advisor and a joint lead manager on the Government of Canada's inaugural \$5 billion 7.5-year green bond issuance – the largest Canadian-dollar-denominated green bond offering to date. As a co-structuring advisor, TD Securities supported the design of Canada's green bond framework and assisted in the development of the ongoing program. Canada's green bond program is intended to support government investments in green infrastructure, renewable energy, nature conservation and other environmental initiatives.

TD Securities acted as joint lead manager and structuring advisor and played other key roles in supporting the [Dream group of companies'](#) efforts to align corporate impact and ESG initiatives with financing in the capital markets. In June 2021, Dream Industrial REIT published its Green Financing Framework and subsequently completed its inaugural \$400 million green bond offering. In April 2022, Dream Residential REIT announced the pricing of a US\$125 million initial public offering alongside the first pre-IPO corporate ESG assessment in any Canadian IPO. In June 2022, Dream Impact Trust announced a \$40 million public offering of impact bonds issued under the borrower's Impact Financing Framework. As the fourth Dream entity to integrate ESG into a financial markets offering, Dream Office REIT closed a \$375 million sustainability-linked loan in September 2022.



TD Securities remains focused on supporting our clients in their ESG journeys. Embedding environmental, social and governance factors into all facets of their business creates both unique challenges and remarkable opportunities. The build out of our ESG strategy vertical, along with the formation of our Carbon Advisory practice, demonstrates our commitment to bringing innovative, market-leading resources to our clients.

Amy West

Global Head, ESG Solutions, TD Securities

Lending

Our Approach

TD provides a wide range of financial products and services, including Retail and Business Banking in Canada and the US (under the brand TD Bank, America's Most Convenient Bank®) and Wholesale Banking (under the TD Securities brand), supporting customers with a presence in key global financial centres, including Toronto, New York, London, Dublin and Singapore. Operating an integrated financial institution means there is potential for the Bank's lines of business to be exposed to a broad range of E&S risks. Our approach to lending considers that E&S risks, including climate risk, may result in market, operational, regulatory, legal and other risks to our borrowers, which in turn may manifest into credit, reputational and other risks for the Bank. The Bank has policies, processes and governance to manage, monitor and report on these risks and continues to refine its approach to embed E&S risks into its lending considerations at both the individual customer and portfolio levels. The Bank continues to participate in industry engagements (e.g., the United Nations Environment Programme Finance Initiative (UNEP FI)), vendor engagements and scenario analysis pilots to build and enhance its capabilities. For additional details on how E&S risks are managed across the enterprise, please see the [E&S Risk Management](#) section.

In addition to risk considerations, TD continues to look for opportunities to support a sustainable economy, by both engaging new customers and supporting existing customers in their transition journeys. We remain committed to participating in the global energy transition currently underway toward a low-carbon economy. We also recognize that traditional energy sources will continue to be a component of the energy mix necessary to meet demand, and that government energy policy and regulatory development will be a necessary factor in the transition to a lower-carbon future.

Our Approach in Action

Environmental and Social Due Diligence

We manage E&S risk based on a life-cycle approach that begins before our formal engagement with a client and continues throughout our relationship. Our approach for assessing risk includes a set of due diligence tools that are applied within the Bank's non-retail lending portfolios and includes assessing an applicable borrower's policies, procedures and performance on significant E&S issues. For additional details on TD's risk assessment procedures, please refer to our [Environmental and Social Risk Process](#).

Analyst Corner

[Lending Data \(p. 75\)](#)

[TD's Environmental and Social Risk Process](#)

[List of Stakeholder Engagements on E&S Topics: ESG Reporting Details](#)

TD's Climate Action Plan: Report on Progress and Update on TCFD [\(p. 31-34\)](#)



Lending

Equator Principles

The Equator Principles (EP) are a voluntary set of minimum due diligence standards to help financial institutions determine, assess, manage and report on E&S risks with respect to in-scope project financing. EP signatories choose to voluntarily adopt and apply the EP as part of their due diligence processes to help support responsible risk decision-making. TD has been a signatory since 2007 and has embedded the EP into its E&S risk processes for applicable transactions.

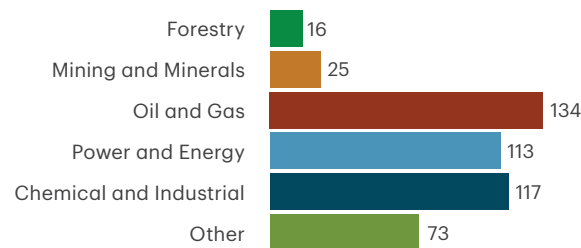
In 2022, TD completed five Equator Principles transactions. The number and categorization of EP deals undertaken this year is similar to the numbers reported in previous years. See [Lending Data](#) for additional details.

Performance Highlights

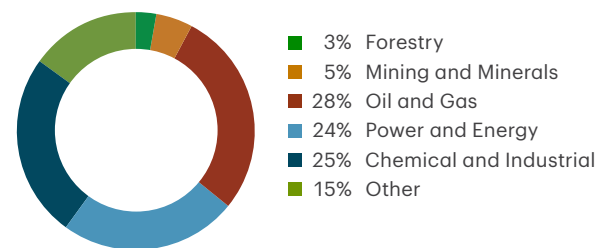
E&S Risk-Enhanced Due Diligence Reviews by Sector 2022

As part of TD's E&S Risk Process for Non-Retail Lending Business Lines, transactions that exceed certain thresholds and have elevated E&S risk are escalated to TD's ESG Risk Management team for additional review and potential further escalation to the business segment and/or Enterprise Reputational Risk Committee.

Number of Reviews



Percentage of Total Reviews



What We Did in 2022

- TD has continued to build on its ability to assess, manage and monitor how ESG risks manifest in the lending portfolio, with a particular focus on the impacts of climate risk. See our [2022 TD Climate Action Report \(p. 31-34\)](#) for additional information about our progress, including climate risk scenario analysis, enhanced data analytics and reporting, and cross-industry engagement and research.

Challenge: Managing Climate Risk in our Portfolio and Helping Customers Respond to Natural Disasters



Response: In the fall of 2022, people in Atlantic Canada, Florida and North and South Carolina experienced two devastating storms – Hurricane Fiona in Canada and Hurricane Ian in the US. Hurricane Fiona, downgraded to a post-tropical storm when it hit landfall in Canada, caused \$660 million in insured damage as estimated by Catastrophe Indices and Quantification Inc., the costliest extreme weather event ever recorded in Atlantic Canada in terms of insured damages, according to the Insurance Bureau of Canada.²⁶ In the United States, Hurricane Ian was the second deadliest storm in the continental US, behind Hurricane Katrina in 2005, with at least 97 people killed in Florida and North Carolina,²⁷ and caused between US\$50 and US\$65 billion in insured losses.²⁸

As part of the Bank's response to Hurricane Fiona, TD provided temporary relief to affected customers by providing mortgage payment deferrals, as well as FlexLine payment deferrals. The Bank also activated the TD Helps program across Atlantic Canada, which offers customers a range of options to help with their finances when disaster strikes. This includes deferrals on mortgage payments, making credit available and relief on fees, such as non-sufficient fund fees, other financial institution ATM fees and other fees for when customers go over credit card limits. The TD Insurance Catastrophe Claims Advisor Teams travelled to Halifax in advance of the hurricane landfall and were able to start reviewing claims as early as a few days after the storm passed through certain areas. TD also committed \$200,000 to support the Canadian Red Cross in its humanitarian efforts, as well as an additional \$50,000 to support community organizations focused on food security in the most affected areas of the Maritimes.

To help those customers affected by Hurricane Ian in the United States, TD Bank enhanced its Real Estate Secured Lending disaster assistance plan to offer customers six months of payment forbearance relief with an option to extend an additional six months as needed. These changes apply to customers affected by FEMA/presidential disaster-declared events, such as Hurricane Ian. Additionally, TD Bank announced a US\$500,000 contribution to support local relief efforts aiding people and communities affected by Hurricane Ian across the Southeast US with donations distributed to several local non-profit organizations leading recovery efforts across the region.

Climate-related risks, such as extreme weather events, pose risks to organizations, including TD. TD continues to reflect on our product and service offerings to help support affected customers as demonstrated in the responses to Hurricanes Fiona and Ian.

Sustainable Investing

Analyst Corner

Investing Data (p. 74)

[TDAM Proxy Voting Guidelines/TDAM Disclosures on Proxy Practices](#)

[Sustainable Investment Approach](#)

[TDAM Sustainable Investing](#)

[TD Bank Group Sustainable Bonds Framework](#)



Our Approach in Action

ESG Integration

Incorporating ESG factors within the investment framework is compatible with TDAM's goal of seeking to provide strong risk-adjusted returns. As such, TDAM believes that ESG factors are an important consideration within its investment process, helping to provide TDAM with a more robust view of potential risks and opportunities.

TDAM has been a signatory to the United Nations-supported Principles for Responsible Investment (PRI) since July 2008. TDAM's ESG framework is aligned with the six principles set out in the UN PRI and is grounded in three core activities:

- 1. ESG Integration** – Investment teams at TDAM take a variety of approaches to integrating ESG considerations into investment selection and analysis, depending on the specific mandate, as documented in TDAM's Sustainable Investing Approach.
- 2. Engagement and Proxy Voting** – TDAM takes an active stewardship approach across its equity and fixed income portfolios, including engagement with companies and proxy voting. These elements of stewardship serve as avenues both to develop a better understanding of a company and to relay TDAM's concerns regarding material ESG issues. For more information on ESG integration at TDAM and proxy voting, please see the [2021 Sustainable Investment Report](#).
- 3. Thought Leadership** – TDAM leverages expertise from across its organization and regularly publishes thought leadership covering a range of ESG topics.

Approach to Climate Change


Within TDAM's risk-managed investment processes, TDAM considers climate change a systemic risk affecting economies, companies and investors. TDAM's approach to climate change is aligned with its overall philosophy of integrating all sources of risk and return in its investment processes. For more information regarding TDAM's approach to climate change, please see our [2022 TD Climate Action Report](#) and [TDAM's TCFD Report](#).

Client-Driven ESG Solutions

TDAM offers clients a suite of ESG-oriented investment funds that are designed to help investors achieve their financial goals while aligning their investments with their values:

- [TD Emerald Low Carbon Global Equity Index Non-Taxable Investor Pooled Fund Trust](#)
- [TD Emerald Low Carbon/Low Volatility Global Equity Pooled Fund Trust](#)
- TD Morningstar ESG Index ETFs ([TD Morningstar ESG Canada Corporate Bond Index ETF](#), [TD Morningstar ESG Canada Equity Index ETF](#), [TD Morningstar ESG International Equity Index ETF](#), [TD Morningstar ESG U.S. Corporate Bond Index ETF](#), [TD Morningstar ESG U.S. Equity Index ETF](#))
- [TD North American Sustainability Equity Fund](#)
- [TD North American Sustainability Balanced Fund](#)

Targets

Progress on Goal 			
2023 Target	2022 Target	Progress	2022 Result
Update TDAM Sustainable Investing Policy	Publish TDAM's Sustainable Investment Report	Met	TDAM published its 2021 Sustainable Investment Report in August 2022
Conduct UN PRI ESG training for TDAM investment team	Publish TDAM's climate report based on the TCFD recommendations, including portfolio carbon footprint	Met	TDAM published its Task Force on Climate-Related Financial Disclosures 2021 Report in May 2022

Our Approach

TD Asset Management Inc. (TDAM) is a Canadian-based asset manager with \$356 billion of assets under management. TDAM manages assets on behalf of corporations, pension funds, endowments and foundations and of almost two million retail investors. TDAM offers a broadly diversified suite of investment solutions including mutual funds, professionally managed portfolios and corporate class funds. TDAM strives for investment excellence for its clients and incorporates ESG factors through its Sustainable Investing Approach.

Sustainable Investing



What We Did in 2022

- TDAM provided transparency to both retail and institutional clients on how it approaches and integrates sustainability in TDAM's investments and operations through several publications, including the [2021 Sustainable Investment Report](#), [TDAM's Commitment to Diversity & Inclusion](#), [TDAM's 2021 TCFD Report](#), and [TDAM's Proxy Voting Guidelines](#).
- As of October 31, 2022, 82% of active equity investment funds managed by TDAM were rated as in-line or better than their corresponding benchmark based on the MSCI ESG Quality Rating.²⁹
- TDAM is focused on delivering meaningful and impactful engagement outcomes. In 2022, TDAM had 418 ESG-focused engagements with 207 companies (compared to 328 and 168, respectively, in 2021). These engagements covered a variety of topics, including climate change, diversity, executive compensation and economic inclusion.
- TDAM investment teams conduct thematic ESG-related research with cross-sector impact. In 2022, TDAM professionals authored the reports listed below, among others, and contributed relevant research pieces to industry publications.

- + **Carbon Pricing: Why Investors Should Care**
- + **Science vs. Perception: Why Nuclear Energy Should Be Part of the Green Transition**
- + **Stewardship & Inclusively Addressing the Labour Crunch**
- + **Inclusive Growth: A Multi-Asset Framework on Indigenous Rights and Reconciliation in Investing**

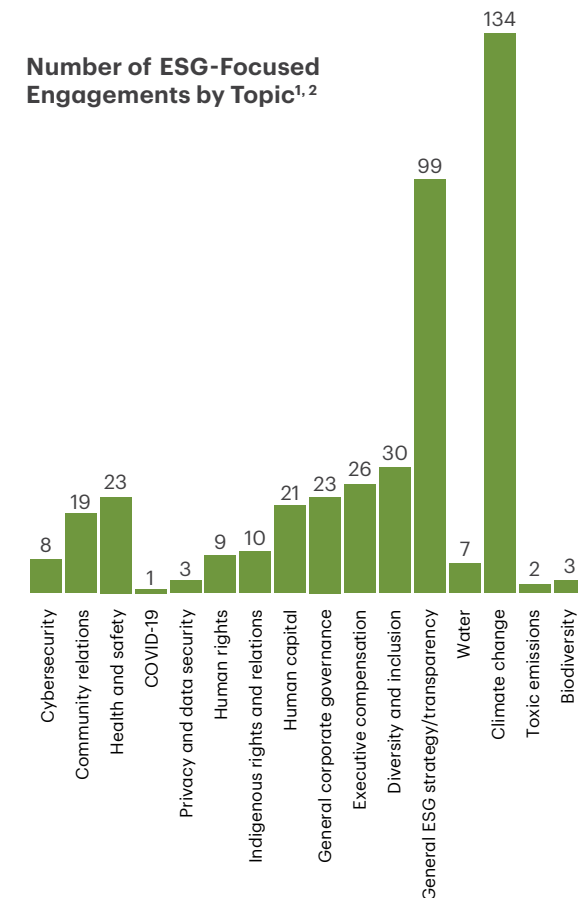
1 An engagement in this context is considered a direct exchange or outreach to a company on a specific topic. One meeting with a company can include multiple topic engagements. TDAM also includes letters sent to companies on ESG topics as separate engagements.

2 Source: TDAM fiscal year 2022.

Number of ESG-Focused Engagements by Pillar^{1,2}



Number of ESG-Focused Engagements by Topic^{1,2}



Sustainable Insurance

Analyst Corner

TD Insurance Data ([p. 76](#))

[Principles for Sustainable Insurance](#)



Extreme weather events continue to have an impact on jurisdictions where TD Insurance (TDI) conducts business, directly affecting the communities we serve. In Canada alone, in 2022, insured damage across the insurance industry from severe weather reached \$3.1 billion, and the losses in 2022 are now ranked as the third highest for insured losses in Canadian history.³⁰ At TDI, we know we have a role to play in helping our customers find the right coverage for their risks, while helping them adapt and increase their resilience to the effects of climate change. At the same time, we're continuing to work to find ways to increase the impact of our efforts. Details about TDI's engagements and thought leadership can be found in our [2022 TD Climate Action Report](#) and [TDI's Principles for Sustainable Insurance \(PSI\) Disclosure](#).

Performance Highlights

~69,010

active Electric Vehicles (EVs) and Hybrid Electric Vehicles (HEVs)

Thought Leadership

TDI continues to engage in thought leadership, particularly as it pertains to resiliency of Canadians and their ability to manage climate change and climate-related risks.

- TD Insurance (TDI) became a signatory of UNEP FI Principles for Sustainable Insurance (PSI) in 2014, the second Canadian company to do so. TDI's AVP of Environment, Government and Industry Relations is the vice-chair of the PSI board as well as the board member for North America. Additionally, the TDI President and CEO is a member of the UNEP FI Leadership Council and was the only Canadian insurer representative invited to join the council.
- TDI is a founding member of Climate Proof Canada, a broad coalition of insurance industry representatives, municipal governments, Indigenous organizations, environmental NGOs and research organizations. The coalition is encouraging the Canadian federal government to take action to enhance Canada's culture of preparedness and build a more disaster-resilient country.
- TDI leads and/or participates in Insurance Bureau of Canada and Canadian Life and Health Insurance Association (CLHIA) working groups and committees addressing climate-related issues specific to property and casualty and life and health insurance. CLHIA established a climate-change working group, which TDI is chairing.

What We Did in 2022

Eco-Efficient Rebuild: With Enhanced Home Coverage, TDI customers can get additional protection to cover the extra costs of buying environmentally friendly products for repairs. With Eco-Efficient Rebuild, customers repairing their home after a covered loss can take the opportunity to install environmentally friendly materials up to 10% of the claim amount (limited to \$50,000).

TDI Green Wheel Discount: TDI continues to provide a discount for drivers of EVs and HEVs.

Resilience: TDI continues to focus on the resilience of its business, customers and communities in the face of climate change and climate-related risks through its products and services. (See our [2022 TD Climate Action Report](#) for more details.)

Managing Climate Change and Climate-Related Risks: In 2022, climate change and climate-related risks continued to be an ever-present concern. In response, TDI began work with the Office of the Superintendent of Financial Institutions (OSFI) and the Bank of Canada on the first national flood systemic risk assessment looking at mortgage and insurance coverage. TDI is providing data to support the analysis that will lead to a greater understanding of the risks facing Canadians in support of mitigation efforts.

Bumper Cover Recycling: TDI initiated a bumper cover recycling program that was operationalized in an initial seven Alberta auto centres. During a one-month period, 58% (413 out of 703) of the bumper covers were transferred to be recycled.

More details about TDI's thought leadership and 2022 highlights can be found in our [2022 TD Climate Action Report](#).



Insurers help families and businesses recover after catastrophes. We witness the increasing consequences of human-driven climate change and understand the benefits of investing in nature and resilience. I feel compelled to educate and lead on international and Canadian initiatives that elevate our responses to the social and physical challenges of our changing world.

Moira Gill

Associate Vice President, Environment, Government and Industry Relations, TD Insurance

Environmental



A Message from Nicole Vadori



At TD, we believe that everyone has a role to play in advancing environmental sustainability. Building on the work of our Climate Action Plan and Climate Target Operating Model, we continued to measure, disclose, and set our financed emissions targets this year to support the path to a low-carbon future. We know this path is one that cannot be walked alone – it will take action across countries, sectors and organizations to achieve global climate objectives – and we are committed to doing our part.

We also recognize that climate change and nature loss are fundamentally linked. In continuing TD’s history of managing our resources responsibly and taking steps to protect, conserve and restore nature, in 2022, TD joined Circular Economy Leadership Canada (CELC) and was a founding member of the CELC finance initiative, and TD Securities announced a \$10 million investment into the Boreal Wildlands Carbon Project led by the Nature Conservancy of Canada (NCC).

We are proud of the steps we have taken this year to help build a more sustainable future, and we know we must do our part to not leave anyone behind in the transition to a low-carbon economy. Looking ahead, we are focused on a people-centred transformation – one that is just and equitable – as we continue to support our customers, colleagues and communities in the journey toward a more sustainable, inclusive tomorrow.

Nicole Vadori
Vice President and Head of Environment

Climate Change

Why It Matters to TD and Our Stakeholders

TD: Environmental and social (E&S) issues, including the current and future impacts of climate change, are recognized as among the top and emerging risks for TD. Through our Climate Action Plan, we are working to embed climate considerations across our business lines and create effective low-carbon solutions, helping to build environmental and business resilience across the Bank.

Stakeholders: Stakeholders increasingly voice their expectation that TD play a role in addressing these issues as a top North American financial institution. A report from the Government of Canada's Office of the Parliamentary Budget Officer outlines the connection between climate change and Canada's GDP³¹ and further highlights the need for action on climate change and the transition toward a low-carbon future.



Our Approach

At TD, we remain driven by the belief that we have a responsibility to work with our customers and clients, colleagues and the communities we serve to support long-term inclusive and sustainable growth. Our dedicated TD Environment team, part of our Sustainability and Corporate Citizenship group, is responsible for helping to execute TD's Climate Action Plan and works closely with the E&S Risk Management team that manages E&S risks, including climate-related risk. In 2022, we also established the Enterprise Decarbonization team under the broader TD Environment team, with a mandate to lead development of our enterprise decarbonization strategy and financed emissions accounting and target-setting work, while supporting our businesses to implement their decarbonization strategies and tactics.

In 2010, we became the first North American bank to achieve carbon neutrality³² across our operations and a decade later we were still leading the way when we became the first major Canadian bank to set a target to achieve net-zero³³ greenhouse gas (GHG) emissions associated with our operations and financing activities by 2050 (aligned with the associated principles of the Paris Agreement). In 2022, we developed interim Scope 3 financed emissions targets for the energy and power generation sectors, which were shared in our 2021 ESG Report. This year, we have developed additional interim 2030 financed emissions targets for the automotive manufacturing and aviation sectors, inclusive of both corporate lending and capital markets activities. An important part of our Climate Action Plan involves finding ways to support our clients in the low-carbon transition, whether through advice or financial products and services. See our [2022 TD Climate Action Report](#) for more details.

Our Approach in Action

TD recognizes that the transition to a low-carbon economy may have consequences, such as changing the demand for jobs in traditional energy sectors and requiring new training or expertise to perform jobs in a low-carbon economy. TD's Climate Action Plan, which includes our target of net-zero GHG emissions from our operations and financing activities by 2050, is focused on helping customers and clients navigate this changing landscape. Additionally, through our philanthropy, we support workers and communities affected by the transition to a low-carbon economy and help to ensure its benefits are shared widely. TD's Climate Action Plan Roadmap is helping guide us toward our net-zero goal, and we're working collaboratively across the Bank to carve out a thoughtful path. Detailed information about our Roadmap and our performance can be found in our [2022 TD Climate Action Report](#).

Analyst Corner

[Climate Change Data \(p. 77-80\)](#)

[Carbon Neutral Schedule \(p. 80\)](#)

[2022 GHG Emissions Assurance Statement](#)

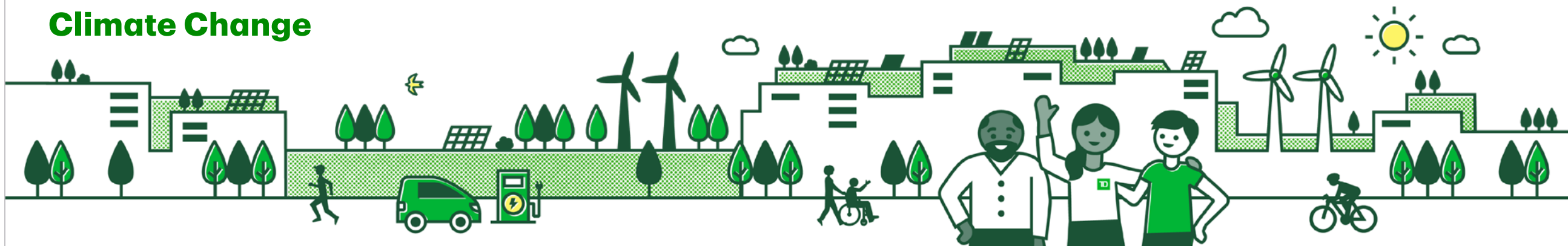
[TD's Climate Action Plan: Report on Progress and Update on TCFD](#)

[2022 CDP Climate Change Questionnaire](#)

[Low-Carbon Economy Progress Report](#)



Climate Change



TD's GHG Footprint

External Pathways

TD's Baseline and Targets

TD's Actions

Reporting

Where are we today?

How will the world get to net zero?

What are our targets?

How will TD get to net zero?

How are we transparently reporting our progress?

Targets

TD's GHG Emissions Reduction Targets¹



TD's Scope 1 & 2 GHG Emissions Target

In July 2021, TD set a 25% reduction target from our operations (Scopes 1 and 2 GHG emissions) by 2025, relative to a 2019 baseline, using a science-based approach.

TD's Scope 3 Financed Emissions Targets

Client Sector	Client Emissions Scope	Units	2030 Reduction Targets
Energy	Scope 1-3	gCO ₂ e/\$	29% reduction relative to 2019 portfolio baseline
Power Generation	Scope 1	kgCO ₂ e/MWh	59% reduction relative to 2019 portfolio baseline
Automotive Manufacturing	Scope 1, 2, 3 Tank to Wheel	gCO ₂ /vkm	50% reduction relative to a 2019 baseline
Aviation	Scope 1 of airlines Scope 3 of aircraft lessors	gCO ₂ /pkm	8% reduction relative to a 2019 baseline

¹ For more information about our financed emissions interim targets, including our methodology and design decisions, please see our [2022 Climate Action Report](#).

Our Scopes 1 and 2 Emissions: In July 2021, we established an interim target to achieve an absolute reduction in GHG emissions from our operations (Scopes 1 and 2³⁴) by 25% by 2025, relative to a 2019 baseline. This interim target was set using a science-based approach and is in line with the 1.5°C trajectory recommended by the Paris Agreement. We used the Science Based Targets initiative's (SBTi) absolute contraction approach, which is a method for setting an absolute emissions reduction target aligned with the global annual emissions reduction rate that is required to achieve 1.5°C.

Our Scope 3 Financed Emissions: In 2022, we expanded our measurement of our Scope 3 financed emissions footprint for additional asset classes and sectors in accordance with Partnership for Carbon Accounting Financials (PCAF)³⁵ guidance for the measurement of business loans, investments, motor vehicle loans and residential mortgages. We disclosed

Scope 3 financed emissions from lending activities in the automotive, shipping, aviation, agricultural and industrials sectors, in addition to our existing Scope 3 footprint disclosures in our 2021 ESG and Climate Action Reports for the energy sector and power and utilities sector, which we have updated this year. Additionally, building on our Scope 3 financed emissions targets for the energy and power generation sectors released last year, we developed additional 2030 interim financed emissions targets for the transportation industry, covering the automotive manufacturing and aviation sectors, inclusive of both corporate lending and capital markets activities. For more information on our financed emissions footprint or interim targets, including details about our methodology for setting financed emissions targets aligned with pathways limiting warming to 1.5°C, and information about the dependencies and risks to meeting our targets, please see our [2022 TD Climate Action Report](#).

Climate Change



Performance Highlights

24.6%

the absolute reductions in GHG emissions from our operations (Scope 1 and 2)¹

89%

of our lending to carbon-intensive sectors² is covered by our financed emissions footprint calculation

Thought Leadership

We are focused on efforts that we believe will result in meaningful action to combat climate change and advance low-carbon solutions for a strong, inclusive economy. Externally, this means continuing to work with credible organizations such as the Institute for Sustainable Finance and the Center for Climate-Aligned Finance and supporting the development of harmonized reporting standards through our membership in the PCAF and our advocacy work with industry associations to develop standardized climate-related disclosures for financial institutions.

What We Did in 2022

- TD updated the Climate Target Operating Model (TOM) to support our work to implement TD's Climate Action Plan and to manage climate risks through dedicated work streams, including an enterprise climate risk strategy and scenario analysis program.
- We also continued to work toward operationalizing our Climate TOM; for example, we outlined our strategy for addressing carbon-intensive industries, established Scope 3 emissions baselines and set reduction targets for additional sectors, advanced our climate risk identification and measurement processes and developed our enterprise climate data strategy, including laying the groundwork for a central data service project. For more details, please see our [2022 TD Climate Action Report](#).
- We completed the implementation of our Thermal Coal Position. For more details please see our [E&S Risk Process](#).
- We convened ESG thought leaders and experts across the enterprise via the Research, Analytics & Insights Hub within the ESG Centre of Expertise to facilitate knowledge sharing and continue to inform our climate-related strategies. To learn more about the ESG Centre of Expertise, please see [page 14 of the TD's ESG Framework](#) section.

¹ Relative to a 2019 baseline.

² Carbon-intensive sectors include energy, power and utilities, automotive, shipping, aviation, industrials and agriculture. We have also included two new asset classes including residential mortgages and consumer auto loans.

Responsible Resource Use and Nature-Based Solutions

Why It Matters to TD and Our Stakeholders



TD: Financial institutions have an important role in supporting the stability and health of our financial system and economy. Given that natural resource use continues to be a driver of economic growth globally,³⁶ we believe that the financial sector can play a role in supporting the sustainable use of our resources and help address global risks relating to nature loss. As a financial institution, TD has a significant physical presence and customer base across many sectors, and our facilities and business activities can lead to the consumption of a range of natural resources. As such, we have the opportunity to look for ways to reduce our own impact on nature, as well as help our customers and clients improve their resource efficiency.

Stakeholders: Natural resources are important for the optimal functioning of our economy and society. This dependence highlights the importance of sustainable and inclusive development for a future where our customers, colleagues and communities can thrive.

Responsible resource use and nature-based solutions are key components for addressing climate change. According to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services, nature-based solutions with safeguards are estimated to provide 37% of the climate change mitigation required to meet the goal of keeping climate warming below 2°C.³⁷ Additionally, the current US administration is committed to promoting nature-based solutions to help confront climate change³⁸ and nature-based solutions form a key component of the 2030 net-zero pathways for both the global Intergovernmental Panel on Climate Change and the Canadian federal government’s Emissions Reduction Plan.³⁹

Our Approach

At TD, we understand a healthy economy is connected to a healthy environment. Our message over the years has remained consistent. TD has a long history of protecting and restoring land through the ongoing support of nature-based projects across North America and taking steps to minimize the environmental impacts of our buildings and operations.⁴⁰

Analyst Corner



Responsible Resource Use Data (p. 80-82)

[2022 GHG Emissions Assurance Statement](#)

[Friends of the Environment Year in Review 2022](#)

[TD Ready Commitment Report](#)



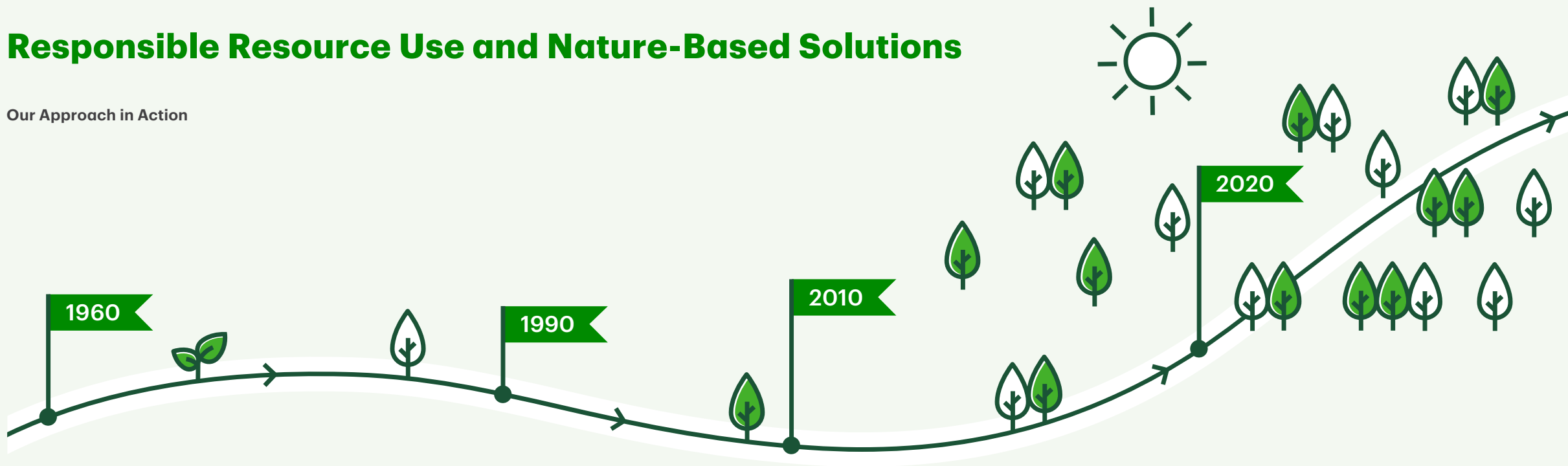
Learning Corner



- **Responsible resource use** – using natural resources responsibly so they are available for future generations.
- **Nature-based solutions** – actions to protect, sustainably manage and restore natural ecosystems that help address societal challenges such as climate change, human health, food and water security and disaster risk reduction.⁴¹
- **Transitioning to a circular economy** – maximizing the use of resources by designing products to minimize waste and reintegrate products back into production.⁴²

Responsible Resource Use and Nature-Based Solutions

Our Approach in Action



1960s

1964 – Earliest record of a TD-funded tree-planting initiative.



1970s

1971 – Included nature-themed stamps in our annual report with the aim of spreading the message about nature loss.



(Left) Branch Manager Don McCallum plants a tree with the assistance of Alderman E. D. N. Glover and H. B. Wressel, President of the Horticultural Society, in honour of the Centennial of Huron & Erie, Chatham, Ontario. TD Bank Group Archives P05-0525

1990s

1990 – Established the TD Friends of the Environment Foundation, a national charity that funds environmental projects across Canada.

2010s

2010 – Became carbon-neutral.⁴³

2010 – Started TD Tree Days, an annual flagship volunteer program focused on planting trees and shrubs to help enhance and activate public green spaces.

2014–2018 – TD Economics released annual Natural Capital Valuations reports, which helped us understand the costs, benefits and return on investments of selected TD planned activities related to reduction of greenhouse gas (GHG) emissions and airborne pollutants.

2018 – Committed to helping plant one million trees and shrubs by 2030.

2020s

2020 – Announced TD's ESG Framework and recommitted our efforts to promoting the responsible and efficient use of resources through TD's operations and reach.

2021 – TD Asset Management released The Investment Case for Biodiversity.

2021 – Announced our commitment to support TD's Vibrant Planet Green DC Corps over the next two years to help transform green spaces in underserved communities across Washington, D.C.

2022 – TD Securities announced a \$10 million investment into the Boreal Wildlands Carbon Project and TD joined Circular Economy Leadership Canada (CELC).

Responsible Resource Use and Nature-Based Solutions

What We Did in 2022

In 2022, TD Securities announced a \$10 million investment into the Boreal Wildlands Carbon Project, which is being developed by the Nature Conservancy of Canada (NCC) and is the largest single private conservation project ever undertaken in Canada, according to the NCC. Through its investment, TD Securities will support crucial efforts to protect nearly 1,500 square kilometres of mixed hardwood and softwood boreal forest in Northern Ontario. Known as the “lungs” of the planet, Canada’s boreal forests hold more than 10% of the world’s land-based carbon reserves and their protection remains critical in the fight against biodiversity loss and climate change.⁴⁴ As part of the agreement with the NCC, and as a demonstration of TD’s commitment to supporting the development of voluntary carbon markets, TD Securities will receive access to a portion of the carbon offsets generated from the project.

Promoting the Responsible Use of Resources

In our journey to use resources responsibly and promote the circular economy, we have taken the following steps:

Responsible Resource Use (RRU)

- Starting with our own operations, we continue to work to reduce our impact on nature, including by being more efficient in our use of water, energy and paper and by recycling. See [RRU and Nature-Based Solutions data](#) in our performance data tables.
- We are continuing our journey of reducing the use of plastic across our physical footprint in North America. As an example, to reduce plastic sold via our online store for branded merchandise in Canada and the US, we work to select products that help us lower our carbon footprint, reduce landfill waste, eliminate single-use plastics and promote natural, organic, recycled and/or reusable materials.

Circular Economy

- To help us advance our understanding of this space, we joined the Circular Economy Leadership Canada (CELC) and were one of the founding members of the CELC finance initiative.
- We also provided philanthropic support for the circular economy; for example, in 2022, we supported:
 - > McGill University’s Centre for Innovation in Storage and Conservation of Energy, which focuses on the development of new types of renewable clean energy. As part of TD’s support, the program addresses the entire life cycle of storage solutions, which is part of the journey of transitioning to a circular economy.
 - > VIBE Arts – Reduce, Reuse, Remake program, which focuses on upcycling and using household recyclables and trash to create art pieces. Participants engage in conversation about the importance of reuse and the consideration of the entire life cycle of household items.
 - > Furniture Bank’s Repair Workshop programming. The Repair Workshop creates home essentials from damaged furniture and unwanted material to help meet the needs of individuals and families. In collaboration with Miziwe Biik Aboriginal Employment and Training program, the workshop also offers skilled part-time and permanent social employment opportunities to repair furniture for redistribution to Furniture Bank’s clients.
 - > The Textile Museum of Canada’s Life Cycle of a Textile program, in which students examine clothing’s origin, the processes and practices involved in the production of clothing, and the impact that the production and disposal of garments has on both the students’ immediate environments and the global environment. With the support of TD’s Friends of the Environment Foundation, the museum will offer 20 of these programs for free.

Performance Highlights

80,000 volunteers

from Canada and the US participated in restoration of greenspaces through TD Tree Days Program between 2010 and 2022¹

Over \$64 million

Amount TD and TD Friends of the Environment Foundation have contributed to conservation and restoration activities since 1999

Supporting the Adoption of Nature-Based Solutions

- ALUS Canada is an environmental program that supports farmers and ranchers in restoring cleared, unproductive land back to its natural state, helping to produce cleaner air, cleaner water and wildlife habitat. Since 2019, TD has directly sponsored 11 ALUS communities in five provinces, with 43 farmers and ranchers funded in total. TD has funded 600 acres through the ALUS New Acre Project, and nearly 25,700 native trees and shrubs have also been planted as part of TD’s New Acre Project sponsorships.

- Planned restorations for which TD has provided funding in 2022 include the following:
 - > Mi’kmawey Debert Cultural Centre (Forest Restoration and Education at Mi’kmawey Debert) is focused on restoring land that was significantly damaged during World War II training back to a Mi’kmaw forest, diversifying and adding trees throughout the campus. Through interpretive trails, the centre anticipates over 60,000 people will be engaged annually in the cultural history and practices of the Mi’kmaw people. The centre expects that this project will anchor its stewardship of the area, helping to protect it from encroaching industrialization.
 - > Downsview Park (Downsview Park’s Urban Forest Resilience Project) aims to improve biodiversity and engage the community through an ecological review and improvement of the urban forest, a high-traffic area of the park. Engaging contractors and the community, plantings and remedial work are projected to take place, including the addition of habitat spaces such as hibernacula and improved bird habitats.
 - > With funding from TD, the NCC aims to design and deliver measurable restoration actions across the country that are prioritized, efficient, effective and scalable. Their work is expected to include encouraging and partnering with federal and provincial governments to set national restoration goals, designing and delivering a restoration framework and strategy, and conducting three restoration projects to operationalize this framework.

¹ Volunteer numbers for TD Tree Days are tracked by counting instances of volunteering, therefore, this number includes volunteers that may have participated in multiple TD Tree Days events.



A Message from Shelley Sylva

TD Pathways to Economic Inclusion

Highlight on Affordable Housing

Financial Access and Inclusion

Diversity and Inclusion

Colleague Development, Retention and Well-being

Responsible Sourcing

Customer Experience

Product and Service Responsibility

Social



A Message from Shelley Sylva



As a large financial institution, we know TD has an opportunity to be a driver of positive change in the communities in which we operate through our role as a community citizen. With the well-being of our customers, colleagues and communities at the forefront of our minds and acknowledging that there remains great hardship within our communities, we are inspired and driven to continue looking for ways to further economic and financial inclusion in those communities we serve.

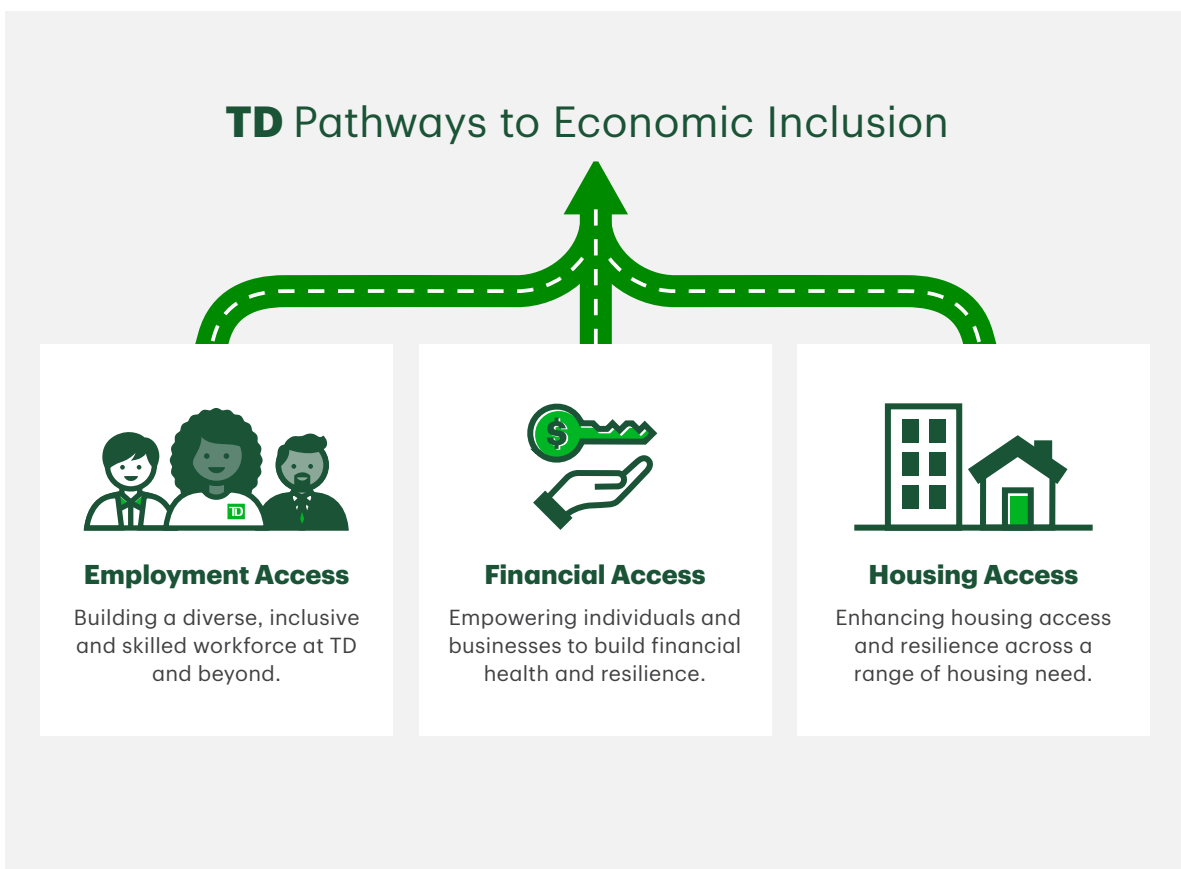
To help focus our efforts to advance three areas – employment access, financial access and housing access – we are taking another step forward through TD Pathways to Economic Inclusion. Through these pathways, we believe we can contribute to positive change across our Canadian and US footprints, as well as help further embed social considerations into the way we do business. Looking to 2023 and beyond, we want to continue taking action that is inclusive and in service of our communities. Through our business and philanthropic arms, we will continue our work to help bolster the social, economic and financial capacity of our communities because, here at TD, we know that we can only thrive when the communities around us thrive.

Shelley Sylva

Vice President and Head of U.S. Corporate Citizenship

TD Pathways to Economic Inclusion

At TD, financial and economic inclusion have long been core to our sustainability priorities. Building on this foundation, we are taking another step forward through **TD Pathways to Economic Inclusion**, which focuses our efforts on three areas where we believe we have the knowledge and resources to make a meaningful impact: employment access, financial access and housing access.



Through **employment access**, within the Bank, we are focused on creating entry points to meaningful careers, providing equitable access to training, development and critical work experience for long-term success and growth and advancing diversity and inclusion throughout the organization. Through our supplier diversity program, we will continue to focus on fostering inclusion across our supply chain to help create opportunities for entrepreneurs. Outside of the Bank, we are focused on supporting workforce training and skills development programs that address barriers to employment and help people prepare for jobs in high-demand sectors.

Through **financial access**, we seek to improve access to banking with a focus on financial education and advice as well as enhancing or building products, services and processes to remove barriers and help build financial health and resilience for our customers, colleagues and communities.

Finally, through **housing access**, we are focused on providing tools and advice to help people access and remain in homes that meet their needs, supporting organizations that increase access to secure housing and provide related supports for more vulnerable members of our community, and contributing to the supply and refurbishment of affordable housing through our financing and philanthropy.

TD Pathways to Economic Inclusion will sustain and build upon our long-standing commitment to improve financial and economic inclusion. It will focus

our efforts to further embed social factors into our business. It also complements our new \$500 billion by 2030 Sustainable & Decarbonization Finance target, which includes financing for activities that contribute to improving social outcomes in areas such as affordable housing, employment generation, socioeconomic empowerment and education.

TD Pathways to Economic Inclusion will also strengthen our commitment to open doors for all members of our communities, helping to guide our efforts toward targeting \$1 billion by 2030 through the TD Ready Commitment. And it will build on an area that has long been a priority for the Bank – diversity and inclusion – helping to further our stated commitments.

We know that environmental, social and governance issues and opportunities are interconnected and evolving quickly and that there are challenges and uncertainties in this space, including with respect to data and how best to measure performance. We are committed to being open and flexible in our approach – learning and incorporating new insights along the way. In the coming year, we will work to enhance our data and measurement processes and will consider establishing additional metrics and related goals. We look forward to sharing our progress in our next ESG Report.

With **TD Pathways to Economic Inclusion**, we are ready to take the next step in our journey to help create an inclusive and sustainable future.

TD Pathways to Economic Inclusion

TD Pathways to Economic Inclusion builds on our long-standing efforts to improve financial and economic inclusion for our customers, colleagues and communities. Here are some highlights of our efforts over the past year:



Employment Access

Canada: Worked with Black Professionals in Tech Network to launch a bootcamp in Canada for Black-identified individuals to help build careers in technology.

Canada and the US: Provided opportunities for our colleagues to develop in their careers through initiatives like the US TD Black Employee Network Leadership Readiness Program, a career development series for colleagues who identify as Indigenous, the 2SLGBTQ+ Women/Non-Binary Mentorship program and the Enabling Leaders training program for colleagues who identify as having a disability.

Canada: Launched a new certification program for businesses owned by refugees with the Canadian Aboriginal and Minority Supplier Council (CAMSC) and the Tent Partnership for Refugees.

US: Through the Career Relaunch Program, TD continued to provide training, support and growth opportunities to ease the transition for employees who have taken time off from their professional careers.

Canada: Announced a scholarship program for Indigenous Peoples administered by AFOA Canada, which will offer 25 scholarships to high school and university students, including \$15,000 per year for up to four years and employment opportunities at TD such as summer employment between years of study and full-time employment upon graduation.



Financial Access

Canada and the US: Engaged more than 339,000 people through TD-supported financial literacy initiatives over the past year.

US: As part of the \$105 million equity fund announced in 2021 to support minority businesses, we have closed US\$14.2 million in support to Community Development Financial Institutions.

Canada: Supported the Black Opportunity Fund's (BOF) new program to provide financial support for Black entrepreneurs through microloans to eligible entrepreneurs who are unable to obtain bank financing. This program is partially funded through TD's \$10 million, five-year commitment to BOF made in 2021.

US: Introduced changes to our overdraft policy, including TD Overdraft Relief and TD Grace Period (raising the overdraft fee threshold, decreasing the number of possible overdraft fees per day and giving customers more time to avoid overdraft fees).

Canada: Collaborated with organizations that support women entrepreneurs such as Movement51, The Forum and Coralus to enhance access to funding by supporting coaching, mentoring and networking for women-owned and women-led businesses.



Housing Access

US: Launched the TD Home Access Mortgage product designed to increase home ownership opportunities in Black and Hispanic communities within TD Bank's footprint.

Canada: Through TD Helps, assisted over 3,000 households facing financial hardship through mortgage refinancing, payment deferrals, amortization extensions and interest-only payments.

US: Continued to contribute to the supply of affordable housing, including financing the construction of a sustainable 112-unit 100% affordable housing project in Yonkers, New York called Hudson Hill in December 2021.

Canada: Provided financial and volunteer support for 20+ years to Habitat for Humanity, enabling the organization to provide homes for hundreds of families in need. A recent grant provides funding for 10 new projects across Canada that aim to create 50+ housing units. Additionally, over the past year, we have provided funding to a number of organizations in Canada focused on providing transitional and supportive housing to more vulnerable members of our communities, including Fife House Foundation and Chez Doris Women's Shelter Foundation.

Highlight on Affordable Housing

What We Did in 2022 to Help Customers and Communities Access and Remain in Housing that Meets Their Needs

+ See [p. 84](#) for details about our Economic Inclusion data

Through Our Business – Shared Value

- TD's National Real Estate Group (NREG), in Canada, together with the Commercial Mortgage Group (CMG), Commercial Banking and the Indigenous Banking Group, have a mandate that involves taking a targeted approach to supporting affordable housing.
 - > CMG often works with borrowers in Commercial Banking, TD stakeholders and brokers to provide ongoing, long-term affordable housing financing.
 - > NREG often finances larger construction projects, which may include an affordable housing component (e.g., projects in which a small number of units are presold to government entities). NREG participates in the Canada Mortgage and Housing Corporation (CMHC) mortgage loan insurance (MLI) Select program (and, before that, CMHC's MLI Flex program), a multi-unit MLI product focused on affordability, accessibility and climate compatibility.
 - > The Indigenous Banking team works closely with Business Bankers, sharing information about programs we have for Indigenous Peoples at TD and external to the Bank.

- In the United States, TD Bank introduced the TD Home Access Mortgage product in 2022 designed to increase home ownership opportunities in Black and Hispanic communities within TD Bank's footprint. The product offers eligible borrowers a US\$5,000 lender credit that does not require repayment, which can be used for closing costs or toward a down payment on a home purchase. In addition to this special-purpose credit program, TD continued to focus on serving the lending needs of Black and Hispanic borrowers in these markets by continuing to enhance services available in TD stores and through loan officers; in 2022, we increased Mortgage Loan Officer hiring in these communities by 20% compared to 2021. In response to the *Community Reinvestment Act* (meant to encourage financial institutions to help meet the credit needs of the communities in which they do business, including low- and moderate-income neighborhoods), TD Bank executed business strategies created to improve low-to-moderate-income (LMI) lending: enhancing our store-based mortgage capability, continued evaluation of our affordable mortgage product suite, and expanded LMI whole loan purchases.



- Also in the US, TD Bank provided a US\$28 million construction loan to fund the complete renovation of a multi-unit housing community located near the H Street Corridor, a rapidly evolving neighborhood in Washington, D.C., to provide affordable rental housing for local working- and middle-class families, such as young professionals, police officers and teachers. The ten-story building will be completely renovated into 166 units and half of the units will be reserved for those who earn no more than 80% of the area's median individual income of approximately US\$52,300. The project is aligned with the TD Ready Commitment, our corporate citizenship platform, which, in part, emphasizes access to safe and affordable housing.
- Through TD Helps, we have assisted customers in Canada facing financial hardship. In 2022, 3,049 households were supported through mortgage refinancing, payment deferrals, amortization extensions and interest-only payments.

Through Our Philanthropy

- In Canada, we collaborated with the Garden River First Nation in Ontario on an initiative called Niin Wigwamis (My Little Home). Through a \$300,000 grant over two years, funds will help support the building of a 10-unit affordable housing development project. The vision of the project is to create 10 safe, affordable, environmentally sustainable, and culturally designed homes for the community.
- Through a \$750,000 grant over three years, TD will help Wikwemikong Nursing Home Ltd. build a new care home for the Elders of the Wiikwemkoong Unceded Territory and neighbouring communities. The Elders' home will provide safe and affordable housing as well as culturally appropriate care for its residents. The long-term care facility will provide an enhanced opportunity for the Elders to engage the youth and all community members and help preserve language and traditions so they can be passed on to future generations.
- In the United States, TD Bank granted the National Coalition for Asian Pacific American Community Development US\$225,000 to support housing stabilization and economic recovery efforts. Funding supports local efforts to fight displacement of approximately 2,000 low-income Asian American and Pacific Islander (AAPI) residents and small businesses in neighborhoods across five states by helping to expand the organization's education and organizing activities focused on anti-displacement in AAPI neighborhoods.

+ For more details of our philanthropic support for housing access initiatives, please see the [TD Ready Commitment Report](#).

Financial Access and Inclusion

Why It Matters to TD and Our Stakeholders



TD: We continue to focus on providing equitable access to banking and supporting the financial health of our customers. This is core to our journey to foster financial access and inclusion and inclusive economic growth and helps us to strengthen and grow our customer base.

Stakeholders: TD's success is deeply interconnected with the well-being of our customers, colleagues and the communities we serve. As a financial institution, we have a role to play in helping improve the financial well-being of our stakeholders to help them meet their financial needs and achieve their financial goals.

Our Approach in Action

We are committed to helping our customers access core banking products and increase their confidence in their financial future by helping them build their financial knowledge. Access to financial services and financial health and education resources are key components of our ESG Framework and TD Pathways to Economic Inclusion, and we work to embed financial health and education into our business practices and initiatives supporting our customers, colleagues and the communities we serve. Examples of how we support financial health and education, as well as access to financial services, can be found in this section, and examples of how we support our diverse customers can be found in the section on [Diversity and Inclusion](#).

What We Did in 2022

Financial Health and Education for Customers and Small Businesses

TD recognizes the importance of and aims to support financial health (i.e., the extent to which individuals are able to comfortably meet their financial needs and commitments now and in the future) and education through our business and philanthropy. Additional information about our philanthropic support for financial health and education can be found in our [TD Ready Commitment Report](#).

Our focus on promoting financial health and education extends to all members of the communities we serve.

Canada

In 2022, TD continued to support the financial education of our customers across Canada through the Your Money section on our TD Stories site, which features free articles designed to build and strengthen financial literacy. From market-specific content, such as preparing for rising interest rates, to personal-finance-related content, such as budgeting, investing, home buying, taxes, and retirement, our customers and colleagues can find a range of resources based on their specific needs.

TD Wealth for Women hosted more than 15 events related to finance for women and the importance of financial education that reached over 3,400 women clients and prospective clients. TD Wealth for Women was also featured in media interviews throughout 2022 discussing women's unique financial needs, as well as the importance of financial education.

TD hosted 123 Money Matters workshops for Indigenous Peoples, reaching over 1,700 learners from the Indigenous community between April 2021 and March 2022.

TD's Black community relationship managers delivered over 40 financial education seminars across Canada in 2022. Topics have ranged from simple budgeting to complex investing strategies and estate planning. Additionally, TD partnered with Gonez Media, a Black-owned media outlet, to deliver web-based financial education programming to the community.

United States

TD supports financial health and wellness by providing our youth with money management tools and resources to help prepare them for a strong financial future. The TD Bank WOW! Zone Financial Education lesson plans are free and designed to help K-12 students learn valuable information about saving, banking, spending, credit scores and investing. Accompanying the WOW! Zone is the TD Bank Virtual Stock Market Simulator, TD Bank's no-cost virtual trading platform. Educators can use the platform in the classroom to help students learn about personal finance or create a challenge to practice trading real stocks at real prices, but without risking real money. In 2022, approximately 20,000 users accessed youth-focused financial education resources, 105,000 users leveraged our virtual trading platform and TD volunteers facilitated financial education events with approximately 2,900 youth in attendance.

The Let's Talk Money digital hub provides customers, colleagues and community members access to guidance on making the most of their money. Through articles and videos featuring TD colleagues, Let's Talk Money delivers financial education on the topics most important to our customers, including budgeting and saving, avoiding account fees, and credit and debt management. We also introduced a new section of Let's Talk Money dedicated to fraud education, as a proactive measure to help safeguard customers from fraudsters and scams. Social media and innovative mobile tools such as TD for Me and SMS push notifications help TD to deliver relevant and timely Let's Talk Money articles directly to customers.

Analyst Corner

Financial and Economic Inclusion Data (p. 83)



[TD Ready Advice](#)

[Women in Business Website](#)

[TD and Indigenous Communities in Canada](#)

[Black Customer Experience](#)

Financial Access and Inclusion

Improving Access to Financial Services

Here at TD, providing all individuals fair, convenient and equitable access to our products and services is important. Some of the ways we work to provide greater financial access are by offering affordable product options to customers across our footprint and offering longer hours at our branches and stores. As another example, to help reduce barriers to financial services for vulnerable populations, we open personal accounts regardless of whether a person is unemployed or is experiencing/has experienced bankruptcy at any time, subject to required conditions and we also work to support the unique financial needs of our senior customers, for example. To learn more about how we support our senior customers, please see page 64 of the [Product and Service Responsibility](#) section. We are also committed to providing customers with clear information about our products and services. Our intent is to be informative and transparent about our products and services.

As part of our focus on supporting continued access to banking, TD Bank introduced changes to its overdraft policy in the United States in 2022. For personal and small business customers, we increased the overdraft fee threshold from US\$10 to US\$50 in April 2022. In September 2022, we introduced an overdraft grace period for customers who are overdrawn by more than US\$50, providing additional time to bring their account to \$0 or more before being assessed an overdraft fee. We also eliminated overdraft protection transfer fees for consumer and small business products in 2022. Lastly, we enhanced the policy for personal checking customers by eliminating the non-sufficient funds fee and adjusting the posting order to prioritize the customer's credits before debits.

Supporting Small Business

Small businesses play an important role in our local and national economies. TD helps small businesses grow through our banking model and innovative business solutions. We work to support businesses through product and service offerings and through the relationships that we build with customers and the communities we serve. TD supports our small business customers through traditional lending services and financial solutions to help meet their unique needs.

For the sixth consecutive year, TD Bank ranked as the top Small Business Administration (SBA) lender by units in our Maine-to-Florida footprint for the SBA's 2022 fiscal year and we ranked as a top two SBA lender by units nationally. In Canada, TD Canada Trust was #1 in Customer Satisfaction with Small Business Banking in the J.D. Power 2022 Canada Small Business Banking Satisfaction Study.⁴⁵



Performance Highlights

\$6.3 million

invested in community financial education programs¹

Over 339,000

people engaged through TD-supported financial literacy initiatives in 2022

In the United States, TD Bank announced a US\$105 million equity fund in 2021 to support minority-owned businesses in the US. About US\$30 million of the fund will be used to provide direct capital to minority-owned businesses through partnerships with Community Development Financial Institutions (CDFIs) whose focus is providing support to minority-owned businesses. In 2022, 11 projects closed as part of the US\$30 million, totaling US\$14.2 million. Examples of CDFIs that received funds in 2022 include Ascendus and New Jersey Community Capital (NJCC). Ascendus's mission is to empower low-to-moderate income business owners through access to capital and financial education, and NJCC is providing capital to support Black- and minority-owned small businesses as well as supporting these small businesses in developing individualized coaching plans. The remaining approximately US\$75 million will support minority-owned businesses with debt and equity through a Special Small Business Investment Company (SSBIC), a program of the Small Business Administration. TD's application for SSBIC designation is in progress.

In Canada, through the Women in Enterprise team in Business Banking, which focuses on women-owned and -led businesses, we helped connect women business owners to helpful resources and programs. This included providing \$650,000 in funding to support collaborations across Canada, such as Startup Canada and Réseau des Femmes d'affaires du Québec, that helped provide access to capital and support services such as coaching and mentoring to women-owned businesses.

Funded in part by TD's \$10 million, five-year commitment to the Black Opportunity Fund (BOF) announced in 2021, BOF launched a new program in 2022 to provide financial support for Black entrepreneurs, whereby BOF will provide microloans between \$10,000 and \$50,000 to eligible customers who are unable to obtain bank financing. Additionally, TD provided financial support to the Federation of African Canadian Economics Coalition (FACE) in February 2023. Both FACE and BOF will provide support through expertise and wrap-around services such as business plan development and mentorship for Black entrepreneurs.

¹ Participants include people that take part in an initiative or program or people that are reached by an initiative or campaign which aims to improve their financial habits, knowledge, skills and attitudes toward financial literacy in Canada and the U.S. TD-sponsored programs include programs both partially and fully sponsored by TD.

Diversity and Inclusion



Why It Matters to TD and Our Stakeholders



TD: TD’s purpose is to enrich the lives of our customers, colleagues and communities. We are committed to fostering diversity and inclusion (D&I) throughout the organization, including our corporate culture, products and service offerings, talent recruitment and development practices, sourcing and procurement practices and other efforts.

Stakeholders: D&I helps enable our colleagues, customers and communities to flourish, is a vital part of the TD culture and purpose and supports long-term value to shareholders.

Our Approach

Since 2005, D&I has been embedded in TD’s business strategy and framework. TD’s lines of business have documented strategies and plans that align with and support the enterprise D&I strategy. We have a Vice President of Diversity and Inclusion, and we hold ourselves accountable through our Enterprise Inclusion and Diversity Leadership Council. Our strategy includes focus on the following pillars: **Women at TD, Black Experiences, Visible Minorities/Minorities, Indigenous Peoples, People with Disabilities/Individuals with Diverse Abilities, 2SLGBTQ+** and **Veterans**. We regularly monitor representation of these pillars. We also have teams dedicated to Indigenous Banking, Black Customer Experience, Women in Enterprise and the 2SLGBTQ+ community that work closely with internal business partners to help provide a comprehensive approach to serving customers from these diverse communities.



Analyst Corner



[Diversity and Inclusion Data \(p. 86-88\)](#)

[Code of Conduct and Ethics](#)

[Our Commitment to Diversity](#)

[Employment Equity Report \(Canada only\)](#)

[TD and Indigenous Communities in Canada](#)

[TD’s Approach to Total Rewards](#)

[Small Business Banking Black Customer Public Site](#)

[Supplier Code of Conduct](#)

[Prospective Supplier Website and Statement on Supplier Diversity](#)

[A Message from Shelley Sylva](#)[TD Pathways to Economic Inclusion](#)[Highlight on Affordable Housing](#)[Financial Access and Inclusion](#)**Diversity and Inclusion**[Colleague Development, Retention and Well-being](#)[Responsible Sourcing](#)[Customer Experience](#)[Product and Service Responsibility](#)

Diversity and Inclusion

Our Approach in Action

Supporting Diverse Customers Through Our Products and Services

We focus on empowering our customers by providing products, services and tools that help improve access to financial services and help support financial stability and growth for diverse customers. Examples of how we support diverse customers can be found in this section and more information about supporting access to financial services can be found in our [Financial Access and Inclusion](#) section.


Building a Diverse and Inclusive Organization Through Colleague Education and Awareness

We remain focused on advancing our culture of inclusion and continue to provide opportunities for colleagues, including leaders, to further their understanding of diverse experiences and the role each of us plays in driving D&I at TD. Through learning and development programs, we aim to help our people managers develop actionable strategies to engage and leverage the full potential of diverse teams and challenge unconscious bias. We continue to invest in training to support an inclusive customer and colleague experience.

Encouraging Diversity in Our Supply Chain

We have designed our North American Supplier Diversity Program to promote a level playing field and encourage the inclusion of women, Indigenous Peoples, Black, minority and 2SLGBTQ+ communities, people with disabilities, veterans and other diverse suppliers in our procurement selection process.⁴⁶ Our Chief Procurement Officer's Statement on Supplier Diversity, published in 2021, reflects TD's commitment to D&I and recognizes D&I as both a core TD value and a business imperative. We are also a member of 11 diversity certification councils in North America that certify a supplier's diversity credentials.

Targets



Progress on Goal		
Commitment ¹	Progress	2022 Result
Women in 45% of roles titled Vice President and above in Canada, by 2025 ²	On track	✔ 40.3%
Increase minority representation at executive levels across North America, achieving 25% Black, Indigenous and minority representation by 2025	On track	22.5%
Double the representation of Black executives at TD in North America by end of 2022	Met	100% ³

- ¹ All executive appointments include roles Vice President and above (VP+); this excludes non-titled TD Bank Group officers. All commitments are relative to a July 31, 2020, baseline.
- ² Women in VP+ roles commitment is applicable to TDBG Canadian businesses.
- ³ Result reflects progress toward commitment.



Performance Highlights

55.9%

✔ women in our workforce globally

42%

✔ of our workforce in Canada self-identifies as visible minorities

36.8%

of our workforce in the United States self-identifies as minorities

42.8%

of our workforce in Canada self-identifies as Black, Indigenous, or a visible minority

Diversity and Inclusion

What We Did in 2022

The following section highlights some of the ways in which we worked to serve diverse customers, attract a diverse workforce, support diverse colleagues and encourage diversity in our supply chain throughout 2022.

Fostering Inclusion by Serving Diverse Customers Through Our Products and Services

2SLGBTQ+ Customers: TD partnered with 2SLGBTQ+ community organizations to launch the second annual Trans and Non-Binary Entrepreneurial Development Program to support the development of trans and non-binary business owners and aspiring entrepreneurs in the US. Additionally, building on the work of TD Canadian Personal Banking and Business Banking in 2021, TD Insurance (TDI) systems were enhanced in 2022 to enable customers to add their preferred or chosen name and pronouns through our phone channel.

Indigenous Peoples: TD's First Nations Home Loan Program provides financing to First Nation members to purchase, renovate or construct single-family homes on First Nation lands and settled lands. This program was piloted in 2021 and we continue to onboard new communities to the program.

Women: Through our TD Wealth for Women and Women in Enterprise teams in Canada over the past two years, we have more than tripled our number of TD Wealth and TD Business Banking specialists whose roles focus on working with women to help them reach their financial goals. This has enabled us to provide a differentiated experience for TD's women clients and prospects across Canada; our visibility in the market has resulted in increased referrals of women entrepreneurs to TD for financial services.

Attracting a Diverse and Inclusive Workforce

Newcomers: TD worked to hire refugees and displaced individuals, including those arriving in Canada through the Canada-Ukraine Authorization for Emergency Travel, to help provide them stability and meaningful employment. TD has actively recruited for roles by leveraging relationships with organizations involved in connecting newcomers to Canada with employment opportunities. For example, through our partnership with the Toronto Region Immigrant Employment Council (TRIEC), which initiated in 2004, TD mentors have helped newcomer professionals with their job search as well as make connections and gain skills that will help them succeed in their career.

Visible Minority/Minority Communities: TD partnered with organizations in Canada, including JVS Toronto and Jumpstart to participate in career fairs and deliver job-related workshops. TD also continues to partner with ACCES Employment on programs specific to newcomers to Canada and visible minorities. These programs include Women in Technology, Empowering Women, Cybersecurity Connections and refugee career fairs. To date, we have delivered 16 cohorts of the Cybersecurity Connections program. Over 300 participants have completed the program and each cohort has over 50 TD colleagues volunteering to be speakers, panellists, mock interviewers and/or speed mentors. In June 2022, TD led the Jumpstart Black recruitment fair with 21 active participants. In October 2022, TD also led a diversity career fair in Toronto with 73 invited participants from Canadian Branch Banking, which focused on networking with minority talent for branch roles, specifically financial planners and branch managers, and resulted in 16 hires for TD.

Supporting Diverse Colleagues Through Mentorship, Training and Education and Colleague Events

Black Colleagues: In 2022, we hosted our first diverse segments conference, which provided TD colleagues with the opportunity to share and learn from one another's experiences. The conference highlighted themes such as the Black, 2SLGBTQ+ and various intersectional experiences, how to be an inclusive leader, and the importance of recruiting diverse talent. The conference hosted over 50 thought leaders across the Bank who, through the conference's insightful discussions, were provided with information to help them become more inclusive, action-oriented advocates and leaders.

People with Disabilities/Individuals with Diverse Abilities: TD partnered with Disability:IN, a US-based non-profit group focused on disability inclusion, and participated in its NextGen Leader mentorship program. TD colleagues volunteered to be mentors to college students or recent college graduates with a disability. TD also partnered with The Humphrey Group to customize and deliver a training program, called Enabling Leaders, for colleagues who registered and identified as having a disability, where participants received tools for career development.

Veterans: TD Bank's Veterans Business Resource Group hosted a quarterly speaker series in the US, which focused on core veteran strengths and how those skills, such as leadership, teamwork and effective communications, can transfer to the workplace; more than 600 of our colleagues attended this series throughout the year.

Encouraging Supply Chain Diversity

In 2022, TD:

- Worked with the Canadian Aboriginal and Minority Supplier Council (CAMSC) and the Tent Partnership for Refugees to launch a new certification program for businesses owned by entrepreneurs who recently arrived in Canada as refugees. The new supplier diversity certification program for refugee entrepreneurs will provide training and mentorship opportunities, as well as connections and access to corporate and government buyers seeking to diversify their supply chains. TD will be paying the certification fees for the refugee-owned businesses for the first three years of the program.
- Provided ongoing guidance and support to diverse suppliers, including enrolling in four new mentorship programs: the CAMSC Executive in Residence Program, National LGBT Chamber of Commerce Mentorship Program, National Minority Supplier Diversity Council Executive Coaching and Women's Business Enterprise Canada Mentorship Program.
- Included diverse-owned broker-dealers in all of TD's US dollar senior debt issuances to promote supplier diversity and direct revenue to diverse-owned firms.

Colleague Development, Retention and Well-being



Why It Matters to TD and Our Stakeholders

TD: To sustain and continue to improve our legendary customer experience and be the Better Bank, we need to attract, develop and retain the best talent. We believe it is our responsibility to support our colleagues' well-being and empower them to grow their skills and gain new perspectives, to provide opportunities to achieve career aspirations and to have an impact at work and in their communities. Through our role as a large, reputable employer, TD's economic impact flows through our colleagues and into their households and communities.

Stakeholders: Individuals are driven to work for organizations that work to serve a higher purpose in society, align with their values, invest in their development and support their well-being.⁴⁷

Our Approach

We believe our colleagues can make an impact, achieve personal and career growth and experience a culture of care. At TD, we are committed to providing our people with an inclusive and respectful working environment and the tools they need to achieve their professional goals and maintain their physical, financial, mental and social well-being. We measure our performance on colleague experience through an employee engagement score. Additionally, through our Colleague Connection Survey, we solicited colleague feedback throughout the COVID-19 pandemic to stay on top of employee engagement, including when some of our colleagues, appropriate to their role, transitioned back to a physical work location.

Analyst Corner

Colleague Development, Retention and Well-being Data ([p. 89–92](#))

[Our Commitment to Diversity](#)

[Campus Recruitment](#)

[Developing Leaders](#)

[Summary of Benefit Programs](#)

[TD's Approach to Job Transitions](#)

[TD's Approach to Total Rewards](#)

[Summary of North American Health and Safety Policy](#)



Colleague Development, Retention and Well-being

Our Approach in Action

Developing Human Capital at TD

TD invests in its colleagues to help them build the skills needed to learn and grow today and for the future. Our development programs are anchored in the skills and capabilities critical to TD and are created for the unique needs of our colleagues. We continue to build programs and platforms to upskill our workforce and assist employees as they transition into new roles and as the banking industry evolves. Learning and development initiatives support a culture of continual learning and growth for colleagues that enables them to have meaningful impact on customers, colleagues and the communities we serve.

Colleague Well-being

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

We also aim to strengthen colleague well-being through initiatives such as the Well-being Ambassador Program, which establishes a network of trusted representatives within our businesses across our locations in Canada, the US, Europe and Asia. Ambassadors promote and connect colleagues with tips, tools and resources to support their well-being. In addition, every other month, our Well-being Ambassador Program spotlights an important well-being topic and related resources focused on one of the four pillars of well-being: physically thriving, mentally and emotionally flourishing, socially connected or financially secure. TD's North American Health and Safety policy establishes the framework under which TD works to provide a healthy and safe workplace and environment for its colleagues.

Our colleague engagement is also guided by the Bank's many Colleague Experience Councils across our lines of business, which provide strategic advice on colleague programs and initiatives. We also have a colleague ideation program at TD, iD8, and we use it to crowdsource ideas from our colleagues, allowing them to share innovative insights and ideas about how we can improve both the customer and colleague experience. iD8 helps TD unlock innovation and enable solutions to help us be the Better Bank. We review 100% of the submitted ideas and have received approximately 62,800 ideas since this employee ideation program began in February 2019. An example of an iD8 idea we implemented is a verification system for TD-initiated SMS texts and emails. It is designed to help provide customers with peace of mind that they aren't being targeted by fraudsters and has improved the colleague experience by reducing customer inquiries. Innovation programs like iD8 help to generate an innovative culture and actionable ideas, which can include new inventions and patents.

Engaging Our Colleagues

Our colleague experience measurement is holistic and includes engagement, inclusion, well-being, leadership effectiveness, work enablement (i.e., providing the tools and resources colleagues require to do their jobs), and TD's culture. We measure and take action on all aspects of our colleagues' experience and strive to create an environment that provides them with opportunities to have a positive impact on customers, communities and fellow colleagues. Our Employee Engagement Index scores are a five-point scale, and we solicit colleague feedback through our annual TD Pulse survey. Colleagues consistently share that they are proud to work for TD. We are also working to advance our colleague experience measurement capabilities to help us gain insights needed to understand the experience of our colleagues as they navigate the future of work in an ever-changing world. In 2022, we continued with regular colleague surveys and incorporated questions about inclusion and well-being to help us identify new trends in the colleague experience.

Employee Relations

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

TD's Approach to Well-being

Physically Thriving

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

Physically Thriving



Mentally & Emotionally Flourishing

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

Mentally & Emotionally Flourishing



Financially Secure

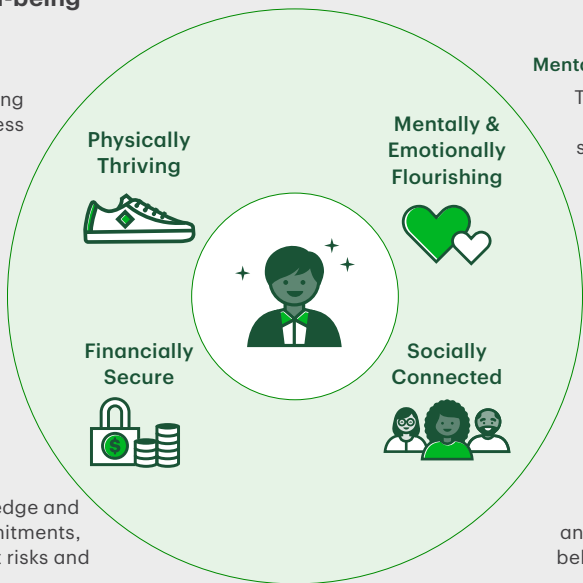
Financially Secure

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



Socially Connected

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



Colleague Development, Retention and Well-being

What We Did in 2022

Upskilling Our Workforce

Colleagues across the Bank engage in learning programs through multiple modalities to build the skills and capabilities needed to be effective in their current roles, prepare for future roles and excel in new ways of working. In 2022:

- We continued to deliver a sustainable and scalable learning strategy that both upskills colleagues for “agile” roles (i.e., those roles that leverage “agile” principles of using incremental and iterative steps to complete projects) and helps colleagues understand how to work in the Next Evolution of Work or “NEW” operating model. NEW learning was delivered to approximately 7,500 colleagues with more than 900 modules delivered totalling approximately 93,000 hours of learning.
- We continued to drive adoption of the Enterprise Skill Assessment tool, with the top skills assessed including leadership, data and analytics, and business analysis. These assessments provide colleagues with baselines and progress markers to identify additional relevant learning and development opportunities through our learning programs and platforms.
- We were awarded gold by the Brandon Hall Group for the scalable, multi-modal, blended learning program called People Leader Continuous Learning, launched in 2021 to North American Customer Operations Leaders.
- TD Thrive, one of our online learning platforms, remained a key component of our learning strategy reaching 82% of TD colleagues.

Colleague Retention and Redeployment

One way we assess employee engagement is by looking at how well we retain our talent. We are focused on retaining our colleagues and providing them with support and the opportunity to grow their careers. In 2022, we continued to build upon our career mobility strategy through investments in the following:

- We continued our enterprise redeployment practice with a dedicated team providing job search support to colleagues impacted by job loss. Our prior redeployment initiatives proved that providing central support to colleagues leads to positive outcomes and elevates colleague experience. Feedback from colleagues was positive, and the support provided is evidence of TD’s culture of care.
- We continued with our colleague-centric approach to growth and development by integrating career development conversations as part of our quarterly performance check-in process. The integration of career and performance conversations has helped to accelerate colleague engagement about career development planning.
- We continued to invest in career mobility tools to enhance data and reporting capabilities to better understand and support career mobility across the enterprise.

TD achieved the WELL Health-Safety Rating for its entire North American retail and corporate real estate portfolio, including all US stores and Canadian branches. The WELL Health-Safety Rating is an evidence-based, third-party-verified rating for building types that focuses on operational policies, maintenance protocols, stakeholder engagement and business continuity plans.

Targets

Engaging Our Employees

Progress on Goal							
Objective		2023 Target	2022 Target	Progress	2022 Result	2021 Result ²	2020 Result ³
Provide a great place to work	Employee Engagement Index ¹	85%	85%	Met	✓ 85%	✓ 84%	✓ 85%

¹ TD measures employee engagement using the TD Pulse Survey, which asks colleagues to rate their level of commitment and connection to TD and their role along three dimensions (intention to stay, pride in working at TD and job satisfaction) on a scale of one to five: Strongly Disagree (1), Disagree (2), Neither Agree Nor Disagree (3), Agree (4) and Strongly Agree (5). The percentages represent the average proportion of overall respondents who either agreed (4) or strongly agreed (5) with the first three statements shown in the Pulse Survey Results table on [page 91](#) of this report.

² Fiscal year 2021 target was 84%.

³ Fiscal year 2020 target was 82%.

Developing Our Leaders at Every Level

We continue investing in our colleagues by offering training opportunities that provide best-in-class learning experiences. Highlights include introducing:

- Our new people manager onboarding program, called Path to Leadership. This 12-month program focuses on helping new people managers learn to lead at TD and strengthening their leadership capabilities so that they feel confident and successful in their roles.
- Four new Executive Development programs that focus on strengthening capabilities that reflect TD’s Shared Commitments and boost executive leadership capabilities. Program topics include Communicating a Compelling Vision, Creating an Environment of Psychological Safety, Financial Acumen and Leading Transformational Change.

¹ An average day is considered eight hours for U.S. employees and 7.5 hours for all other employees.

² Voluntary attrition rates have increased as tighter conditions in both the U.S. and Canadian labour markets continue. While customer and colleague experience metrics continue to be very strong, enterprise-wide and business-specific strategies are being put in place to help support our talent pipeline.



Performance Highlights

8.6

the average number of days our colleagues spend in training in 2022¹

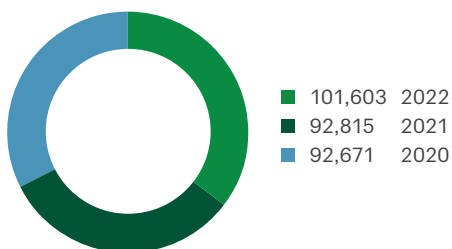
20.4%

our global turnover rate²

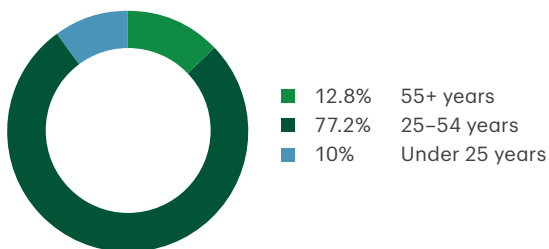
Colleague Development, Retention and Well-being

Total Colleagues, Colleague Age Profile, Colleagues by Region

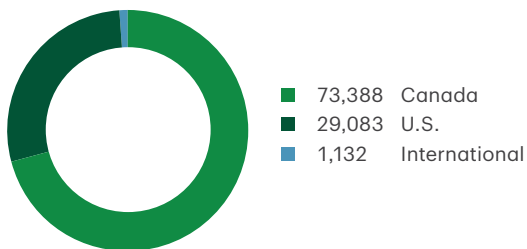
Number of Colleagues



Colleague Age Profile



Colleagues by Region



Building Our Leadership Pipeline

Programs and practices for our most promising leaders help prepare them for more senior roles. Our programs and practices have evolved and expanded to reach all levels; for example:

- We invested in three integrated and immersive leadership programs to develop our top talent pipeline across the enterprise. Our newly refreshed programs focus on helping leaders be future-ready, with a customer-centric emphasis on colleague development.
- For our Senior Manager Program, we worked to create an immersive development experience focusing on critical organizational capabilities and emerging skills and topics (e.g., ESG and D&I).
- The Graduate Leadership Program is our two-year rotational program focused on attracting, developing and retaining early talent in emerging areas of the Bank.

- TD's annual Talent Review practice drives intentional discussion and action around three priority pillars: pipeline management for SVPs+, pipeline management for AVPs and VPs and diversity. The priority pillars are infused across our talent discussions and business talent plans with the goal of building capability and advancing succession, reimagining internal mobility, precise talent planning and advancing diversity and inclusion across each executive layer to accelerate our people and business strategies. Talent Review insights align our organizational efforts to deeply understand and strategically mitigate risks to TD's overall enterprise talent health.

Health and Well-being

- **Physical Well-being:** We enhanced family planning benefits in Canada and the US in 2022 to include coverage for fertility and reproductive treatments, adoption and surrogacy support options.

Additionally, in the United States, we enhanced benefits for gender affirmation procedures, which are also available in the Canada benefits plan.

- **Financial Well-being:** We utilized TD's Well-being Ambassador Network to promote webinars, tips, activities and resources focused on four components of financial health: spend, save, borrow and plan.
- **Mental/Emotional Well-being:** We enhanced our mental health benefit coverage in Canada and globally, delivering new resources, webinars and an activity where colleagues could share stories of how they build better mental health.
- **Social Well-being:** We provided tips to colleagues on how to create meaningful social connections and ideas on activities to inspire connection with others.



Challenge: Growing ESG Leadership Across the Enterprise

Response: In 2021, we redesigned the Senior Manager Impact Program, TD's top talent development program, with our organizational ESG aspirations in mind.

Over the course of nine months, 65 participants from across the enterprise engaged in immersive sessions led by the University of Toronto's Rotman School of Management, which integrated information about ESG into its outcomes to develop critical organizational capabilities and key emerging skills to drive innovation, inspire people and shape a high-performance culture. The program culminated with a collaborative final project that tasked project teams with identifying opportunities for TD to protect, manage and/or restore nature loss that go beyond our current commitments.

This program was designed so that these leaders will emerge from this program as ESG champions, serving as ambassadors to support embedding ESG across the enterprise. This case study demonstrates the continual development and innovation necessary to ready our leaders for the future and achieve our ESG goals together.



Responsible Sourcing

Why It Matters to TD and Our Stakeholders

TD: TD is committed to using our influence as a major purchaser to drive strong ethical, social and environmental performance across our supply chains, which also helps improve our supply chain resilience.

Stakeholders: Stakeholders expect large organizations to drive positive outcomes through their supply chains.



Our Approach

TD Strategic Sourcing Group's goal is to enable a responsible and diverse network of suppliers who deliver high-quality and appropriate goods and services.

What We Did in 2022

Deepening Our Commitment to Embedding Responsible Sourcing in Our Operations

- TD's participation in the CDP Supply Chain Program, now in its seventh year, aims to engage suppliers to report their carbon emissions and to phase in reductions over time. In 2022, we expanded the program and asked 232 suppliers to respond, with 67% of the respondents reporting on their carbon emissions.

- We continue to look for opportunities to integrate ESG considerations into our end-to-end sourcing process and require all new suppliers and suppliers with contracts that were renewed or amended (November 2019 to present) to attest that they operate in accordance with the expectations described in our Supplier Code of Conduct, including protection of human rights, during the supplier registration process.
- As part of TD's broader strategy to reduce plastic sold via our online store for branded merchandise in Canada and the US, we work to select products that help us lower our carbon footprint, reduce landfill waste, eliminate single-use plastics and promote natural, organic, recycled and/or reusable materials.
- For example, we work toward sourcing products made with organically grown cotton and incorporating biodegradable polymer bags into our packaging process. Additionally, TD buys approximately 20 million TD-branded pens annually. During the most recent request for proposals for pens, the requirements were updated to include recycled materials, which resulted in each pen being made from mostly recycled plastic bottles and, overall, from 72% recycled content. Over a five-year contract term, this could recycle about 100 million plastic bottles.

- When TD's Chief Medical Officer updated the TD mask guidelines from two- to three-ply masks, an eco-friendly disposal solution was needed for unused two-ply inventory. The unused two-ply masks were turned into insulation for homes through the Loopt Foundation and resulted in TD downcycling approximately 5,300 pounds of two-ply masks.
- To mark our #TDReunited campaign, which celebrated our colleagues coming together in person again, TD partnered with B Corp-certified and not-for-profit organizations to include stationery produced using recycled bottles and materials, and we made a donation to the Arbor Day Foundation for reforestation of fire-ravaged areas in British Columbia and Oregon based on an interactive campaign encouraging water bottle reuse.

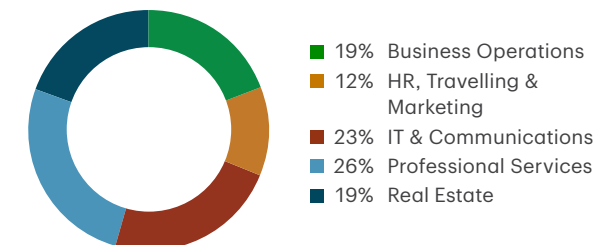
+ See [Diversity and Inclusion](#) for information about supply chain diversity.



Performance Highlights

TD spent approximately \$9.2 billion in 2022 on the procurement of goods and services from third-party suppliers, the majority of which are based in North America. The following is a category spending breakdown for TD's supplier base.

2022 Spending on TD's Sourcing Metrics¹



¹ Totals may not add up to 100% due to rounding.

Analyst Corner

[Supplier Code of Conduct](#)

[Prospective Supplier Website](#)



Customer Experience

Why It Matters to TD and Our Stakeholders

TD: TD is focused on continuing to innovate to meet and exceed evolving customer expectations.

Stakeholders: We're focused on enriching our customers' lives by delivering trusted advice and a legendary customer experience that make banking easy. Across our channels, we offer seamless and personalized customer interactions, delivering value when and how it works best for them.



Our Approach

TD uses its Legendary Experience Index (LEI) to measure customer experience and drive insights to improve that experience in the moments that matter most to customers. TD continues to make investments in research, technology infrastructure, digital tools and platforms, artificial intelligence (AI) and other new technologies and solutions with a goal of anticipating and/or exceeding market and customer needs.

Measurement Capabilities

At TD, we are committed to improving the ways we measure customer feedback. To help us meet and exceed customer expectations and enhance the advice we're providing, we are asking for feedback about how we're delivering advice in more of the moments that matter most to customers. We also aim to improve our efficiency by using data and behavioural analysis and AI to generate and deliver insights about the customer experience to internal TD stakeholders faster than ever before. Lastly, we continue working to deepen our understanding of customers' experiences through customer journey mapping, competitive benchmarking, a cross-business relationship survey and other data sources (e.g., Google reviews, social media listening, etc.) to create a more holistic view of the customer experience. In 2022, we rolled out TD's first LEI survey for colleagues to understand customer experience from the perspective of our colleagues.

Our Approach in Action

Delivering Legendary Customer Service

We leverage a customer-centric experience platform to contact customers within 24 to 48 hours for those who interacted with a retail channel (branch/store, phone or digital) and weekly to monthly for our relationship businesses such as TD Wealth Advice and Commercial banking to seek feedback regarding their experiences with TD and to assess how well we are delivering on our brand promise. LEI results are shared in a timely manner within TD to help improve performance, and customer feedback and LEI is an input into variable compensation decisions for a majority of Bank colleagues. In 2022, over one million customers across North America provided feedback through this survey measurement program.

Resolving Customer Complaints

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



Analyst Corner

[Customer Experience Data \(p. 93\)](#)

[To Our Customers](#)

[Problem Resolution Process](#)

[Codes of Conduct and Public Commitments](#)

[Senior Customer Complaints Office \(SCCO\)](#)



Customer Experience

Canada

In Canada, if a customer is not satisfied with the resolution at the first point of contact, they can escalate to TD Customer Care for further review. If the complaint remains unresolved, the customer can then escalate to the Senior Customer Complaints Office (SCCO). In 2022, the SCCO's top complaint themes were related to possible fraud (e.g., crypto, romance, employment and wire scams) and home and auto insurance claims (e.g., disputes over settlements and declined claims).⁴⁸ TD views complaints as an opportunity to learn and improve and remains focused on taking a universal view of customer complaints across the Bank. On June 30, 2022, enhancements affecting the complaint review and escalation process went into effect as part of the Financial Consumer Protection Framework under the *Bank Act* (Canada),

including the introduction of a customer satisfaction measurement with customers who had an escalated complaint with TD to help us improve this experience.

United States

In the United States, the Chairman's Service Center is responsible for complaint management, maintaining a cross-functional framework for customers, business lines and channels. Primary drivers of complaints in 2022 were customer service, fees and credit bureau reporting. The Complaint Action and Oversight Teams were developed to create an end-to-end, holistic approach to leverage both complaint data and other sources of customer feedback to identify top irritants and implement solutions to improve customer experience.



Targets



Progress on Goal					
Objective		2023 Target ¹	2022 Target	Progress	2022 Result
Deliver legendary customer experience	Legendary Experience Index – TD Composite Score ²	70.76	69.96	Met	✅ 70.69

- Significant methodology changes for 2023 do not allow comparisons to previous years' performance. Key changes include weighting changes for TD Bank Financial Group, North American Digital channels, TD Wealth and Business Banking; program roll-up changes for TDCT Phone; and sample trigger/volume changes for TDCT Phone and TD Bank Phone.
- LEI is calculated by a third party based on independent customer experience surveys shared regularly with customers of the following segments: TD Canada Trust, TD Bank, TD Wealth, TD Insurance and TD Business Bank. The surveys ask customers to respond on a 10-point scale to indicate the extent to which they perceive their recent experience with TD to have been exceptional (70% weight) and, on the basis of that experience, how likely they would be to do additional business with TD should they have financial needs in the future (30% weight).

What We Did in 2022

Driving Legendary Customer Experience Through Innovation

In 2022, we continued working to deliver exceptional customer experience through initiatives targeted toward both customary and specialized services that we provide to our customers.⁴⁹ For example, in 2022:

- TD provided mobile app users in Canada with personalized, AI-powered insights to support financial well-being. Building on TD's previously introduced insights to assist with customer cash flow management, TD recently launched personalized insights about credit cards and direct investing to further support customers' financial well-being.
- TD offered open-source access to its Equity Resource Hub, a digital platform created to integrate diversity, equity and inclusion into all stages of product and service design. The Hub has been made available externally to any individual or business in the hopes of supporting inclusive innovation across industries.

Performance Highlights

15.7m

active digital customers¹

79%

of escalated complaints resolved in one business day in Canada

98%

of escalated customer complaints resolved by Chairman's Service Center within designated service-level agreements in the United States

¹ Active digital users are users who have logged in online or via mobile devices at least once in the last 90 days.

Product and Service Responsibility

Our Approach

TD's Change Governance Standard supports the TD Internal Control Policy and establishes how the Bank governs significant changes across the enterprise. This includes the approval of any business activity undertaken to create a new product or service offered to customers, to change an existing one or to change associated technology. All businesses must follow the Change Governance Standard and Framework as part of their change processes, which requires a risk assessment. When designing new products and services or changing an existing product or service, our development process can include consultation with customers and stakeholders to understand how these products and services will help meet our customers' financial needs. Throughout the product life cycle, we work to ensure our assessment, review and approval processes account for features, risks, charges and benefits associated with the product or service.

Our employee incentive and reward programs support TD's values and incorporate features aligned with the desired behavioural outcomes, anchored in integrity and ethics. This includes a balanced approach to our programs, which may include a variety of factors, such as customer experience and team and individual performance, with an ability to adjust compensation pools and individual incentive and reward decisions based on employee conduct.

Our Approach in Action

Educating Our Customers with Clear Language and Communication

Using clear language is a cornerstone of delivering legendary customer experience and providing financial products and services. We want our customers to properly understand how our products and services work, as well as their rights and obligations, so they can make informed financial decisions. In Canada, TD has Clear Language Principles to guide our colleagues and a Clear Language Basics course to train our colleagues who write customer documentation. In 2022, we used these Clear Language Principles to update our personal lending loan and line of credit agreements and credit card agreements. Similarly in the US, in 2022, the personal deposit account agreement was reviewed and revised with a focus on readability and plain language.



Analyst Corner



Product and Service Responsibility Data ([p. 93](#))

[To Our Customers](#)

[Codes of Conduct and Public Commitments](#)

[Understanding Tied Selling](#)

[How We Protect You \(Security Measures\)](#)

[Our Privacy Commitments](#)

[2022 Public Accountability Statement - Seniors Code \(p. 17\)](#)

Promoting Responsible Sales Practices

- At TD, we know it's important to do right by our customers. Across our businesses, we have checks and balances in place to support adherence to our corporate values and selling practices.
- Colleagues who interact with customers receive training annually on product features, Know Your Customer and Know Your Product and anti-money laundering policies, and compliance with legal and regulatory requirements.
- Branch/store and phone-based colleagues are trained and required to use appropriate tools in their conversations with customers, which prompt colleagues to offer a product assessment to help identify which product meets their needs.
- Our Performance Management Frameworks reinforce reward and recognition for colleagues demonstrating TD's Shared Commitments and delivering on the needs of customers.
- The Corporate Governance Committee (CGC) of TD's Board of Directors received updates from the Bank's Chief Compliance Officer in 2022 on the status and effectiveness of the conduct risk program. The CGC, which oversees the Bank's conduct risk program, provided regular reporting on the program to the Board of Directors.

Product and Service Responsibility

What We Did in 2022

We are committed to providing financial products and services to all customers and in the communities we serve with transparency and clear and concise information. We pride ourselves not only on being responsible but also on equipping our customers through multiple channels with the tools and services needed to protect their finances now and in the future by doing the following:

Protecting Our Customers

Canada: TD prepared for and implemented changes to address the federal Financial Consumer Protection Framework, which took effect in June 2022. The framework aims to promote responsible conduct across Canadian banks and protect financial services customers. The Framework includes components related to promoting transparency for customers to help them make informed decisions and provisions related to fair and equitable dealing (e.g., requirements for cancelling agreements, access to basic banking services, and complaints processes). See the [Financial Access and Inclusion](#) section for information regarding access to banking.

United States: TD Bank's Fair & Responsible Banking Policy supports the Bank's commitment to treat all individuals fairly and equitably in offering and providing banking products and services; to mitigate risk to the consumer; to prevent discriminatory practices and unfair, deceptive or abusive acts or practices (UDAAP); and to maintain compliance with applicable federal and state laws and regulations. Our intent is to be informative and forthright about our products and services and comply with the federal and state laws and regulations governing the prevention of UDAAP and fair lending. The Bank maintains a Complaint Policy that enables TD to identify and address our customer issues and improve our legendary customer experience.

Helping Seniors

We are aware that seniors often have unique financial needs. Some of the ways in which we are helping seniors are listed below:

- Within the Financial Harm Escalation process that was launched in Canada in 2021, TD has added additional resources to help our colleagues better support vulnerable customers.
- In the US, TD Bank offers senior customers a TD 60 Plus Checking account that earns interest with a low minimum balance.
- We published articles on TD Stories to advise our customers about retirement costs, banking online, and "grandparent scams."
- TD continues to meet the Code of Conduct for the Delivery of Banking Services to Seniors that guides Canadian banks in their delivery of banking products and services to Canada's seniors. Our practices reflect the principles outlined in this code and our ability to address the unique financial needs of and other issues affecting seniors.⁵⁰



How We Listen to Stakeholders

Stakeholders	Ways We Interact	Key ESG Topics in 2022
Customers	<ul style="list-style-type: none"> Solicit feedback by phone, in person, email and online, including social media Formal complaint-handling process 	<ul style="list-style-type: none"> Possible fraud Home and auto claims Financial and economic inclusion
Colleagues	<ul style="list-style-type: none"> Employee surveys, think tanks and focus groups Executive leadership and HR visits Intranet comment engine and online communities Employee Ombudsman (Between Us) 	<ul style="list-style-type: none"> Improving work processes and tools Compensation and recognition Diversity and inclusion Career development in a remote work environment
Shareholders and Investors	<ul style="list-style-type: none"> Annual meetings and quarterly earnings calls Shareholder proposals Shareholder Relations phone and email channels 	<ul style="list-style-type: none"> Regular meetings with investors Investor Relations website Industry conferences TD's annual ESG suite of reports
Governments	<ul style="list-style-type: none"> Government Relations and Regulatory Risk teams for Canada and the US Ongoing dialogue with regulators and policy-makers 	<ul style="list-style-type: none"> Working to expand our diversity and inclusion initiatives Participating in government consultation Evolving data and privacy requirements
Suppliers	<ul style="list-style-type: none"> Website for prospective suppliers Email responses to supplier questions 	<ul style="list-style-type: none"> Third-party risk management Education for small and diverse-owned suppliers on doing business with large companies
Industry Associations	<ul style="list-style-type: none"> Industry association memberships Memberships in various multi-stakeholder groups 	<ul style="list-style-type: none"> Meeting needs of customers and evolving customer expectations to better understand the digitization of banking Engagement with industry associations in the development of proposed regulations to better plan for changes to the capital markets regimes
Communities	<ul style="list-style-type: none"> Corporate Citizenship team Diversity and Inclusion team Indigenous Banking team Ongoing dialogue with community organizations 	<ul style="list-style-type: none"> Economic inequality Disaster support and resilience Community resilience Experiences of racialized, women and 2SLGBTQ+ communities Financial education Progress with truth and reconciliation with Indigenous communities
Non-Governmental Organizations	<ul style="list-style-type: none"> Letters, meetings and phone calls 	<ul style="list-style-type: none"> Financing of oil and gas development Queries regarding TD's involvement in financing environmentally sensitive projects and their impacts on communities and the surrounding environment Human rights Access to banking

2022 Awards and Recognition

ESG Indices

TD was listed on the Dow Jones Sustainability World Index for the ninth consecutive year and is the only North American-based bank on the World Index.

- Awarded with a Top 10% S&P Global ESG Score distinction in the 2023 S&P Global Sustainability Yearbook. TD was the only North American bank to be recognized in the Top 10%.
- FTSE4Good Index.
- Euronext Vigeo World 120 Index.
- Included on the 2023 Bloomberg Gender-Equality Index for the seventh consecutive year.
- TD Bank received a top score on the 2022 Disability Equality Index for the eighth consecutive year.
- TD Bank and TD Securities received top scores on Human Rights Campaign Foundation's 2022 Corporate Equality Index for the 13th and seventh year in a row, respectively, as Best Places to Work for LGBTQ+ Equality.

Environmental

TD named one of Canada's Greenest Employers for the 14th consecutive year by Mediacorp Canada.

- Since 2010, TD has responded to CDP's climate disclosure and received a score of B for its 2022 submission, demonstrating its long-standing commitment to climate-related transparency and accountability.
- TD named a 2022 Green Lease Leader by the Institute for Market Transformation and the U.S. Department for Energy's Better Buildings Alliance. TD was the only company to receive the inaugural Platinum award for the Tenant category and was recognized in the Team Transaction category for the second consecutive year.

Social

TD recognized as one of Canada's Most Admired™ Corporate Cultures by Waterstone Human Capital in November 2022.

- TD named one of the Best Workplaces™ in Financial Services and Insurance 2022 for the 6th year in a row and one of the Best Workplaces in Canada 2022 for the 17th year in a row by Great Place to Work® in Canada.
- TD recognized as a certified Great Place to Work® in Canada and the US.
- Forbes:
 - > Named TD one of Canada's Best Employers for Diversity 2022.
 - > Named TD Bank one of America's Best Employers for Diversity 2022 for the fourth consecutive year.
 - > Named TD Bank one of America's Best Employers for Veterans 2022.
- TD Bank recognized as a 2022 Leading Disability Employer by the National Organization on Disability for the sixth consecutive year.
- Mediacorp Canada:
 - > TD named one of Canada's Top 100 Employers.
 - > TD named one of Greater Toronto's Top Employers for the 15th consecutive year.
 - > TD named one of Canada's Best Diversity Employers for the 11th consecutive year.
- Seramount named TD Bank one of the 100 Best Companies, as well as one of the Best Companies for Dads, Top Companies for Executive Women and Best Company for Multicultural Women.
- TD Bank ranked #13 in DiversityInc's Top 50 Companies for Diversity in 2022, up a spot from 2021.

Governance and Reputation

TD Canada Trust ranked #1 in Customer Satisfaction with Small Business Banking in the J.D. Power 2022 Canada Small Business Banking Satisfaction Study.¹

- TD recognized as the Best Consumer Digital Bank in North America for the second consecutive year, as well as six regional categories, in the Global Finance 2022 World's Best Consumer Digital Bank Awards in North America: Best Integrated Consumer Banking Site, Best Bill Payment and Presentment, Best Mobile Banking App, Best Information Security and Fraud Management, Best in Lending and Best Open Banking APIs in North America.
- TD Bank ranked #1 in SBA lending in our Maine-to-Florida footprint for the sixth consecutive year.²
- TD honoured as the Most Innovative Financial Institution in North America and recognized in the Outstanding Innovations in Mobile Banking category for its AI-powered personalization platform at the Global Finance Innovators 2022 Awards.
- TD recognized at the Celent Model Bank 2022 Awards for the second consecutive year, winning the Customer Engagement category for TD's Canadian personalization platform.
- TD recognized at the 2022 Artificial Intelligence (AI) Excellence Awards in the Intelligent Agent category for its AI-powered digital experiences for the second consecutive year and in the Organization category for TD's AI division, Layer 6.

¹ TD Canada Trust received the highest score in the J.D. Power 2022 Canada Small Business Banking Satisfaction Study of customers' satisfaction with their primary business bank. Visit jdpower.com/awards for more details.

² Lenders ranked by the U.S. Small Business Administration (SBA) based on the SBA's data for the units of loans approved during the period October 1, 2021 to September 30, 2022.

Endnotes

1. TD Stories. March 2, 2022. TD Bank Introduces New Mortgage Loan Product Designed for Minority Communities. [online] Available at: <https://stories.td.com/us/en/article/td-bank-introduces-new-mortgage-loan-product-designed-for-minority-communities>
2. Future balances may fluctuate due to many factors, including market investment opportunities, changes in portfolio size, bond maturities and foreign exchange rates.
3. For more information on the Sustainable & Decarbonization Finance Target, please see the [TD Sustainable & Decarbonization Finance Target Methodology](#).
4. Except as otherwise expressly provided, the terms “material” and “materiality”, as used in the context of ESG reporting by TD, are not equivalent to similar terms used for securities law purposes and should not be read as rising to the level of materiality of disclosure required in our securities law filings.
5. Ibid.
6. Ibid.
7. Based on self-identification data collected in accordance with the Employment Equity Act (Canada).
8. Self-reported by colleagues.
9. Alexander, C., DePratto, B., 2014. Valuing The World Around Us: An Introduction to Natural Capital. [online] TD Economics. Available at: <https://www.td.com/document/PDF/economics/special/NaturalCapital.pdf>
10. For more information on the methodology used to calculate TD’s contribution and impact assessment, see the [TD Bank Group’s Low-Carbon Economy Progress Report](#).
11. The GHG emissions avoided (tCO2e) and the economic impact in terms of jobs and GDP was calculated where data was available.
12. Ibid.
13. For more information on the methodology used to calculate TD’s contribution and impact assessment, see the [Low-Carbon Economy Progress Report](#).
14. For more information on the Sustainable & Decarbonization Finance Target, please see the [TD Sustainable & Decarbonization Finance Target Methodology](#).
15. Progress toward satisfying the \$100 billion low-carbon economy target achieved in 2022 will not be included in the Sustainable & Decarbonization Finance Target. The Sustainable & Decarbonization Finance Target may include activities that are part of other targets or commitments the Bank makes, such as a Community Benefits Plan.
16. Department of Finance Canada News Release. May 12, 2021. Canada Launches Sustainable Finance Action Council. Government of Canada. [online] Available at: <https://www.canada.ca/en/department-finance/news/2021/05/canada-launches-sustainable-finance-action-council.html>
17. Cairns, S. and Patel, S. C., 2020. Innovation for a Circular Economy: Learning from the Clean Growth Journey. [online] Smart Prosperity Institute. Available at: https://institute.smartprosperity.ca/sites/default/files/Report_CE_Innovation.pdf
18. Our cleantech activities are described in further detail on page 40 of the [2021 ESG report](#).
19. Proceeds are allocated as at October 31, 2022.
20. Eligible Assets are considered to be “financed” from the net proceeds of a Sustainable Bond when the relevant Eligible Asset is financed after the Sustainable Bond’s issuance. Eligible Assets are considered to be “refinanced” from the net proceeds of a Sustainable Bond when the relevant Eligible Asset was financed before the Sustainable Bond’s issuance. Accordingly, net proceeds raised through the issuance of Sustainable Bonds under the Framework can be used to finance new Eligible Assets or to refinance existing Eligible Assets.
21. The enterprises were certified as MWVBEs by certification programs of the U.S. Department of Veterans Affairs, the State of New Jersey and the New York & New Jersey Minority Supplier Development Council, as applicable.
22. Funding specifically designated for projects in relation to COVID-19 outbreak.
23. Future balances may fluctuate due to many factors, including market investment opportunities, changes in portfolio size, bond maturities and foreign exchange rates.
24. Reflects the cumulative value of TD Securities’ commitments to sustainability-linked loan facilities and the apportioned-value of lead-managed green, social, sustainability and sustainability-linked bonds underwritten by TD Securities since 2010.
25. Information and specifications, including expected benefits, have been provided by the client noted.
26. CBC News. October 19, 2022. Post-tropical storm Fiona most costly weather event to ever hit Atlantic Canada, new estimate says. Available at: <https://www.cbc.ca/news/canada/nova-scotia/fiona-atlantic-canada-insured-damages-660-million-1.6621583>.
27. World Vision. 2022 Hurricane Ian: Facts, FAQs and how to help. Available at: <https://www.worldvision.org/disaster-relief-news-stories/2022-hurricane-ian-facts-faqs-and-how-to-help>.
28. Swiss Re. December 1, 2022. Hurricane Ian drives natural catastrophe year-to-date insured losses to USD 115 billion, Swiss Re Institute estimates. [online] Available at: <https://www.swissre.com/press-release/Hurricane-ian-drives-natural-catastrophe-year-to-date-insured-losses-to-USD-115-billion-Swiss-Re-Institute-estimates/2ab3a681-6817-4862-8411-94f4b8385cee>
29. The MSCI ESG Quality Rating measures the ability of underlying holdings to manage key medium- to long-term risks and opportunities arising from environmental, social, and governance factors. The MSCI ESG Quality Rating is calculated using the fund weighted average ESG score adjusted for ESG rating trends and laggards. Certain information contained herein (the “Information”) is sourced from/copyright of MSCI Inc, MSCI ESG Research LLC, or their affiliates (“MSCI”), or information providers (together the “MSCI Parties”) and may have been used to calculate scores, signals, or other indicators. The Information is for internal use only and may not be reproduced or disseminated in whole or part without prior written permission. The Information may not be used for, nor does it constitute, an offer to buy or sell, or a promotion or recommendation of, any security, financial instrument or product, trading strategy, or index, nor should it be taken as an indication or guarantee of any future performance. Some funds may be based on or linked to MSCI indexes, and MSCI may be compensated based on the fund’s assets under management or other measures. MSCI has established an information barrier between index research and certain Information. None of the Information in and of itself can be used to determine which securities to buy or sell or when to buy or sell them. The Information is provided “as is” and the user assumes the entire risk of any use it may make or permit to be made of the Information. No MSCI Party warrants or guarantees the originality, accuracy and/or completeness of the Information and each expressly disclaims all express or implied warranties. No MSCI Party shall have any liability for any errors or omissions in connection with any Information herein, or any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.
30. Insurance Bureau of Canada. January 18, 2023. Severe Weather in 2022 Caused \$3.1 Billion in Insured Damage – making it the 3rd Worst Year for Insured Damage in Canadian History. [online] Available at: <http://www.ibc.ca/on/resources/media-centre/media-releases/severe-weather-in-2022-caused-3-1-billion-in-insured-damage-%E2%80%93-making-it-the-3rd-worst-year-for-insured-damage-in-canadian-history>
31. Office of the Parliamentary Budget Officer. 2022. Global greenhouse gas emissions and Canadian GDP. [online] Available at: <https://distribution-a617274656661637473.pbo-dpb.ca/bbc2846795c541eddc656e484a15e7ecd91bd0aff45196f231523d8c5c9aaf4>
32. Carbon neutrality entails compensating for GHGs emitted to the atmosphere through preventing the release of an equivalent amount of GHG emissions. TD maintains its carbon-neutral status through its carbon offset and renewable energy certificate purchase program. TD’s carbon neutrality covers Scope 1 and 2 emissions, and some Scope 3 indirect emissions, but does not include Scope 3 financed emissions. At the same time, TD also works to reduce our operational GHG emissions for which we set Scope 1 and 2 GHG emission reduction targets.
33. Net-zero is achieved by reducing GHG emissions to the greatest extent possible, followed by balancing any residual GHG emissions through removing an equivalent amount of greenhouse gases from the atmosphere.
34. Scope 1 GHG emissions include direct emissions from heating and cooling, leased aircraft and corporate fleet. Scope 2 GHG emissions include indirect emissions from electricity, heating and cooling. Scope 3 GHG emissions include indirect emissions (not included in Scope 2) that occur in our value chain which includes upstream and downstream emissions, including our financed emissions (i.e., emissions related to our financing activities).
35. For this year, TD estimated our financed emissions footprint in accordance with the PCAF Global Accounting Standard for the Financial Industry published in November 2020.
36. World Economic Forum. 2019. White Paper: The Next Frontier: Natural Resource Targets Shaping a Competitive Circular Economy within Planetary Boundaries. [online]. Available at: https://www3.weforum.org/docs/WEF_The_Next_Frontier_Natural_Resource_Targets_Report.pdf
37. IPBES. 2019. The global assessment report on Biodiversity and Ecosystem Services. [online] Available at: https://ipbes.net/sites/default/files/inline-files/ipbes_global_assessment_report_summary_for_policymakers.pdf
38. White House Council on Environmental Quality, White House Office of Domestic Climate Policy, White House Office of Science and Technology Policy. November 2022. Opportunities to Accelerate Nature-Based Solutions. A Roadmap for Climate Progress, Thriving Nature, Equity and Prosperity. [online] Available at: <https://www.whitehouse.gov/wp-content/uploads/2022/11/Nature-Based-Solutions-Roadmap.pdf>
39. Government of Canada. 2030 Emissions Reduction Plan. Clean Air, Strong Economy. [online] Available at: <https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/climate-plan-overview/emissions-reduction-2030.html>
40. Some of the data is assured annually. For more information, see our Assurance Statement for the 2022 ESG Metrics, Greenhouse Gas Emissions and Carbon Neutral Schedule.
41. The World Bank. May 19, 2022. What You Need to Know About Nature-Based Solutions to Climate Change. [online] Available at: <https://www.worldbank.org/en/news/feature/2022/05/19/what-you-need-to-know-about-nature-based-solutions-to-climate-change>
42. Ellen McArthur Foundation. The Circular Economy In Detail. Available at: <https://archive.ellenmacarthurfoundation.org/explore/the-circular-economy-in-detail>
43. Carbon neutrality entails compensating for GHGs emitted to the atmosphere through preventing the release of an equivalent amount of GHG emissions. TD maintains its carbon-neutral status through its carbon offset and renewable energy certificate purchase program. TD’s carbon neutrality covers Scope 1 and 2 emissions, and some Scope 3 indirect emissions, but does not include Scope 3 financed emissions. At the same time, TD also works to reduce our operational GHG emissions for which we set Scope 1 and 2 GHG emission reduction targets.
44. Nature Conservancy of Canada. April 22, 2022. Big, bold and boreal. [online] Available at: <https://www.natureconservancy.ca/en/where-we-work/ontario/news/big-bold-and-boreal.html>
45. TD Canada Trust received the highest score in the J.D. Power 2022 Canada Small Business Banking Satisfaction Study of customers’ satisfaction with their primary business bank. Visit jdpower.com/awards for more details.
46. To be eligible for our Supplier Diversity Program, a supplier must be certified by a diversity certification council as any of the following: 51% owned and operated business from the Indigenous community, 51% minority-owned and operated business, 51% Women-owned and -operated business; 51% 2SLGBTQ+ -owned and operated business, 51% Owned and operated by a member of other recognized diverse communities (e.g., People with Disabilities, Service-Disabled Veteran-owned and Veterans).
47. Willige, A. September, 27, 2021. The rise of the “belief-driven” employee. World Economic Forum. [online] Available at: <https://www.weforum.org/agenda/2021/09/corporate-values-employee-motivation-employee-activism/>
48. Each year the SCCO publishes an [Annual Report](#), which is used as an opportunity to support our customers by including helpful tips by sharing case studies and observations.
49. [See page 70](#) of the 2021 ESG Report for digital initiatives launched in the previous year.
50. For more information on TD’s implementation of the Seniors Code, refer to page 17 of the [2022 Public Accountability Statement](#).

Acronyms

2SLGBTQ+	Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer, Plus
AAP	Asian American and Pacific Islander
AI	Artificial intelligence
AML	Anti-money laundering
ATF	Anti-terrorist financing
AVP	Associate Vice President
BOF	Black Opportunity Fund
CAGR	Compound annual growth rate
CAMSC	Canadian Aboriginal and Minority Supplier Council
CDFI	Community Development Financial Institutions
CELC	Circular Economy Leadership Canada
CGC	Corporate Governance Committee
CLHIA	Canadian Life and Health Insurance Association
CMG	Commercial Mortgage Group
CPB	Canadian Personal Banking
CRI	Cyber Risk Institute
D&I	Diversity and inclusion
E&S	Environmental and social
ECO	ESG Central Office
ECRM	Enterprise Conduct Risk Management
EI	Employee Engagement Index
EP	Equator Principles
ERF	Enterprise Risk Framework
ESG	Environmental, social and governance
ESG COE	ESG Centre of Expertise
ETF	Exchange traded fund
EV	Electric vehicle
EY	Ernst & Young
GHG	Greenhouse gas
GNEC	Greater Newark Enterprises Corporate
GRI	Global Reporting Initiative
HEV	Hybrid electric vehicle

IFRS	International Financial Reporting Standards
IoT	Internet of Things
LEI	Legendary Experience Index
MLI	Mortgage loan insurance
MWVBEs	Minority-, women- and veteran-owned business enterprises
NCC	The Nature Conservancy of Canada
NEW	Next Evolution of Work
NIST	National Institute of Standards and Technology
NREG	National Real Estate Group
NZBA	Net-Zero Banking Alliance
OSFI	Office of the Superintendent of Financial Institutions
PCAF	Partnership for Carbon Accounting Financials
RAS	Risk Appetite Statement
RRU	Responsible resource use
SASB	Sustainability Accountability Standards Board
SBA	Small Business Administration
SBTi	Science-Based Targets initiative
SCCO	Senior Customer Complaints Office
SET	Senior Executive Team
SFAC	Sustainable Finance Action Council
SFEC	Sustainable Finance Executive Council
SSBIC	Special Small Business Investment Companies
TCFD	Task Force on Climate-related Financial Disclosures
TDAM	TD Asset Management
TDI	TD Insurance
TOM	Target Operating Model
TRIEC	Toronto Region Immigrant Employment Council
UDAAP	Unfair, deceptive or abusive acts or practices
UN PRI	United Nations Principles for Responsible Investment
UNEP FI	UNEP Finance Initiative
UNEP FI PSI	UNEP FI Principles for Sustainable Insurance
VP	Vice President

Caution Regarding Forward Looking Statements

This document is not required to be prepared or filed by the Bank (as defined in this document) under Canadian or U.S. securities laws, and the information contained herein should not be read as necessarily rising to the level of materiality of disclosure required in our securities law filings.

From time to time, the Bank makes written and/or oral forward-looking statements, including in this document, in other filings with Canadian regulators or the United States (U.S.) Securities and Exchange Commission (SEC), and in other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbour” provisions of, and are intended to be forward-looking statements under, applicable Canadian and U.S. securities legislation, including the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements made in this document regarding the Bank’s financial performance objectives, vision and strategic goals and the Bank’s social, economic, environmental and governance-related impacts and objectives, including the Bank’s greenhouse gas (GHG) emission reduction targets, the Bank’s position on Thermal Coal, and the Bank’s Sustainable & Decarbonization Finance Target. Forward-looking statements are typically identified by words such as “will”, “would”, “should”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “plan”, “goal”, “target”, “may”, and “could”.

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 the economic, financial, and other impacts of pandemics, including the COVID-19 pandemic; general business and economic conditions in the regions in which the Bank operates; geopolitical risk; the ability of the Bank to execute on long-term strategies and shorter-term key strategic priorities, including the successful completion of acquisitions and dispositions, business retention plans, and strategic plans; technology and cyber security risk (including cyber-attacks or data security breaches) on the Bank’s information technology, internet, network access or other voice or data communications systems or services; model risk; fraud activity; 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-party service providers; the impact of new and changes to, or application of, current laws and regulations, including without limitation tax laws, capital guidelines and liquidity regulatory guidance and the bank recapitalization “bail-in” regime; regulatory oversight and compliance risk; increased competition from incumbents and new entrants (including Fintechs and big technology competitors); shifts in consumer attitudes and disruptive technology; 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 currency and interest rates (including the possibility of negative interest rates); 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; existing and

potential international debt crises; environmental and social risk (including climate change); and the occurrence of natural and unnatural catastrophic events and claims resulting from such events. In addition, information on the assumptions, risks, uncertainties and other factors affecting the Bank’s GHG emissions targets, the Bank’s position on Thermal Coal, and the Bank’s Sustainable & Decarbonization Finance Target may be found here: [Cautionary Statement Regarding Disclosure on Emission Targets](#), [Cautionary Statement Regarding Thermal Coal Position](#), and [Cautionary Statement Regarding Disclosure on Sustainable & Decarbonization Finance Target](#).

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 2022 Management’s Discussion and Analysis (MD&A), as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable) related to any events or transactions discussed under the heading “Significant Acquisitions” or “Significant and Subsequent Events and Pending Acquisitions” 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 2022 MD&A under the headings “Economic Summary and Outlook”, under the headings “Key Priorities for 2023” 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 “2022 Accomplishments and Focus for 2023” 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. This document should not be used as a basis for trading in securities of the Bank or for any other investment decision. This document is not intended to constitute financial, legal, tax, investment, professional or expert advice. No representation or warranty, express or implied, is or will be made in relation to the accuracy, reliability or completeness of the information contained in this document. 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 securities legislation.

Any references to “sustainable investing,” “sustainable finance,” “ESG,” “carbon neutral”, “net-zero” or similar terms in this document are intended as references to the internally defined criteria of the Bank and not to any jurisdiction-specific regulatory definition that may exist. This document may provide addresses of, or contain hyperlinks to, web sites that are not owned or controlled by the Bank. Each such address or hyperlink is provided solely for the recipient’s convenience, and the content of linked third-party web sites is not in any way included or incorporated by reference into this document. The Bank takes no responsibility for such websites or their content, or for any loss or damage that may arise from their use. If you decide to access any of the third-party websites linked to this document, you do so at your own risk and subject to the terms and conditions of such websites.

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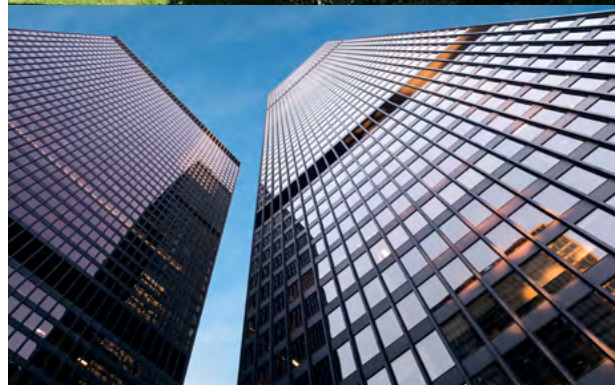
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- Supporting content (external links)
- Facts and figures for which EY provided a limited level of assurance
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Governance Performance

Corporate Governance and Integrity

TD's Board of Directors

	Target	2022	2021	2020
Number of independent Board members	n/a	15	14	12
Percentage of independent Directors ¹	Substantial majority	94%	93%	92%
Average annual Board attendance	At least 75%	98%	99%	99%
Average Board tenure (in years)	n/a	7	8	8
Percentage of women Directors	At least 30%–40% of the Board's Directors	✓ 44%	40%	38%
Percentage of visible minority Directors	n/a	25%	13%	15%
Percentage of Directors that voluntarily self-identified as a visible minority, an Indigenous person, 2SLGBTQ+ or a person with a disability ²	n/a	44%	33%	31%
Number of Board members identified with having corporate responsibility for environmental and social matters as a key area of expertise and experience	n/a	10	9	5

¹ TD's Board of Directors has 16 members in total; Bharat Masrani is not independent because of his role as Group President and Chief Executive Officer of the Bank.

² "Visible minority" is defined as non-Caucasian in race or non-white in colour, other than an Indigenous person. "Indigenous person" is defined as First Nations, Inuit, Métis, American Indian, Alaska Native, Native Hawaiian or other. "2SLGBTQ+" is defined as a member of the Lesbian, Gay, Bisexual, Transgender, Queer, Two-Spirit, or Plus community. "Person with a disability" is defined as a person having a long-term or recurring visible or invisible physical, mental, sensory, psychiatric or learning impairment, including impairment relating from or related to hearing, seeing, vocal, mobility, agility, pain, neurological, memory, development, psychological or addiction.

Responsible Conduct and Compliance Incident Reporting

	2022	2021	2020
Percentage of eligible employees who completed the Code of Conduct and Ethics training ¹	100%	100%	100%
Percentage of eligible employees who completed anti-money laundering training ²	99.9%	99.8%	98.4%
Number of significant monetary fines or significant non-monetary sanctions for non-compliance with laws and regulations ³	0	0	2 ^{4,5}

¹ Completion rates for Code of Conduct and Ethics training are based on the applicable definitions of eligible and exempt employees pursuant to our internal policies.

² Completion rates for AML training are based on the applicable definitions of eligible and exempt employees pursuant to our internal policies. Training completion rates for AML were slightly lower in 2020 as a result of adjustments to the mandatory training calendar, and employees on paid leave due to COVID-19 were provided additional time to complete their training, which extended beyond the calendar year.

³ For the purposes of this chart, (i) a "significant monetary fine" is a fine or monetary penalty levied by an applicable regulatory body in an amount of \$1 million or greater, and (ii) a "significant non-monetary sanction" is a non-monetary sanction or restriction imposed by an applicable regulatory body that is material as such term is used for securities law purposes.

⁴ In 2020, TD Bank entered into a Consent Order with the U.S. Consumer Financial Protection Bureau with respect to certain of TDBNA's enrolment practices for its optional overdraft product called Debit Card Advance and certain of its reporting practices in relation to specialty consumer reporting agencies and paid a civil money penalty in the amount of US\$25,000,000. TD Bank did not admit to any wrongdoing under the Civil Settlement Agreement.

⁵ In 2020, TD Waterhouse Canada Inc. was fined \$4,000,000 by the Investment Industry Regulatory Organization of Canada ("IIROC"), a self-regulatory organization which oversees investment dealers and trading activity on debt and equity marketplaces in Canada, for failing to include position cost information within the quarterly account statement for certain securities positions, contrary to IIROC requirements.



Governance Performance

Sustainable Finance Performance

Environmental Performance

Social Performance

Employee Training Hours Related to Human Rights

	2022	2021	2020
Total number of employee training hours related to human rights ¹	199,044	526,890 ²	113,636

¹ The total number of hours related to human rights training was calculated using a 100% allocation applied to the total hours spent on human rights-related courses in fiscal years 2020, 2021 and 2022. Courses cover topics such as TD's Code of Conduct and Ethics, diversity and inclusion, fair banking and serving customers with disabilities.

² The increase in fiscal 2021 is primarily due to one-time trainings and trainings that are required every other year, plus the addition of new training programs.

Total Compensation¹ (Adjusted) For Women Relative to Men

Position Group ²	2022	2021	2020 ⁷
Executive ³	98%	98%	-
Management and experienced professionals ⁴	98%	98%	-
Supervisory and professionals ⁵	100%	100%	-
Admin and operations ⁶	100%	100%	-
Overall	99%	99%	-

¹ Total Compensation includes base salary, short-term incentives, and long-term incentives (where applicable). It includes cash and equity (value at grant date) incentive.

² This comparison includes full-time, part-time and casual employees in Canada, excluding temporary workers, Senior Executive Team members and employees that have commission-based compensation arrangements.

³ Executive includes all executive levels (E01 and above), excluding Senior Executive Team members.

⁴ Management and Experienced Professionals includes level 9, level 10 and level 11.

⁵ Supervisory and Professionals includes level 7 and level 8.

⁶ Admin and Operations includes level 6 and below.

⁷ The first year this data was disclosed was fiscal year 2021.

Taxes Borne by TD Bank Group (in millions)

	2022	2021	2020
Income taxes ¹	\$3,986	\$3,621	\$1,152
Payroll taxes for over 90,000 employees in the jurisdictions that TD operates	\$722	\$635	\$602
Transaction and sales taxes	\$625	\$535	\$539
Capital and insurance premium taxes	\$214	\$201	\$186
Property and business taxes	\$232	\$253	\$257
Total	\$5,779	\$5,245	\$2,736
Effective income tax rate – reported ¹	19.5%	21.1%	9.7%
Effective total tax rate ²	26.0%	28.0%	20.3%

¹ The Bank's reported effective income tax rate was 19.5% for 2022, compared with 21.1% last year. The year-over-year decrease primarily reflects the favourable tax impact of earnings mix, the sale of Schwab shares, and the recognition of unused tax losses, partially offset by the impact of higher pre-tax income.

² The effective total tax rate is calculated as total taxes divided by net income before taxes, payroll taxes, transaction and sales taxes, capital and insurance premium taxes, and property and business taxes.

+ For more information regarding the Bank's effective income tax rate, including a reconciliation of the Bank's effective income tax rate with the Canadian statutory income tax rates, see p. 29 of [TD's 2022 Annual Report](#).

Data Security and Privacy

Privacy

	2022	2021	2020
Number of complaints determined by the Office of the Privacy Commissioner of Canada (OPCC) to be "well-founded" ¹	1 ²	0	0
Regulatory privacy findings against the Bank in the U.S., Europe or Asia-Pacific	0	0	0
Percentage of eligible employees who completed Privacy training ²	99.9%	99.9%	98.3%

¹ "Well-founded" complaints are where the OPCC has determined that the organization has contravened a provision of the Personal Information Protection and Electronic Documents Act (PIPEDA). This excludes complaints that are: (i) "well-founded and resolved" (where the OPCC has determined that the organization has contravened a provision of PIPEDA but has since taken corrective measures to resolve the issue to the satisfaction of the OPCC); or (ii) "well-founded and conditionally resolved" (where the OPCC has determined that the organization has contravened a provision of PIPEDA and the organization has committed to implementing satisfactory corrective actions as agreed to by the OPCC).

² Relates to a privacy complaint involving one complainant.

³ Completion rates for Privacy training are based on the applicable definitions of eligible and exempt employees pursuant to our internal policies. Training completion rates for Privacy training were slightly lower in 2020 as a result of adjustments to the mandatory training calendar and employees on paid leave due to COVID-19 were provided additional time to complete their training which extended beyond the calendar year.

Sustainable Finance Performance

Sustainable Finance

Low-Carbon Economy¹

Progress on goal		
Target	Progress	2022 Result
\$100 billion, in total, in low-carbon lending, financing, asset management and internal corporate programs by 2030	Met	Since 2017, we have contributed over \$107 billion towards these initiatives ²
\$500 billion by 2030 supporting environmental, decarbonization and social activities through lending, financing, underwriting, advisory services, insurance and the Bank's own investments ³	New goal	New goal

¹ More details on our low-carbon economy targets can be found on [page 29](#) of this report.

² For more information on the methodology used to calculate TD's contribution and impact assessment, see [TD's Low-Carbon Economy Progress Report](#).

³ For more information, see the [Sustainable & Decarbonization Finance Target Methodology](#).

Low-Carbon Economy Contribution — FY22 Detailed Breakdown by Segment (in millions of dollars)

TD Segment	Auto & Transportation	Energy	Real Estate	Recycling	Sustainable Land Use	Multi Sector	FY22 Total	Grand Total FY17–FY22 ^{2,3}
TDAM ^{1,2}	0	290	5	0	3	7	305	6,541
TD Business Banking	267	0	1,366	6	30	23	1,692	7,088
TD Bank	1,238	79	525	54	40	0	1,936	9,071
TD Environment	0	0	0	0	0	1,737	1,737	7,628
TDI	2,326	0	0	0	0	0	2,326	9,400
TDS	0	6,962	488	974	178	40	8,642	36,991
Green Bond Underwriting	0	335	85	0	175	4,318	4,912	31,077
Total³	\$3,831	\$7,666	\$2,469	\$1,034	\$426	\$6,126	\$21,551	\$107,796

¹ Fiscal year 2022 data reported by TDAM represents only active equity and fixed income investments.

² TDAM's overall AUM, and in turn the investments which get included in TD's Low Carbon Financing commitment, will fluctuate year over year with the overall movements of the financial markets that TDAM is invested in.

³ Totals may not add up due to rounding.

Carbon-related Assets¹

	2022	2021	2020
Carbon-related assets relative to total assets (%)	15.2%	15.0%	2.3%

¹ TCFD's 2021 Guidance on Metrics, Targets, and Transition Plans expanded the scope of the suggested definition of carbon-related assets from its 2017 report, and provided an updated definition of carbon-related assets as "those assets tied to the four non-financial groups identified by the Task Force in its 2017 report (energy, transportation, materials and buildings, and agriculture, food, and forest products)", with consideration for exclusion of industries or sub-industries that are appropriate to exclude, such as water utilities and independent power and renewable electricity producer industries. TD's approach for calculating carbon-related assets leverages TCFD Guidance and will continue to be refined and will evolve as TD considers the application of industry guidance and best practices. More information on carbon-related assets can be found in [TD's Climate Action Plan Report](#).

+ For additional information, see the [TD Sustainability Bond \(2020\) Issuance – Use of Proceeds as at October 31, 2022](#) and [TD Green Bond \(2021\) Issuance – Use of Proceeds as at October 31, 2022](#).

Green, Social, Sustainability and Sustainability-Linked (GSSS) Bonds and Loans Underwriting¹

	Units	2022	2021	2020
GSSS bonds underwritten ¹	billions of dollars	\$19	\$33 ³	\$14
GSSS bonds underwritten and amount committed in Sustainability-linked Loans (cumulative) ²	billions of dollars	Over \$122	Over \$77	Over \$36

¹ Reflects the apportioned value of lead-managed green, social, sustainability and sustainability-linked bonds underwritten by TD Securities.

² Reflects the cumulative value of TD Securities' commitments to sustainability-linked loan facilities and the apportioned-value of lead-managed green, social, sustainability and sustainability-linked bonds underwritten by TD Securities since 2010.

³ 2021 results were restated due to corrected information within Bloomberg L.P.

E&S Risk Review¹

	2022	2021	2020
Applicable transactions reviewed against TD's E&S Risk Process for Non-Retail Lending Business Lines (%)	100%	100%	100%

¹ For further details on our environmental and social risk process please see TD's [Environmental and Social Risk Process](#).

Financing for Electric Vehicles (EVs) and Hybrid Electric Vehicles (HEVs)

	Units	2022	2021	2020
EV and HEV Financing (full program) ¹				
Dollars financed (Canada)	in millions	\$266	\$251	\$134
Dollars financed (U.S.)	in millions USD	\$961	\$426	\$295
Number of financing transactions (Canada)	number of financing transactions	5,895	6,196	3,578
Number of financing transactions (U.S.)	number of financing transactions	17,427	8,851	5,731

¹ EV and HEV financing through ECO, a program that offers special rates on financing for EVs and HEVs” or “EV and HEV financing through ECO, a program that offers special rates on financing for Electric Vehicles and Hybrid Electric Vehicles. All annual figures are as at October 31 for the fiscal year unless otherwise stated.

Sustainable Investing

TDAM PRI Assessment Summary

Signatories to the UN Principles for Responsible Investment (PRI) commit to reporting on their responsible business activities and are assessed by UN PRI on the reporting of their activities. In 2022, the PRI released an assessment of TDAM’s 2020 performance, with the next scheduled assessment – evaluating TDAM’s more recent performance – anticipated for release in 2023. Note that the scoring methodology has changed to reflect the new UN PRI 2021 Reporting Framework and is not comparable with scores from previous PRI years. The summary below includes modules for which TDAM has received an assessment and excludes any modules for which there has been no assessment.

The modules are scored with a numerical grading system ranging from 1 to 5 stars. The lowest possible grade is one star, allocated to those whose responsible investment behaviour is at the lower end of what is expected from signatories. The highest score is five stars and awarded to those signatories who demonstrate leading practices within the responsible investment industry.

Because this assessment report is based on calendar year 2020, it does not reflect TDAM’s most current responsible investing practices. Since 2020, TDAM has advanced

responsible investing practices in the areas of proxy voting across all equities and enhanced its ESG integration practices when evaluating companies and sub-advisors. These advancements have been reported in TDAM’s Sustainable Investing Report 2021 and in TDAM’s Task Force on Climate-related Financial Disclosures (TCFD) Report 2021. Notably, TDAM established the ESG Research and Engagement Team in 2021, published an updated and publicly available Proxy Voting Policy & Procedures and Proxy Voting Guidelines documents, issued quarterly proxy voting and engagement reports and implemented, and made publicly available, a Vote Disclosure Service enabling near-real-time reporting on proxy voting.

For greater detail on the assessment methodology, visit the [UN PRI website](#). The high-level assessment methodology can be found [here](#), and question-level assessment criteria can be found after each indicator in the Investor Reporting Framework, [here](#).

TDAM’S 2020 ESG practices that were assessed can be found in [TDAM’s 2021 PRI Transparency Report](#), available on the UN PRI website.

Assets Under Management ¹	Module Name	Star Score	Module Score (out of 100)
-	Investment and Stewardship Policy	★★★★★	68
<10%	Direct – Listed equity – Active quantitative – Incorporation	★★★★★	61
10%–50%	Direct – Listed equity – Active fundamental – Incorporation	★★★★★	69
<10%	Direct – Listed equity – Passive – Incorporation	★★★★★	49
<10%	Direct – Listed equity – Active quantitative – Voting	★★★★★	39
10%–50%	Direct – Listed equity – Active fundamental – Voting	★★★★★	39
<10%	Direct – Listed equity – Passive – Voting	★★★★★	39
10%–50%	Direct – Fixed income – SSA	★★★★★	81
10%–50%	Direct – Fixed income – Corporate	★★★★★	78
<10%	Direct – Fixed income – Private debt	★★★★★	90
<10%	Direct – Real estate	★★★★★	98
<10%	Direct – Infrastructure	★★★★★	75
<10%	Indirect – Listed equity – Active	★★★★★	16

¹ Represents proportion of assets under management classified under that Module to total assets under management.

Lending

Equator Principles

Progress on goal		
Target	Progress	2022 Result
100% of applicable project finance transactions reviewed under Equator Principles	Met	100% of applicable project finance transactions were reviewed pursuant of the Equator Principles

TD's Equator Principles Reporting¹

In 2022, TD completed 5 Equator Principles transactions. The number and categorization of EP deals undertaken this year is similar to the numbers reported in previous years.

Project Finance Advisory Services¹

Total number that reached financial close in the 2022 reporting period: 0

Project-Related Corporate Loans¹

Total number that reached financial close in the 2022 reporting period: 1

Project-Related Refinance and Acquisition for Project Finance¹

Total number that reached financial close in the 2022 reporting period: 0

Project Finance Transactions¹

Total number that reached financial close in the 2022 reporting period: 4

Project Finance	Category A ²	Category B ²	Category C ²
Sector			
Mining			
Infrastructure			2
Oil & Gas			
Power	1	1	
Others			
Region			
Americas	1	1	2
Europe, Middle East & Africa			
Asia Pacific			
Country Designation			
Designated	1	1	2
Non-Designated			
Independent Review			
Yes	1	1	2
No			
Total	1	1	2

¹ Reporting dates have changed. Previously reporting was on a fiscal year basis. Going forward reporting will be done on a calendar year basis. As this is a transition year, reporting is provided for the period November 1, 2021 to December 31, 2022.

² For definitions of Category A, B and C, refer to: https://equator-principles.com/app/uploads/The-Equator-Principles_EP4_July2020.pdf (page 10).



Sustainable Insurance

Progress on goal		
Target	Progress	2022 Result
Meet our commitments as a signatory to UNEP FI Principles for Sustainable Insurance	Met	Met our commitments as a signatory to UNEP FI Principles for Sustainable Insurance

Insurance for Electric Vehicles (EVs) and Hybrid Electric Vehicles (HEVs)

	Units	2022	2021	2020
Number of active EV and HEV discounts	number of discounts	69,013	52,578	40,135

⊕ For more information, see the [Principles for Sustainable Insurance – Annual Disclosure 2022](#).

Environmental Performance

Climate Change

Greenhouse Gas Emissions^{1,2}

Progress on goal		
Target	Progress	2022 Result
Absolute reduction in GHG emissions from our operations (Scope 1 and 2 GHG emissions) by 25% by 2025, relative to a 2019 baseline	On track	24.6% reduction in Scope 1 and 2 GHG emissions relative to 2019 baseline

TD's Scope 3 Financed Emissions Targets				
Client Sector	Client Emissions Scope	2019 Portfolio Baseline	2030 Portfolio Targets	2019-30 Reduction Targets
Energy	Scope 1-3	2,078 gCO ₂ e/\$	1,475 gCO ₂ e/\$	-29%
	Operational: Scope 1 and 2	204 gCO ₂ e/\$		
	End-Use: Scope 3	1,874 gCO ₂ e/\$		
Power Generation	Scope 1	376 kgCO ₂ e/MWH	156 kgCO ₂ e/MWH	-59%
Automotive Manufacturing	Scope 1, 2, 3 Tank to Wheel	195 gCO ₂ /vkm	97 gCO ₂ /vkm	-50%
Aviation	Scope 1 of airlines	87 gCO ₂ /pkm	80 gCO ₂ /pkm	-8%
	Scope 3 of aircraft lessors			

Scope 1 & 2 (location based) ^{3,4}	Units	2022	2021	2020
Scope 1 ^{4,5,6}	tonnes CO ₂ e	43,021	40,227	44,734
Scope 2 (location based) ⁶	tonnes CO ₂ e	77,081	78,959	93,999
Total Scope 1 & 2 (location based)^{7,14}	tonnes CO ₂ e	✓ 120,101	✓ 119,186	✓ 138,734
GHG emission intensity (per square foot)	kg CO ₂ e/sq ft	5.29	5.21	5.94
GHG emission intensity (per millions in revenue)	tonnes CO ₂ e/millions of dollars	2.45	2.79	3.18
Scope 1 & 2 (market based) ⁴				
Scope 1 ^{4,5,6}	tonnes CO ₂ e	43,021	40,227	44,734
Scope 2 (market based)	tonnes CO ₂ e	6,934	7,274	6,835
Total Scope 1 & 2 (market based)^{8,9,19}	tonnes CO ₂ e	✓ 49,955	✓ 47,501	✓ 51,569
GHG emission intensity (per square foot)	kg CO ₂ e/sq ft	2.20	2.08	2.22
GHG emission intensity (per millions in revenue)	tonnes CO ₂ e/millions of dollars	1.02	1.11	1.18
Scope 3 ¹⁰				
Purchased goods and services ¹¹	tonnes CO ₂ e	1,058,672	986,108	923,998
Capital goods ¹¹	tonnes CO ₂ e	74,060	65,379	102,555
Fuel and energy-related activities	tonnes CO ₂ e	20,433	17,786	23,436
Business travel	tonnes CO ₂ e	✓ 12,092	✓ 1,788	✓ 8,593
Downstream leased assets	tonnes CO ₂ e	✓ 990	✓ 866	✓ 1,121
Scope 3 financed emissions (based on drawn lending balances) ^{12,13,14}				
Energy sector ¹⁵	mega tonnes CO ₂ e	-	-	2.3
Power sector ¹⁵	mega tonnes CO ₂ e	-	-	1.0
Automotive sector	mega tonnes CO ₂ e	-	-	0.5
Shipping sector	mega tonnes CO ₂ e	-	-	0.2
Aviation sector	mega tonnes CO ₂ e	-	-	4.5
Agricultural sector	mega tonnes CO ₂ e	-	-	9.3
Industrials sector ¹⁶	mega tonnes CO ₂ e	-	-	0.3
Consumer Auto Loans ¹⁷	mega tonnes CO ₂ e	-	7.1	7.6
Residential Mortgages ¹⁸	mega tonnes CO ₂ e	-	2.4	-



Governance Performance

Sustainable Finance Performance

Environmental Performance

Social Performance

Scope 3 financed emissions (based on total lending commitments) ^{12,13,14}	Units	2022	2021	2020
Energy sector ¹⁵	mega tonnes CO ₂ e	-	-	8.5
Power sector ¹⁵	mega tonnes CO ₂ e	-	-	6.1
Automotive sector	mega tonnes CO ₂ e	-	-	0.9
Shipping sector	mega tonnes CO ₂ e	-	-	0.4
Aviation sector	mega tonnes CO ₂ e	-	-	4.6
Agricultural sector	mega tonnes CO ₂ e	-	-	9.6
Industrials sector ¹⁶	mega tonnes CO ₂ e	-	-	0.4
Consumer Auto Loans ¹⁷	mega tonnes CO ₂ e	-	7.1	7.6
Residential Mortgages ¹⁸	mega tonnes CO ₂ e	-	2.4	-
Scope 1 & 2 by country (location based)⁴				
Canada				
Scope 1	tonnes CO ₂ e	27,870	24,936	28,642
Scope 2 (location based)	tonnes CO ₂ e	29,086	28,876	30,647
Total Canada	tonnes CO ₂ e	✓ 56,955	✓ 53,811	✓ 59,289
U.S.				
Scope 1	tonnes CO ₂ e	15,006	15,065	15,874
Scope 2 (location based)	tonnes CO ₂ e	47,221	49,341	62,493
Total U.S.¹⁹	tonnes CO ₂ e	✓ 62,227	✓ 64,406	✓ 78,367
International				
Scope 1	tonnes CO ₂ e	145	227	218
Scope 2 (location based)	tonnes CO ₂ e	774	742	859
Total International¹⁹	tonnes CO ₂ e	✓ 919	✓ 969	✓ 1,077
Total Scope 1 & 2 (location based)¹⁹	tonnes CO ₂ e	✓ 120,101	✓ 119,186	✓ 138,733

- ¹ For the years presented, the reporting period for GHG emissions from real estate (electricity, propane, chilled water, diesel, heating oil, steam and natural gas) is August 1 to July 31 in order to allow for more timely data. Other sources of emissions remain with TD's fiscal year (November 1 to October 31). The quantification of the GHG emissions associated with TD's activities is performed by WSP, an engineering and consulting firm.
- ² For further details see accompanying notes on [page 79](#) of this report. See [page 80](#) of this report for TD's 2022 carbon neutral schedule.
- ³ We saw only a slight increase in our operational emissions compared to 2021 despite an increase in the number of colleagues who have returned to the office, and a colder winter and warmer summer compared to the previous year. Overall, TD's emissions reductions are primarily attributed to proactive energy reduction measures (e.g., building controls, LED lighting and solar) and portfolio adjustments. TD continues to remain focused on reducing our operational emissions in line with our target by implementing resource efficiency measures and portfolio adjustments across our operations.
- ⁴ We have restated our 2019, 2020 and 2021 results due to a change in methodology as a result of data quality and data availability for refrigerant emissions information. This change in methodology remains aligned with industry standards. In order to maintain carbon neutrality, we have retired an additional 4,751 tonnes of carbon offsets in 2022 to compensate for the net increase in our Scope 1 emissions over this period.
- ⁵ The reporting period for Scope 1, stationary combustion and refrigerants, is August 1 to July 31, representing 38,405 tonnes CO₂e. The reporting period for Scope 1, mobile combustion (travel), is November 1 to October 31, representing 4,616 tonnes CO₂e.
- ⁶ Scope 1 GHG emissions include direct emissions from heating and cooling, leased aircraft and corporate fleet. Scope 2 GHG emissions include indirect emissions from electricity, heating and cooling. Our GHG reductions since 2019 are primarily attributable to COVID-19 (e.g., employees working from home), and are anticipated to increase to some extent as our colleagues return to the office. For additional information on our Scope 1 and 2 targets, please see the Climate Change section on [page 40](#).
- ⁷ Scope 2 emissions include indirect emissions from electricity, heating and cooling.
- ⁸ In accordance with the GHG Protocol's Scope 2 Guidance, TD reports both location-based and market-based Scope 2 figures. In calculating Scope 2 emissions from electricity, location-based Scope 2 uses grid emission factors, while market-based Scope 2 uses the emission factors associated with our renewable energy certificate (REC) purchases. Location-based Scope 2 will be used for the purposes of setting targets and tracking emissions.
- ⁹ Emissions in market-based Scope 2 are attributed to steam and chilled water.
- ¹⁰ The reporting period for Scope 3 sources, purchased goods and services, capital goods, and business travel, is November 1 to October 31, with the exception of fuel and energy-related activities and downstream leased assets, which are reported for August 1 to July 31 in alignment with the energy reporting period.
- ¹¹ We have restated our 2020 and 2021 results due to a calculation error in currency conversion. This has resulted in a decrease in emissions of 41% in 2021 and 2020 for Scope 3 Purchased Goods and Services and Capital Goods.
- ¹² The first year this metric was disclosed was fiscal year 2021 for fiscal year 2020 data, due to time lags in third-party data sources; please see pages 41-44 of the [2022 TD Climate Action Plan Report](#) for more information.
- ¹³ Our financed emissions footprint is more comprehensive than targets, covering major parts of the value chain within each sector reported. Footprint data is from 2020 unless otherwise noted. Includes Clients' Scope 1 and 2 emissions only for all sectors in this list.
- ¹⁴ NZBA defines the priority sectors for financed emissions calculation and target setting as "agriculture, aluminum, cement, coal, commercial & residential real estate, iron & steel, oil & gas, power generation, and transport". Given the materiality (high or low) of some of these sectors, TD has combined cement, aluminum, and iron & steel under "industrials" and separated "transport" into "automotive, shipping and aviation".
- ¹⁵ Our 2021 Climate Action Report also included 2020 emissions for these sectors, but they were based on lagging emissions metrics (2019 emissions data, 2020 exposure and client financial data). The reported figures this year have been updated to be more comprehensive (by including additional subsectors) and to use the latest available data. In particular, our revised estimates: (a) use 2020 emissions for a complete 2020 footprint, (b) include additional Utilities companies within the Power estimate and additional Services clients within Energy, (c) include Scope 2 emissions for Power, (d) include financed emissions from on-balance sheet investments in addition to lending.
- ¹⁶ Includes Cement, Aluminum, and Iron & Steel.
- ¹⁷ Consumer auto loans include indirect loans executed through TD's Auto Finance group. This footprint does not include personal loans secured by automobiles, nor does it include auto loans for towable trailers (i.e., trailers without an independent engine).
- ¹⁸ Excludes home equity lines of credit (HELOC) exposures in accordance with Partnership for Carbon Accounting Financials (PCAF).
- ¹⁹ Totals may not add up due to rounding.

Greenhouse Gas Emissions by Transportation Mode^{1,2}

Detailed emissions breakdown	Units	2022	2021	2020
Canada				
Air travel ³	tonnes CO ₂ e	5,340	168	3,474
Automobile travel ⁴	tonnes CO ₂ e	3,111	1,236	2,365
Rail travel	tonnes CO ₂ e	24	0	5
Total Canada⁵	tonnes CO ₂ e	8,475	1,404	5,844
U.S.				
Air travel ³	tonnes CO ₂ e	4,668	428	2,158
Automobile travel ⁴	tonnes CO ₂ e	3,426	1,559	4,135
Rail travel	tonnes CO ₂ e	29	0	2
Total U.S.⁵	tonnes CO ₂ e	8,123	1,987	6,295
Total North America⁵	tonnes CO ₂ e	16,598	3,391	12,139
Distance travelled (km)				
Canada				
Air travel ³	km	22,416,976	720,089	17,546,458
Automobile travel ⁴	km	8,674,302	5,383,887	7,743,720
Rail travel	km	335,100	4,918	406,281
Total Canada⁵	km	31,426,378	6,108,894	25,696,459
U.S.				
Air travel ³	km	18,924,510	1,509,007	12,571,540
Automobile travel ⁴	km	15,924,895	6,756,316	15,023,592
Rail travel	km	405,603	23,661	157,812
Total U.S.⁵	km	35,255,009	8,288,984	27,752,944
Total North America⁵	km	66,681,386	14,397,878	53,449,403

¹ The results may have been impacted due to the COVID-19 pandemic, as many employees moved to remote work settings.
² This table includes international travel for employees in Canada and the U.S. only. We have excluded all travel for employees in other (international) locations due to immateriality.
³ Air travel includes commercial air, chartered aircraft and leased aircraft.
⁴ Automobile travel includes corporate fleet, car rental and personal vehicles used for employee business travel.
⁵ Totals may not add up due to rounding.

Notes to GHG Emissions

Our annual GHG inventory, with the exception of financed emissions, is prepared by a third party engineering and consulting firm in accordance with the Greenhouse Gas Protocol (GHG Protocol): A Corporate Accounting and Reporting Standard, and related guidance, published by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI). Our approach to measuring our Scope 3 financed emissions from lending activities is consistent with PCAF guidance for the measurement of business loans.

1. Organizational Boundary

The scope of this report encompasses all of TD's wholly owned operations and activities. The Bank used the operational control method to determine the organizational boundary for its GHG schedule.

2. Reporting Period

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

3. GHG Emission Sources

All known sources of Scope 1 and 2 GHG emissions have been included in the Bank's GHG schedule. Scope 3 emissions are optional in the GHG Protocol. TD's Scope 3 emissions include employee business travel, purchased goods and services, capital goods, fuel and energy-related activities, and downstream leased assets owned by TD.

4. Use of Estimation Techniques

In preparing the Bank's GHG schedule there were some data sources that were incomplete or unavailable, such as utility-usage data at specific real estate locations or travel data for particular periods. Where required, the Bank used estimation techniques to approximate utility usage using data from locations of a similar approximate size and energy usage, or travel data from similar time periods to approximate actual usage.

5. GHG Emission Conversion Factors

The GHG emission conversion factors were selected from different sources to better accommodate the data available and to provide a closer approximation of the related GHG emissions. The Bank used the following emission factors:

- **Natural gas, diesel, propane, heating oil, chilled water, and steam** – GHG emissions are measured in tonnes of CO₂ equivalents ("CO₂e") using Ministry of Environment and Climate Change Canada and U.S. Environmental Protection Agency factors.
- **Electricity** – GHG emissions are measured in tonnes of CO₂e using the Ministry of Environment and Climate Change Canada National Inventory Report and the U.S. Environmental Protection Agency Emissions & Generation Resource Integrated Database (eGRID) emission factors that take into consideration the GHG emission intensity of each provincial/regional grid.
- **Automobile Travel** – Fleet – GHG emissions are measured in tonnes of CO₂e using U.S. Environmental Protection Agency emission factors and U.S. Department of Transportation highway statistics.
- **Air, Rail** – GHG emissions are measured in tonnes of CO₂e using U.S. Environmental Protection Agency, U.K. Department for Environment, Food & Rural Affairs (Defra), GHG Protocol, and IPCC emission factors.

6. Completeness of Business Travel

In preparing its GHG emission schedule, the Bank was not able to obtain complete data for all of business travel activities included in its Scope 3 GHG emissions. The GHG emissions data for business travel that was known and available to management was used in helping to determine the Bank's Scope 3 GHG emissions; however, the Bank was not able to substantiate all business travel that may have been booked through alternative travel agents or booked directly with travel carriers.

Carbon Neutral Commitment

Progress on goal		
Target	Progress	2022 Result
Be carbon neutral	Met	Maintained carbon neutrality
Renewable energy will be sourced to account for 100% of GHG emissions from electricity	Met	Renewable energy certificates (RECs) accounted for 100% of TD's GHG emissions from electricity ¹

2022 Carbon Neutral Schedule²

	Unit	Canada	U.S.	International	Total
Heating, cooling and mobile combustion ³	tonnes CO ₂ e	37,029	17,503	175	54,707
Business travel ³	tonnes CO ₂ e	5,894	6,115	83	12,092
Total heating, cooling, mobile combustion & business travel	tonnes CO ₂ e	42,923	23,618	258	66,799
Carbon offsets purchased ⁴	tonnes CO ₂ e	42,923	23,618	258	66,799
Net GHG emissions from heating, cooling, mobile combustion and business travel	tonnes CO ₂ e	✓ 0	✓ 0	✓ 0	✓ 0
Non-renewable electricity consumption	MWh	262,477	154,173	2,208	418,858
Renewable energy credits purchased	MWh	262,477	154,173	2,208	418,858
Net GHG emissions from electricity	tonnes CO ₂ e	✓ 0	✓ 0	✓ 0	✓ 0
Net GHG emissions from energy & business travel	tonnes CO ₂ e	✓ 0	✓ 0	✓ 0	✓ 0

¹ 2,208 RECs were sourced for TD locations outside of the U.S. and Canada. A small share of these RECs could not be sourced from the same market in which TD's electricity consumption occurs. We will continue to focus on prioritizing market-specific projects when purchasing RECs in future years.

² Carbon neutrality entails compensating for GHGs emitted to the atmosphere through preventing the release of an equivalent amount of GHG emissions. TD maintains its carbon-neutral status through its carbon offset and renewable energy certificate purchase program. TD's carbon neutrality covers Scope 1 and 2 emissions, and Scope 3 business travel emissions, but does not include Scope 3 financed emissions. At the same time, TD also works to reduce our operational GHG emissions for which we set Scope 1 and 2 GHG emission reduction targets. The reporting period for real estate data (heating and cooling, and electricity) is August 1 to July 31, the reporting period for business travel data is aligned with TD's fiscal year (November 1 to October 31).

³ Emissions from methods of transportation used by traveling employees which are not owned and/or operated by TD. Emissions from corporate fleets are considered under mobile combustion.

⁴ We have restated our 2019, 2020 and 2021 results due to a change in methodology as a result of data quality and data availability for refrigerant emissions information. This change in methodology remains aligned with industry standards. In order to maintain carbon neutrality, we have retired an additional 4,751 tonnes of carbon offsets in 2022 to compensate for the net increase in our Scope 1 emissions over this period.

Responsible Resource Use and Nature-Based Solutions

Energy Consumption¹

Energy consumption by location ²	Units	2022	2021	2020
Canada				
Electricity	GJ	944,915	876,950	929,208
Natural gas	GJ	416,064	402,011	456,709
Other (steam, heating oil, propane, diesel, chilled water)	GJ	166,449	176,377	182,882
Total Canada³	GJ	✓ 1,527,429	✓ 1,455,338	✓ 1,568,799
U.S.				
Electricity	GJ	555,024	579,553	697,123
Natural gas	GJ	195,647	198,468	193,893
Other (steam, heating oil, propane, diesel, chilled water)	GJ	34,360	34,185	51,286
Total U.S.³	GJ	✓ 785,031	✓ 812,207	✓ 942,302
International				
Electricity	GJ	7,950	8,717	9,581
Natural gas	GJ	1,862	2,985	2,665
Other (steam, heating oil, propane, diesel, chilled water)	GJ	249	514	705
Total International ³	GJ	✓ 10,061	✓ 12,216	✓ 12,951
Total energy consumption³	GJ	✓ 2,322,521	✓ 2,279,760	✓ 2,524,052
Energy intensity (per square foot)	GJ/sq ft	0.10	0.10	0.11
Energy intensity (per millions in revenue)	GJ/millions of dollars	47	53	58

¹ Energy consumption calculated with reference to the guidance provided in GRI 302-1: Energy (2016) of the GRI Standards and the GHG Protocol. Results may have been impacted by the COVID-19 pandemic, as many employees moved to remote work settings.

² For the years presented, the reporting period for real estate data (electricity, propane, chilled water, diesel, heating oil, steam and natural gas) is August 1 to July 31 in order to allow for more timely data.

³ Totals may not add up due to rounding.

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[Environmental Performance](#)
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Water¹

Progress on goal				
Target	Progress	2022 Result		
By 2025, zero increase in water use relative to 2015 baseline	On track	Reduced water use by 11.9% relative to 2015 baseline		

Water consumption	Units	2022	2021	2020
Canada ²	m ³	237,337	247,964	260,779
U.S. ³	m ³	918,429	894,332	867,900
Total ^{4,5}	m ³	1,155,766	1,142,296	1,128,680

¹ Represents facilities where TD has access to data as captured through vendor and internal processes. All TD facilities are not currently represented due to data limitations. Results may have been impacted by the COVID-19 pandemic, as many employees moved to remote work settings.

² Represents data from approximately 43% of our facilities in 2022, 43% in 2021 and 43% in 2020.

³ Represents data from approximately 77% of our facilities in 2022, 75% in 2021 and 77% in 2020.

⁴ Represents data from approximately 60% of our facilities in 2022, 61% in 2021 and 61% in 2020.

⁵ Totals may not add up due to rounding.

Waste¹

Waste – North America	Units	2022	2021	2020
Waste to landfill (trash) ²	tonnes	5,401	7,227	8,569
Waste diverted from landfill				
Recycled paper (paper shred) ³	tonnes	8,261	9,171	10,098
Other recycled waste ⁴	tonnes	3,374	2,969	3,342
E-waste ⁵	tonnes	345	315	174
Total waste generated (landfill & recycled)⁶	tonnes	17,036	19,681	22,009
Waste diversion metrics				
Waste diverted from landfill ⁷	%	55	48	45

¹ Represents facilities where TD has access to data as captured through vendor and internal processes. All TD facilities are not currently represented due to data limitations. Results may have been impacted by the COVID-19 pandemic, as many employees moved to remote work settings.

² Represents 1,139 of 2,584 of our facilities in 2022 and 1,273 of 2,678 in 2021.

³ Represents 2,406 of 2,584 of our facilities in 2022 and 2,473 of 2,678 in 2021.

⁴ Represents 1,574 of 2,584 of our facilities in 2022 and 1,846 of 2,678 in 2021.

⁵ Data captured through vendor and internal processes.

⁶ Totals may not add up due to rounding.

⁷ Percentage waste diversion is calculated using the waste generated across TD sites with all three of the following waste streams reported: waste to landfill, recycled paper, and other recycled waste. E-waste is not included in this diversion metric.

Paper

Paper by type ^{1,2}	Units	2022	2021	2020
Statements and envelopes	tonnes	2,203	2,422	2,418
Commercial print	tonnes	1,214	620	1,312
Office paper	tonnes	1,689	1,170	1,465
Forms	tonnes	1,234	807	1,041
Total paper³	tonnes	6,340	5,019	6,235
Recycled content				
Total % post-consumer recycled content	%	7	9	10
Certified sustainable				
Total % certified (FSC/SFI)	%	75	93	81

¹ Results may have been impacted by the COVID-19 pandemic, as many employees moved to remote work settings in 2020 and began to return in 2022.

² The paper data that was known and available to management was used in determining the paper use figures; however, the Bank was not able to substantiate all paper that may have been purchased through alternative suppliers or printers.

³ Totals may not add up due to rounding.

Definitions of Paper

Paper – TD’s paper purchases include statements and envelopes, commercial print, office paper and forms that are purchased through formal material contracts and/or vendors.

Office paper – copy paper that goes into multi-functional devices for printing and copying purposes.

Commercial print – paper used for external mass communications and marketing (e.g., annual reports, prospectuses, brochures, posters, start kit/information folders).

Statements and envelopes – paper used for bank reports, customer statements and all envelopes.

Forms – mass-produced standard paper instruments used on an enterprise-wide basis for information transfer by clients, suppliers and bank employees (e.g., passbooks, letterheads, cheques, applications, customer or transactional change forms, signature cards, receipts, business cards and other general banking forms).



Governance Performance

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Green Buildings

Details on TD LEED projects by building type and country:

	U.S. Retail		U.S. Corporate		Canadian Retail		Canadian Corporate	
	Locations	Sq. ft.	Locations	Sq. ft.	Locations	Sq. ft.	Locations	Sq. ft.
2022								
Platinum	0	7,337	0	0	0	0	0	0
Gold	0		0		0			
Silver	0		0		0			
Certified	2		0		0			
Total (2007-2022)								
Platinum	12	845,642	1	393,708	1	127,958	8	2,856,973
Gold	181		5		6			
Silver	31		1		4			
Certified	12		1		9			

LEED Certified Workspace

	2022	2021	2020
TD LEED certified workspace ¹	8%	8%	7%
Total LEED certified workspace ²	19%	19%	23%

¹ TD-owned LEED certifications only.

² TD-owned and landlord-owned LEED certifications.

Social Performance

Financial Access and Inclusion

Financial Education¹

North America	2022	2021 ²	2020 ²
Investment in community financial education programs (in millions)	\$6.3	\$6.7	\$6.3
Number of participants in community financial education programs ^{2,3}	339,656	275,784	463,700
U.S.			
Number of financial education classes	659	492	327
Number of attendees: financial education classes	17,836	12,924	6,573

U.S. Financial Education Programs

Financial education category	All events total	All attendees total ¹	LMI events ⁴	LMI attendees ⁴
Adult general	127	7,742	59	596
Homebuyer	178	3,660	86	1,675
Small business	216	3,451	90	1,368
Youth (grades K-12 ages)	127	2,983	34	950
Grand total	659	17,836	303	4,809

¹ Participants include people who take part in or receive information from an initiative or program in Canada or the U.S. which aims to improve their financial habits, knowledge, skills or attitudes. TD-sponsored programs include programs both partially and fully sponsored by TD.

² Limited in-person financial education events were held in fiscal 2020 and 2021 due to COVID-19, which resulted in fewer total events and attendees. In 2020 and 2021, many of the organizations that TD worked with and supported cancelled in-person activities and pivoted to alternative forms of program delivery. This meant that many organizations were unable to reach a similar number of beneficiaries as they had in previous years of their initiative(s).

³ In previous ESG Reports, TD disclosed a target to help 500,000 participants improve financial literacy through a TD-sponsored program. Following the development of TD's new "Pathways to Economic Inclusion" framework, TD is considering appropriate metrics and targets to reflect the "financial access" pathway of the framework. Accordingly, TD has removed the 500,000 participants target from this table.

⁴ Low-to-moderate-income (LMI).

Support for Small Businesses

Canada	Units	2022	2021	2020
Total value of small business loans and other credit facilities ¹	in billions	\$1.9	\$2.2	\$1.8
Number of small business loans and other credit facilities ¹		15,900+	14,700+	21,300+
Canada Small Business Financing Program ²	in millions	\$171	\$165	\$145
U.S.				
Total value of small business loans and other credit facilities ¹	in billions USD	\$0.9	\$0.8	\$1.1
Number of small business loans and other credit facilities ¹		38,484	23,571	23,900
Total amount of lending through the 504 loan program ³	in millions USD	\$76	\$133	\$146
Total amount of lending through the 7a/SBA Express loan program ⁴	in millions USD	\$244	\$377	– ⁵
Number of 504 loans funded ³		45	66	72
Number of 7a/SBA Express loans funded ⁴		2,093	1,437	1,488
Number of Digital Applications for Small Business		10,041	10,832	10,000
Amount requested through Digital Applications for Small Business	in millions USD	\$533⁶	\$337	\$358
Average size of loan requested through Digital Applications for Small Business	in USD	\$53,137⁶	\$31,076	\$35,848

¹ The total value of authorized small business loans and other credit facilities in the reporting period does not include the Canada Emergency Business Account (Canada) or the Paycheck Protection Program (U.S.) government loan programs that were offered to support small business during the COVID-19 pandemic.

² Small business loans and other facilities decreased in 2020 primarily as a result of government loan programs that were offered to support small businesses during the COVID-19 pandemic. The total value of small business loans and other credit facilities does not include government loan programs offered to support small businesses during the COVID-19 pandemic.

³ "504 loans" lend long-term, fixed-rate financing to approved small businesses to acquire fixed assets for either expansion or modernization. Fiscal 2022 saw 504 loan volumes decrease compared to 2021 and 2020 due to the end of COVID-19 relief funding from Congress, the rise of interest rates in 2022 and the return of fees that were waived during the COVID-19 pandemic in prior years.

⁴ The 7(a) loan program is Small Business Administration's primary program for providing financial assistance to small businesses.

⁵ The first year this data was disclosed was fiscal year 2021.

⁶ Fiscal 2022 amounts increased as a result of the Paycheck Protection Program (PPP) ending.

Economic Inclusion

LMI Customer Products¹

Right Step Mortgage ²	Units	2022	2021	2020
Number of mortgages originated		456 ⁴	478	666
Volume of mortgages	in millions USD	\$116	\$117	\$152
HomeReady Loan ³				
Number of loans originated		84 ⁴	407	265
Volume of loans	in millions USD	\$17	\$81	\$50

¹ Examples only; table is not an exhaustive representation of all mortgage lending to LMI borrowers.
² Borrower income must not exceed 79.99% of the Area Median Income limit for the area as published by the Federal Financial Institutions Examination Council (FFIEC) or the property must be located within a Low to Moderate Income census tract.
³ Borrower income must not exceed 79.99% of the Area Median Income limit for the areas as published by the FFIEC.
⁴ Decrease in volume is attributable to significant downturn in housing market.

Donations

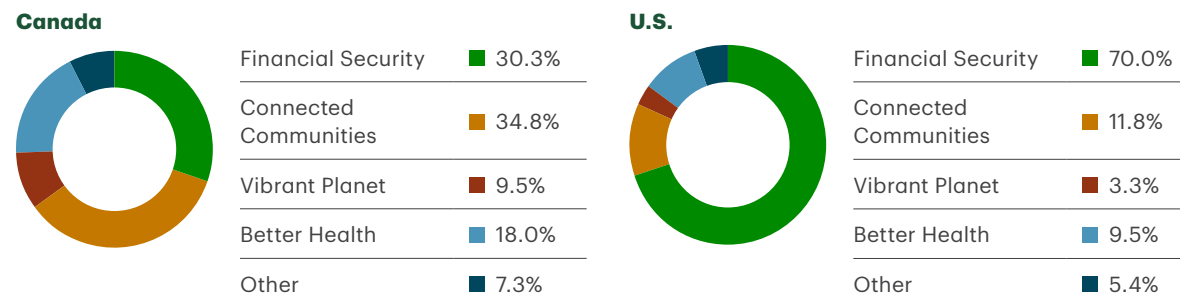
Progress on goal ¹				
Target	Progress	2022	2021	2020
TD is targeting \$1 billion by 2030 towards community giving (in millions) ³	On track	\$528 ²	\$381	\$256

¹ In previous ESG Reports, TD disclosed a target to maintain its North American charitable giving at or above 1% of net income before taxes, a target set by Imagine Canada and the Office of Charitable and Community Giving. In 2022, TD determined to re-prioritize its charitable giving metrics with a focus on its target of achieving \$1 billion by 2030 towards community giving, and, accordingly, has removed the 1% target from this table. TD's 2022 North American charitable giving would have met that target.
² Figures are disclosed in CAD equivalent and include any donation commitments recognized as a legal obligation or a constructive obligation and expensed in 2022 before they were paid out. This includes a US\$5 million commitment expensed in 2022 and paid out over the next five years. Figure does not include donations made through TD Friends of the Environment Foundation.
³ Cumulative progress on goal starting from 2019.

Performance Trends: Donations	2022	2021	2020
Canada (in millions)	\$100	\$92	\$90
U.S. (in millions of U.S. dollars)	\$34	\$27	\$29
Global Total (in millions of dollars) ^{1,2,3}	\$147	\$125	\$130

¹ All amounts converted into Canadian dollars using Bank of Canada exchange rates.
² Figures are disclosed in CAD equivalent and include any donation commitments recognized as a legal obligation or a constructive obligation and expensed in 2022 before they were paid out. This includes a US\$5 million commitment expensed in 2022 and paid out over the next five years. Figure does not include donations made through TD Friends of the Environment Foundation.
³ TD is a signatory of the Imagine Canada Caring Company Program.

2022 Percentage Breakdown of Our Giving by TD Ready Commitment Driver¹



¹ Totals may not add up due to rounding.

Detailed Breakdown by Program

TD Friends of the Environment Foundation	Units	2022	2021	2020
Total donations ¹	in millions	\$4.0	\$3.9	\$3.4
Number of projects	No. of projects	570	551	479
TD Charitable Foundation				
Total donations ²	in millions USD	\$21.1	\$20.4	\$23.7
TD Bank Community Development Programs				
Community development loans	in billions USD	\$2.2	\$1.9	\$3.40 ⁴
Tax credit programs and other investments for LMI individuals and families ³	in millions USD	\$477	\$384	\$479
Affordable Housing				
Office of Charitable and Community Giving affordable housing donations ⁵	in millions USD	\$8.6	\$7.1	\$5.8
Community development loans for LMI areas	in millions USD	\$1,134	\$890	\$735
Number of units supported by community development loans	No. of units	7,273	7,389	7,393
Low-Income Housing Tax Credits	in millions USD	\$382	\$327	\$418

¹ Donations include contributions from customer and non-customer donors that are distributed in the communities in which they are made, as well as donations from TD Bank Group.

² The TD Charitable Foundation is the charitable giving arm of TD Bank. It is fully funded by TD Bank.

³ Total investments are funded by TD Bank's Community Capital Group only. These investments are made on behalf of TD Bank, N.A. and TD Bank USA NA; it does not include grants (TD Charitable Foundation) or mortgage-backed securities (Treasury).

⁴ Community development loans increased in 2020 primarily as a result of temporary changes made by the Office of the Comptroller of the Currency, in response to COVID-19, to the eligibility criteria to receive/qualify for development loans. For more details see the Office of the Comptroller of the Currency's "[Community Reinvestment Act Frequently Asked Questions Related to COVID-19](#)".

⁵ In 2022 the scope of this metric was updated from TD Charitable Foundation to the Office of Charitable and Community Giving.

2022 LBG Community Investment Summary¹

Facts and figures for which LBG assessed our data and calculated our corporate giving based on their methodology.

Type of contribution	Total amount
Cash contributions ²	\$127,886,343
Employee Time During Work Hours	\$698,933
In-Kind Investments	\$0
Total Program Management Costs	\$7,425,811
Total Value of Company Investment	\$136,011,087

¹ LBG (formerly London Benchmarking Group) is a network of corporate community investment professionals that work together to apply, develop and enhance the LBG measurement framework. Since there are no generally accepted accounting principles to inform how "community giving" is reported, different companies have historically taken different approaches to arrive at their numbers. LBG's measurement framework provides an approach to measuring the real value and impact of corporate community investment to both business and society and is the global standard for measuring community contributions. As an external third party, LBG Canada provides a standardized approach for valuing community investment and reviews each participant's reported community giving to verify whether or not the approach has been followed. In addition to TD's own calculations, we ask LBG Canada to assess our data and calculate our corporate giving based on their methodology, which helps to account for the broader impacts of our financial contribution. This may result in variances between TD's calculation of its total donations and LBG's assessment of TD's community investment contributions, based on eligibility criteria of specific investments and program management costs.

² Cash contributions include grants made by TD (in Canada and the U.S.) and the Office of Charitable and Community Giving, including the TD Charitable Foundation.

Diversity and Inclusion

Progress on goal		
Commitment ¹	Progress	2022 Result
Women in 45% of roles titled Vice President and above in Canada, by 2025 ²	On track	✓ 40.3%
Increase minority representation at executive levels across North America, achieving 25% Black, Indigenous and minority by 2025	On track	22.5%
Double the representation of Black executives at TD in North America by end of 2022	Met	100% ³

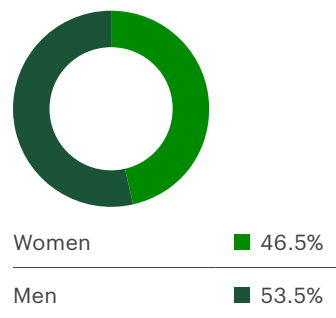
¹ All executive appointments include roles Vice President and above (VP+); this excludes non-titled TDBG officers. All commitments are relative to a July 31, 2020 baseline.

² Women in VP+ roles commitment is applicable to TDBG Canadian businesses.

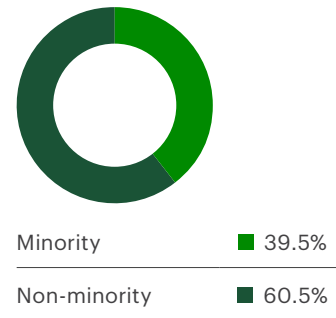
³ Result reflects progress towards commitment.

2022 Total Executive Appointments^{1,2,3}

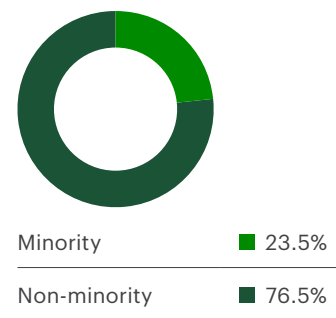
Global – Executive appointments by gender



Canada – Executive appointments by ethnicity



U.S. – Executive appointments by ethnicity



¹ Disclosure includes men and women only. Although we collect data on individuals who identify as Non-Binary, Two-Spirit or other gender identities, we do not currently disclose this information. Totals may not add up given that this subset of data is not disclosed.

² Executive appointments include all promotions into Associate Vice President (AVP) and above.

³ Gender results are reported at the global level; however, the results for ethnicity are reported separately for Canada and U.S.

Percentage of Employees per Position Level by Gender¹

Global Overall	2022	2021	2020
Women	✓ 55.9%	✓ 56.5%	✓ 57.0%
Men	43.7%	43.3%	42.7%
Senior management ²			
Women	✓ 35.1%	✓ 33.8%	✓ 38.4%
Men	64.6%	65.9%	61.5%
Middle and other management ³			
Women	✓ 45.9%	✓ 45.5%	✓ 45.3%
Men	53.7%	54.4%	54.6%
Canada Overall			
Women	✓ 54.2%	✓ 55.1%	✓ 55.4%
Men	45.5%	44.8%	44.4%
Senior management ²			
Women	✓ 40.3%	✓ 40.0%	✓ 40.0%
Men	59.5%	59.8%	59.8%
Middle and other management ³			
Women	✓ 45.8%	✓ 45.5%	✓ 45.1%
Men	53.9%	54.4%	54.8%
U.S. Overall			
Women	61.0%	61.0%	61.3%
Men	38.3%	38.6%	38.3%
Executive ⁴			
Women	29.2%	25.0%	24.6%
Men	69.8%	74.0%	75.5%
First/mid-level managers ⁵			
Women	49.5%	49.1%	49.6%
Men	49.9%	50.7%	50.2%

¹ Disclosure includes men and women only. Although we collect data on individuals who identify as Non-Binary, Two-Spirit or other gender identities, we do not currently disclose this information. Totals may not add up given that this subset of data is not disclosed.

² Senior management includes Vice President level and above.

³ Middle and other management is defined as Level 8 to AVP.

⁴ EEO-1 Category A. This refers to executive/senior-level officials and managers.

⁵ EEO-1 Category B. This refers to first/mid-level officials and managers.

Workforce Diversity¹

WOMEN			
The Toronto-Dominion Bank – Board of Directors	2022	2021	2020
Women on Board (% of all Directors)	✔ 44.0%	40.0%	38.0%
TD Subsidiaries – Board of Directors²			
North America			
Security National Insurance Company	33%	–	–
TD Asset Management Inc.	22%	–	–
TD Waterhouse Canada Inc.	33%	–	–
TD Auto Finance (Canada) Inc.	17%	–	–
TD Group US Holdings LLC	25%	–	–
TD Securities (USA) LLC	40%	–	–
TD Bank US Holding Company	45%	–	–
TD Bank USA, National Association	45%	–	–
TD Bank, National Association	45%	–	–
TD Life Insurance Company	33%	–	–
TD Mortgage Corporation	14%	–	–
The Canada Trust Corporation	14%	–	–
TD Securities Inc.	17%	–	–
International			
TD Global Finance Unlimited Company	50%	–	–
TD Bank Europe Limited	50%	–	–
Toronto Dominion (South East Asia) Limited	25%	–	–

¹ Includes all full-time and part-time employees, excluding those on long-term disability (LTD).

² Includes a subset of The Toronto-Dominion Bank's significant subsidiaries taking into consideration their size, complexity and/or business profile. The first year this data was disclosed was fiscal 2022.

³ All management includes individuals within the Senior Management (VP and above), Middle Management (includes Level 8 to AVP) and Junior Management (people managers below AVP level) categories.

⁴ Top management includes Executive Vice President and above.

⁵ Senior management includes Vice President level and above (in the U.S. this includes Bank-titled Vice Presidents and above only).

⁶ Middle and other management is defined as Level 8 to AVP.

⁷ Junior management is defined as people managers below AVP.

Global¹	2022	2021	2020
Overall	✔ 55.9%	✔ 56.5%	✔ 57.0%
All management ³	✔ 47.0%	51.7%	51.7%
Top management ⁴	✔ 20.7%	23.3%	23.3%
Senior management ⁵	✔ 35.1%	✔ 33.8%	✔ 38.4%
Middle and other management ⁶	✔ 45.9%	✔ 45.5%	✔ 45.3%
Junior management ⁷	✔ 53.9%	54.3%	54.8%
Women in management revenue-generating positions ^{8,9}	38.9%	38.7%	39.9%
Women in revenue-generating positions ⁸	57.1%	57.9%	59.1%
Canada¹⁰			
Overall	✔ 54.2%	✔ 55.1%	✔ 55.4%
All management ³	✔ 47.5%	47.6%	47.5%
Senior management ⁵	✔ 40.3%	✔ 40.0%	✔ 40.0%
Middle and other management ⁶	✔ 45.8%	✔ 45.5%	✔ 45.1%
Junior management ⁷	✔ 55.0%	55.7%	56.5%
U.S.¹¹			
Overall	61.0%	61.0%	61.3%
All management ¹²	49.2%	48.5%	49.0%
Executives ¹³	29.2%	25.0%	24.5%
First/mid-level managers ¹⁴	49.5%	49.1%	49.6%

⁸ Calculated based on customer-facing roles in our job hierarchy. In Fiscal 2022, this included approximately 60,000 employees across approximately 820 job titles, including but not limited to Branch Managers, Financial Advisors, Financial Planners, Investment Advisors, Lending Advisors, Mortgage Sales Managers, Commercial Loan Officers, Consumer Lending Managers, Direct Investing Account Managers, Portfolio Managers, Private Banking Client Services Officers, Relationship Managers and Wealth Advisors.

⁹ Management is defined as Level 8 and above.

¹⁰ Includes all Canadian businesses and full-time and part-time employees, excluding those on LTD.

¹¹ Includes TD Bank employees, excluding those on LTD.

¹² All management includes EEO-1 Category A and EEO-1 Category B. See footnotes 13 and 14.

¹³ Executives includes EEO-1 Category A. This refers to executive/senior-level officials and managers.

¹⁴ First/mid-level managers includes EEO-1 Category B. This refers to first/mid-level officials and managers.

Governance Performance

Sustainable Finance Performance

Environmental Performance

Social Performance

Visible minorities and minorities ¹				
Black, Indigenous and visible minorities	Canada²	2022	2021	2020
	Overall	42.8%	41.4%	40.4%
	Senior management ³	26.2%	21.9%	20.3%
	Middle and other management ⁴	44.6%	42.9%	40.9%
Black, Indigenous and visible minorities – women	Canada²			
	Overall	22.7%	22.1%	21.5%
	Senior management ³	11.0%	8.7%	7.7%
	Middle and other management ⁴	20.7%	19.7%	18.4%
Black ⁵	Canada²			
	Overall	7.3%	5.7%	5.1%
	Senior management ³	3.0%	2.5%	1.1%
	Middle and other management ⁴	6.1%	4.3%	3.5%
Asian ⁶	Canada²			
	Overall	28.9%	27.1%	25.7%
	Senior management ³	17.6%	15.3%	14.3%
	Middle and other management ⁴	32.4%	31.0%	29.4%
Other visible minorities ⁷	Canada²			
	Overall	8.2%	8.2%	8.0%
	Senior management ³	4.3%	4.3%	4.6%
	Middle and other management ⁴	7.2%	7.2%	6.7%
Visible minorities ⁸	Canada²			
	Overall	✓ 42.0%	✓ 40.3%	✓ 39.2%
	Senior management ³	✓ 24.9%	✓ 21.0%	✓ 19.6%
	Middle and other management ⁴	✓ 44.0%	✓ 41.9%	✓ 40.0%

Minorities	U.S.⁹	2022	2021	2020
	Overall	36.8%	37.6%	36.9%
	Executives ¹⁰	16.0%	14.4%	10.9%
	First/mid-level managers ¹¹	29.3%	29.0%	29.1%
Indigenous Peoples ¹²	Canada²			
	Overall	✓ 1.0%	✓ 1.2%	✓ 1.5%
	Senior management ³	✓ 1.5%	1.1%	1.1%
	Middle and other management ⁴	✓ 0.8%	1.0%	1.1%
People with disabilities ¹³	Canada²			
	Overall	✓ 8.3%	✓ 8.8%	✓ 8.0%
	Senior management ³	✓ 6.9%	5.9%	6.1%
	Middle and other management ⁴	✓ 8.2%	8.4%	7.4%
2SLGBTQ+ ¹⁴	Canada²			
	Overall	3.5%	3.3%	2.9%
	Senior management ³	3.2%	3.2%	3.3%
	Middle and other management ⁴	3.1%	2.9%	2.6%

¹ Data is voluntarily disclosed by employees and therefore may not be reflective of the actual workforce.

² Includes all Canadian businesses and full-time and part-time employees, excluding those on LTD.

³ Senior management includes Vice President level and above.

⁴ Middle and other management is defined as Level 8 to AVP.

⁵ Black including origins or ancestry from Africa, the Caribbean, Canada, USA or another country/region.

⁶ South Asian and East Indian including India, Bangladesh, Pakistan, Sri Lanka, etc. or East Asian including China, Japan, Korea, Philippines, etc.

⁷ Arab or West Asian, Latin American, and Mixed ethnicity.

⁸ "Visible minority" is defined as non-Caucasian in race or non-white in colour, other than an Indigenous person.

⁹ Includes TD Bank, America's Most Convenient Bank® employees, excluding those on LTD.

¹⁰ EEO-1 Category A. This refers to executive/senior-level officials and managers.

¹¹ EEO-1 Category B. This refers to first/mid-level officials and managers.

¹² "Indigenous person" is defined as First Nations, Inuit, Métis, American Indian, Alaska Native, Native Hawaiian or other.

¹³ "Person with a disability" is defined as a person having a long-term or recurring visible or invisible physical, mental, sensory, psychiatric or learning impairment, including impairment relating from or related to hearing, seeing, vocal, mobility, agility, pain, neurological, memory, development, psychological or addiction.

¹⁴ "2SLGBTQ+" is defined as a member of the Lesbian, Gay, Bisexual, Transgender, Queer, Two-Spirit, or Plus community.

Colleague Development, Retention and Well-being

Investing in Talent¹

	2022	2021	2020
Employees who have worked at TD for more than 25 years	6,216	5,937	5,944
Job applicants in North America	1,281,974	967,362	884,101
Hiring manager interviews	87,253	70,823	47,731
Percentage of positions filled within TD (Canada and the U.S.)	48.6%	56.2%	53.8%
Number of hires (internal and external)	54,867	41,160	27,087
Percentage of women hired	52.4%	54.6%	53.4%
Percentage of women promoted in Canada ²	54%	54.2%	53.5%

¹ Data reflects headcount rather than full-time equivalent.

² Figure represents the percentage of promotions earned by women in Canada.

Global Training and Development

	2022	2021	2020
Investing in training (millions) ^{1,2}	\$108³	\$79 ⁴	\$72.1 ⁵
Investment in training per employee ^{1,2}	\$1,073	\$851	\$778
Amount employees received through TD's tuition assistance (millions)	\$15.6	\$9.6	\$6.7
Average number of days of training ⁶	8.6	7.3	5.3 ⁹
Average hours of training ⁶ per:			
Executive ^{7,8}	21.8	23	13 ⁹
People manager ^{7,8}	36.8	32	27 ⁹
Employee (non-manager) ^{7,8}	71.9	61	44 ⁹

¹ Includes the courses available through TD's MyLearning System, as well as external courses, certificates and accreditations.

² Investment in training may not capture all project or program costs incurred by the business, including business transformation projects where learning-related costs are captured through a separate system.

³ Increase in investment in training in 2022 resulted from Enterprise Learning focus on enabling key business priorities, including learning for customer-facing roles, leadership development, introduction of new diversity programs and business transformation priorities. In addition there has been an increase in expenses related to tuition and in-person learning opportunities as we return to pre-COVID spend in that category.

⁴ Increase in investment in training in 2021 resulted from Enterprise Learning focus on key business transformation priorities, including Next Evolution of Work, Contact Center as a Service, and Corporate Transformation and Operations evolution; colleague skill development in emerging capabilities; and leadership development. Investment in training may not capture all project or program costs incurred by the business.

⁵ Investment in training decreased in 2020 as a result of the temporary shift of focus from Enterprise Learning in response to COVID-19 to address the immediate need of enabling TD employees to work from home, supporting employees to build critical skills, and enhancing diversity and inclusion awareness among employees.

⁶ An average day is considered eight hours for U.S. employees and 7.5 for all other employees.

⁷ Excludes training hours tracked outside of TD's MyLearning System because the data is not available and cannot be reasonably estimated.

⁸ "Executive" includes TD job levels AVP and above. "People manager" includes an employee who has one or more direct reports. "Employee (non-manager)" includes an employee who does not have any direct reports.

⁹ Limited in-person classes were held due to the COVID-19 pandemic, which resulted in fewer all-day sessions in fiscal year 2020.

Employee by Contract Type^{1,2}

	2022		2021		2020		2022	2021	2020
	Employees	Con-tractors	Employees	Con-tractors	Employees	Con-tractors	Total	Total	Total
Canada	71,388	3,875	65,480	3,269	63,800	2,693	75,263	68,749	66,493
U.S.	29,083	542	26,339	527	27,984	677	29,625	26,866	28,661
International	1,132	0	996	0	887	0	1,132	996	887
Global	101,603	4,417	92,815	3,796	92,671	3,370	106,020	96,611	96,041

¹ The data demonstrates that we predominantly hire direct employees and do not rely on a large contingent of contract workers to operate our business. We count contract workers as individuals who perform temporary services for TD, but are not paid by TD and are not typically eligible for incentive bonus plans, vacation pay, benefits and retirement benefits from TD.

² All data reflects employee headcount rather than full-time equivalent.

Workforce Profile¹

Canada					
Province or Territory²	Full-time 2022	Part-time³ 2022	2022 Total	2021 Total	2020 Total
Alberta	3,565	660	4,225	4,112	4,102
British Columbia	3,425	1,099	4,524	4,223	4,274
Manitoba	423	128	551	546	564
New Brunswick	2,089	121	2,210	2,132	1,924
Newfoundland and Labrador	111	36	147	143	146
Northwest Territories	8	0	8	9	9
Nova Scotia	1,314	105	1,419	1,383	1,175
Ontario	47,296	4,882	52,178	47,068	45,847
Prince Edward Island	53	12	65	59	60
Quebec	4,469	1,088	5,557	5,306	5,162
Saskatchewan	395	92	487	482	519
Yukon	13	4	17	17	18
Total Canada	63,161	8,227	71,388	65,480	63,800
U.S.					
State	Full-time 2022	Part-time³ 2022	2022 Total	2021 Total	2020 Total
Connecticut	536	135	671	647	745
Delaware	432	17	449	417	453
District of Columbia	79	8	87	75	87
Florida	2,455	363	2,818	2,396	2,434
Maine	2,596	108	2,704	2,778	3,091
Maryland	241	18	259	216	220
Massachusetts	1,332	179	1,511	1,459	1,638
Michigan	421	5	426	429	462
New Hampshire	666	94	760	733	779

State	Full-time 2022	Part-time³ 2022	2022 Total	2021 Total	2020 Total
New Jersey	6,924	890	7,814	7,407	8,015
New York	3,829	725	4,554	4,255	4,471
North Carolina	785	18	803	295	285
Pennsylvania	1,000	246	1,246	1,067	1,142
Rhode Island	116	8	124	106	110
South Carolina	3,559	124	3,683	3,186	3,213
Texas	168	0	168	111	94
Vermont	223	9	232	229	253
Virginia	232	41	273	259	269
Other ⁴	499	2	501	274	223
Total U.S.	26,093	2,990	29,083	26,339	27,984
International					
Total International	1,117	15	1,132	996	887
Total	90,371	11,232	101,603	92,815	92,671

¹ All data reflects employee headcount rather than full-time equivalent. Information presented in the table above was extracted from TD's systems on the earliest practicable date after October 31, 2022, and, accordingly, there may be slight differences for employment changes that were effective on November 1, 2022.

² TD had no full-time, part-time or casual employees in Nunavut.

³ Part-time includes both part-time and casual employees.

⁴ U.S. states with less than 40 employees have been consolidated for the purposes of reporting.



Employee Engagement

Progress on goal						
Objective	2023 Target	2022 Target	Progress	2022 Result	2021 Result ¹	2020 Result ²
Provide a great place to work ³	85%	85%	Met	✓ 85%	✓ 84%	✓ 85%
Provide an inclusive place to work ^{4,5}	84%	-	Met	87%	-	-

¹ Fiscal year 2021 target was 84%.
² Fiscal year 2020 target was 82%.
³ TD measures employee engagement using the TD Pulse Survey, which asks colleagues to rate their level of commitment and connection to TD and their role along three dimensions (intention to stay, pride in working at TD and job satisfaction) on a scale of one to five: Strongly Disagree (1), Disagree (2), Neither Agree Nor Disagree (3), Agree (4) and Strongly Agree (5). The percentages represent the average proportion of overall respondents who either agreed (4) or strongly agreed (5) with the first three statements shown in the Pulse Survey Results table.
⁴ The first year this data was disclosed was fiscal 2022.
⁵ Target is based on achieving the 75th percentile of a global benchmark – a three-year rolling benchmark updated annually consisting of over 600 companies and 10 million responses, spanning geographies and industries.

Overall Employee Experience

	2022	2021	2020
Overall Experience ¹	✓ 85%	✓ 84%	✓ 85%
Women ²	87%	86%	86%
Men ²	85%	84%	85%
Inclusion KPI ³	87%	- ⁴	- ⁴
Women	88%	- ⁴	- ⁴
Men	88%	- ⁴	- ⁴

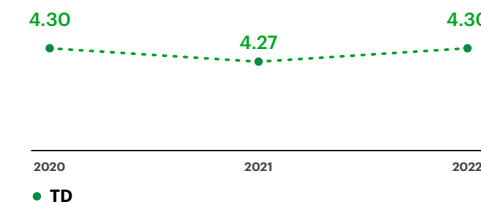
¹ TD measures employee engagement using the TD Pulse Survey, which asks colleagues to rate their level of commitment and connection to TD and their role along three dimensions (intention to stay, pride in working at TD and job satisfaction) on a scale of one to five: Strongly Disagree (1), Disagree (2), Neither Agree Nor Disagree (3), Agree (4) and Strongly Agree (5). The percentages under "Overall Experience" represent the average proportion of respondents in each group who either agreed (4) or strongly agreed (5) with the first three statements shown in the [Pulse Survey Results](#) table.
² Disclosure includes men and women only. Although we collect data on individuals who identify as Non-Binary, Two-Spirit or other gender identities, we do not currently disclose this information. Totals may not add up given that this subset of data is not disclosed.
³ The Inclusion KPI is measured on a five-point scale and assesses colleagues' sense of belonging and authenticity.
⁴ The first year this data was disclosed was fiscal 2022.

Pulse Survey Results¹

	2022	2021	2020
My work gives me a personal feeling of accomplishment	83%	81%	81%
I plan to be with TD one year from now	85%	83%	86%
I am proud to say I work for TD	89%	89%	90%
TD is doing the right things to make a positive impact in the communities in which it does business	89%	88%	90%
TD is doing the right things to make a positive impact on the environment	87%	86%	88%
TD supports employees' ambitions to get involved in corporate responsibility initiatives (e.g., community or environmental initiatives)	87%	87%	89%

¹ The percentages shown are the percentage of respondents selecting "Agree (4)" or "Strongly Agree (5)" on a scale of one to five.

Employee Engagement Index¹



¹ TD measures employee engagement using the TD Pulse Survey, which asks colleagues to rate their level of commitment and connection to TD and their role along three dimensions (intention to stay, pride in working at TD and job satisfaction) on a scale of one to five: Strongly Disagree (1), Disagree (2), Neither Agree Nor Disagree (3), Agree (4) and Strongly Agree (5). Data shown as the average of all responses to the first three questions in the [Pulse Survey Results](#) table, with Strongly Disagree (1), Disagree (2), Neither Agree Nor Disagree (3), Agree (4), Strongly Agree (5) on a scale of one to five.



Governance Performance

Sustainable Finance Performance

Environmental Performance

Social Performance

Employee Turnover

Objective		2022 Results	2021 Results	2020 Results
Provide a great place to work	Average global turnover ⁴	20.4%	19.8%	14.5%

	2022			2021 ⁴			2020		
	Overall	Women	Men	Overall	Women	Men	Overall	Women	Men
Average global turnover rate	20.4%	21.0%	22.4%	19.8%	18.7%	19.9%	14.5%	14.1%	14.8%
Canada									
Voluntary ^{1,4}	✓ 17.0%	17.0%	19.8%	✓ 14.7%	12.9%	15.8%	✓ 10.2%	9.2%	11.2%
Involuntary ²	✓ 1.9%	1.7%	2.2%	✓ 1.8%	1.5%	2.2%	✓ 1.6%	1.2%	2.0%
Retirement	✓ 1.2%	1.7%	0.6%	✓ 1.3%	1.6%	0.8%	✓ 1.1%	1.5%	0.6%
Total³	✓ 20.1%	20.4%	22.6%	✓ 17.8%	15.9%	18.8%	✓ 12.8%	11.9%	13.7%
U.S.									
Voluntary ¹	✓ 18.1%	18.6%	19.2%	✓ 19.7%	19.8%	18.8%	✓ 14.4%	14.7%	14.0%
Involuntary ²	✓ 2.6%	2.8%	2.4%	✓ 4.1%	4.0%	4.2%	✓ 3.1%	3.1%	3.1%
Retirement	✓ 0.7%	0.8%	0.5%	✓ 0.9%	1.1%	0.5%	✓ 0.7%	0.7%	0.6%
Total³	✓ 21.5%	22.2%	22.1%	✓ 24.6%	24.8%	23.5%	✓ 18.3%	18.5%	17.8%

¹ A voluntary exit from TD occurs when the employee chooses to leave TD.
² An involuntary exit from TD occurs when employment is terminated.
³ Disclosure includes men and women only. Although we collect data on individuals who identify as Non-Binary, Two-Spirit or other gender identities, we do not currently disclose this information. Totals may not add up given that this subset of data is not disclosed.
⁴ Voluntary attrition rates have increased as tighter conditions in both the U.S. and Canadian labour markets continue. While customer and colleague experience metrics continue to be very strong, enterprise-wide and business-specific strategies are being put in place to help support our talent pipeline.

Workplace Health and Safety

Canada	2022	2021	2020
Minor injuries ^{1,2}	195 (0.27%)	162 (0.25%)	207 (0.32%)
Disabling injuries ^{1,3}	86 (0.12%)	214 (0.33%)	121 (0.19%)
Employee days absent beyond day of injury ⁴	1,754	3,212	1,367
Fatalities due to work-related accidents	0	0	0
U.S.			
Medical/report only claims filed through workers' compensation ⁵	208	344	312
Indemnity claims filed through workers' compensation	12	11	39
Employee days absent beyond day of injury ⁴	530	523	757
Fatalities due to work-related accidents	1	0	0
North America⁶			
Absentee rate ^{7,8,9,10}	✓ 2.4%	✓ 2.4%	2.6%

¹ Figures in parentheses indicate accident statistics as a percentage of our workforce in the country noted, as at the end of the calendar year.
² Injuries that are treatable in the workplace with no time lost beyond the day of injury. Figures in parentheses indicate accident statistics as a percentage of our workforce in the country noted, as at the end of the calendar year. 2022 figure shows a slight increase due to employees returning to the office.
³ Injuries that result in lost time in the workplace on any day following the injury for each of the years shown. 2022 figure shows a major decrease in comparison to 2021 because of a reduction in work related COVID-19 instances. 2021 figure includes 152 work related COVID-19 instances.
⁴ The number of and severity of disabling accidents have decreased because of a reduction in work-related COVID-19 instances. Overall, time lost due to disabling accidents (excluding COVID-19) in the workplace has decreased as a greater number of employees work from home.
⁵ Workers' compensation claims that require no lost time and/or no activity other than generating a report.
⁶ Absentee rate for North America includes TD Insurance (Canada), TD Bank Group (Canada) and TD United States.
⁷ Represents the number of, or our calculated estimate of the number of, sick days taken due to minor illnesses or workplace injury, and personal days taken, as reported in our online time reporting system, divided by the average full-time equivalent hours for each region. Weighted average is applied to the constituent businesses to attain a combined rate for North America. Due to limitations on available data, in some cases, estimates have been used; therefore, the actual absentee rate may differ.
⁸ The North American absentee rate is inclusive of unplanned short-term absences related to COVID-19 (for example, self-isolation). The absentee rate excludes planned absences related to additional time-off provided to employees (e.g., TD Total Well-being Day). The absentee rate also excludes permitted leave absences such as holidays, study, parental leave, and compassionate leave.
⁹ For Canada, data was pulled directly from our online time reporting system. The data in this system (absent hours and absence reason) is entered by the employee. For TD Insurance-General Insurance employees only, their people managers' approval is also required on the online time reporting system.
¹⁰ U.S. days lost due to workplace injury are estimated by an external vendor responsible for managing all workplace injury claims, based on the total number of claims through the fiscal year. The balance of the U.S. portion of the Absentee Rate was composed of unplanned absences and was calculated using employee entries in the online time reporting system. In January 2022, methodology for calculating U.S. absentee rates was updated. The new methodology is more specific and is more consistent with how absentee rates are calculated for Canada. These methodology changes mean that we no longer need to calculate an estimation of paid time off requests. Prior to January 2022, for the U.S. (28.75% of the weighted average), an estimation was used that 24% of paid time off represents sick days and personal days taken.

Customer Experience

Legendary Customer Experience

Progress on goal					
Objective		2022 Target	Progress	2022 Result	2023 Target ¹
Deliver legendary customer service	Legendary Experience Index – TD Composite Score ²	69.96	Met ³	✔ 70.69	70.76

¹ Significant methodology changes for 2023 do not allow comparisons to previous years' performance. Key changes include weighting changes for TD Bank Group, North American Digital channels, TD Wealth and Business Banking; program roll-up changes for TD Canada Trust (TDCT) Phone; and sample trigger/volume changes for TDCT Phone and TD Bank Phone.

² LEI is calculated by a third party based on independent customer experience surveys shared regularly with customers of the following segments: TD Canada Trust, TD Bank, TD Wealth, TD Insurance and TD Business Bank. The surveys ask customers to respond on a 10-point scale to indicate the extent to which they perceive their recent experience with TD to have been exceptional (70% weight) and, on the basis of that experience, how likely they would be to do additional business with TD should they have financial needs in the future (30% weight).

³ See page 62 of this report for additional context.

Customer Complaint Resolution

Canada	2022	2021	2020
Number of problems referred to Canadian Personal Banking Customer Care	33,334¹	19,694	20,849
Number of customers who contacted the TD Senior Customer Complaints Office ²	2,752¹	2,522	4,309
Number of complaints requiring investigation by the TD Senior Customer Complaints Office	2,348¹	1,603	1,370
Percentage of complaints resolved by the TD Senior Customer Complaints Office ³ within 90 days	75%	89% ⁶	96%
Complaints investigated by the OBSI ⁴ and ADR Chambers Banking Ombuds Office ⁵	261	243	216
Percentage of complaints investigated by the OBSI ⁴ and ADR Chambers Banking Ombuds Office ⁵ where the resolution differed from the TD Senior Customer Complaints Office	3%	5%	6%
U.S.			
Total number of complaints referred to the Chairman's Service Center	40,194 ⁷	23,901 ⁷	17,778 ⁸
Percentage of escalated customer complaints resolved by the Chairman's Service Center within designated service level agreements	90% ⁹	98%	97%

¹ In 2022, we experienced an increase in recorded complaints due to the introduction of the Consumer Protection Framework, which requires tracking of customer complaints at the first level of customer escalation.

² In 2020, we experienced an increase in recorded complaints due to growing numbers of customers/transactions, enhanced customer and resolution processes, as well as an increase of complaints during the onset of COVID-19 as TD managed through a higher volume of deferral requests and customers experienced longer wait times.

³ TD Senior Customer Complaints Office data includes Personal Banking, Business Banking, Fraud, Insurance and Wealth business lines (Canada).

⁴ Ombudsman for Banking Services and Investments.

⁵ ADR Chambers Banking Ombuds Office is an external complaint body.

⁶ Fiscal year 2021 figure decreased due to complaint volume growth and case complexity, which can require additional time to complete

⁷ fulsome investigations.

⁸ In fiscal year 2022, complaints increased 41% and in 2021 complaints increased by 34%. These increases are directly attributed to the success of capturing complaints resolved at first point of contact in U.S. stores. Additionally, closed-loop feedback (the practice of following up with customers) resumed to a business as usual status after it was turned off at the onset of the COVID-19 pandemic. Customer Service remained the top concern in 2021 followed by account discrepancy/errors and credit reporting. In 2022, the SCCO's top complaint themes were related to possible fraud (e.g., crypto, romance, employment, and wire scams) as well as home and auto insurance claims (e.g., disputes over settlements and declined claims).

⁹ In fiscal year 2020, complaints in the U.S. decreased 8%. The closed-loop feedback was turned off as a result of COVID-19 to allow our employees to concentrate on helping customers on the front lines. Customer service remained the top concern in 2020 followed by product knowledge, misinformation and account discrepancy, and error.

¹⁰ In fiscal year 2022, a new metric was established to track full resolution of complaints – resolve 90% of complaints within 10 business days. In fiscal years 2020 and 2021, Contact SLA was measured to ensure connection with Customers within SLA. We continue to measure Contact SLA in fiscal year 2022.

Product and Service Responsibility

Three-Year Performance

Savings Plans	2022	2021	2020
Amount saved through automated savings plans (in billions) ¹	\$7.2	\$6.9	\$5.1
Payments facilitated by Canada Learning Bond (in millions) ²	\$17.4	\$14.1	\$26.7
Financial Hardship Services			
Restructured loans (in millions) ²	\$20.7	\$38.0 ³	\$53.9
Number of Canadian customers helped through TD Helps ^{2,4}	6,476	22,152	52,746 ⁵
Restructured troubled real estate assets (in millions USD)	\$164.9	\$157.5	\$11.1 ⁶
Number of U.S. customers helped by restructured real estate assets	671	568	1,156

¹ For more information on automated savings plans, refer to <https://www.td.com/ca/en/personal-banking/how-to/ways-to-save/automated-savings/>

² Through TD Helps, we assisted customers who were experiencing financial hardship to provide advice and solutions through our extensive knowledge and experience in default management and credit restructuring of secured and unsecured products.

³ Our overall volumes decreased due to the pandemic-related offers ending in 2021.

⁴ TD Helps supported Canadian customers by offering long-term solutions such as mortgage refinance and deferrals through advice conversations focused on affordability and budgeting. We also introduced new solutions such as real estate interest-only payments as well as one-year credit card relief program for shorter-term needs in fiscal 2021.

⁵ The number of Canadian customers helped through TD Helps increased in 2020 since customers were seeking shorter-term solutions to overcome financial hardship during COVID-19, such as deferrals, compared to longer term solutions, such as restructuring.

⁶ There was a decrease in restructured troubled real estate assets due to COVID-19 since fewer customers requested loan modifications and instead entered forbearance plans.