



## Environment Policy

### Summary

Operating a complex financial institution exposes all our businesses and operations to a broad range of risks stemming from environmental issues and circumstances. These risks include: regulatory, strategic, financial, operational, and reputational risks. The impact can result in financial loss or gain, litigation, and/or reputational damage.

The escalation and monitoring of environmental risk issues is critical to maintaining effective senior management and Board level oversight. This policy forms a key component of the Bank's Environmental Management System and promotes a risk-aware culture that allows management to quickly identify and mitigate risk related to environmental issues, as well building on market opportunities related to the growing environmental sector.

### Purpose

This policy sets out TD's approach to the Environment, including TD's Guiding Principles.

### Scope of Application

This policy applies to the Toronto Dominion Bank and all its wholly owned subsidiaries.

### Policy Details

TD shall establish and maintain an appropriate Environmental Management System, including processes and practices to ensure that environmental issues are managed in a manner commensurate with their value, risk, and legal and statutory requirements.

The Environmental Management System sets out the policy, processes and procedures for systematically identifying environmental risks and impacts on our business and operations, setting goals for compliance, performance and continuous improvement.

TD's Environmental Management System will adhere to the following Guiding Principles:

TD will:

- Comply with all applicable regulations in the jurisdictions in which we operate
- Integrate consideration of material environmental risks and opportunities into business decision making
- Commit to manage our operational footprint across our business operations, fleet and supply chain
- Actively engage with our key stakeholders in two-way dialogue
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- Promote employee engagement in order to enhance awareness and understanding of environmental issues
  - Encourage and support local community-based environmental initiatives
  - Engage in public dialogue on environmental policy issues
  - Develop key performance indicators and set targets which will be reviewed and reported on a regular basis
  - Communicate our policy and performance in an open and transparent manner

## **Monitoring and Control**

TD Corporate Environment Affairs will oversee and assist TD businesses and corporate areas globally, in complying with the policy.

Compliance will be assessed against regulations, operating policies, standards and procedures, as specified in the Environmental Management System.

This Policy will be reviewed annually to assess alignment to business strategic objectives, market practices, and regulatory requirements.

## **Roles & Responsibilities**

Policy Owner: EVP, Community, Environment and Marketing

**Policy Recommended by:** the Group Head, Marketing, Corporate and People Strategies and the Environmental Steering Committee (ESC) approves the Policy. (The ESC represents key business stakeholders from across TD, and is responsible for setting strategy and for oversight of environmental performance.)

Policy Approval – The Risk Committee of the Board

In addition, the roles and responsibilities of the Risk Committee of the Board include:

- Annually reviewing and approving this policy including any substantial amendments as required.
- Maintaining a general understanding of the scope of the policy and where required making inquiries of a responsible senior officer with respect to this policy.
- Reviewing reports, as and when presented to the Committee by executive management of the Bank, with respect to the outcome of a major internal environmental incident, or infraction, and the resulting action plans for mitigating recurrence.

Monitoring – Chief Environment Officer, TD's business units as specified in the Environmental Management System.

Policy Contact – Chief Environment Officer