TD Bank Group Reports First Quarter 2024 Results

Report to Shareholders • *Three months ended January 31, 2024*

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

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

FIRST QUARTER FINANCIAL HIGHLIGHTS, compared with the first quarter last year:
- **Reported diluted earnings per share were $1.55, compared with $0.82.**
- **Adjusted diluted earnings per share were $2.00, compared with $2.23.**
- **Reported net income was $2,824 million, compared with $1,581 million.**
- **Adjusted net income was $3,637 million, compared with $4,154 million.**

FIRST QUARTER ADJUSTMENTS (ITEMS OF NOTE)
The first quarter reported earnings figures included the following items of note:
- **Amortization of acquired intangibles of $94 million ($79 million after-tax or 4 cents per share), compared with $54 million ($46 million after-tax or 3 cents per share) in the first quarter last year.**
- **Acquisition and integration charges related to the Schwab transaction of $32 million ($26 million after-tax or 2 cents per share), compared with $34 million ($28 million after-tax or 2 cents per share) in the first quarter last year.**
- **Share of restructuring and other charges from investment in Schwab of $49 million (or 3 cents per share).**
- **Restructuring charges of $291 million ($213 million after-tax or 12 cents per share).**
- **Acquisition and integration charges related to the Cowen acquisition of $117 million ($93 million after-tax or 5 cents per share).**
- **Impact from the terminated FHN acquisition-related capital hedging strategy of $57 million ($43 million after-tax or 2 cents per share).**
- **FDIC special assessment of $411 million ($310 million after-tax or 17 cents per share).**

TORONTO, February 29, 2024 – TD Bank Group ("TD" or the "Bank") today announced its financial results for the first quarter ended January 31, 2024. Reported earnings were $2.8 billion, up 79% compared with the first quarter last year, and adjusted earnings were $3.6 billion, down 12%.

"TD had a good start to the year, with revenue growth reflecting higher fee-income from our markets-driven businesses, including the contribution from TD Cowen, and higher volumes and deposit margins in the Canadian Personal and Commercial Bank," said Bharat Masrani, Group President and Chief Executive Officer, TD Bank Group. "Expense growth moderated from last quarter as we made progress on our restructuring initiatives, delivering efficiencies across the Bank."

Canadian Personal and Commercial Banking delivered a strong quarter supported by volume growth and margin expansion
Canadian Personal and Commercial Banking net income was $1,785 million, an increase of 3% compared to the first quarter last year. The increase reflects revenue growth, partially offset by higher non-interest expenses and provisions for credit losses (PCL). Revenue was $4,884 million, an increase of 6%, reflecting 8% growth in net interest income driven by volume growth and margin expansion.

Canadian Personal and Commercial Banking delivered another strong quarter for New to Canada account openings and continued momentum in credit cards. TD launched the Low Rate Visa card, further enhancing its award-winning line up of credit cards. In addition, TD Auto Finance delivered strong performance in prime retail auto lending and accelerated acquisition of dealer relationships in its commercial business year-over-year. Small Business Banking helped over 165,000 clients conveniently repay or refinance Canada Emergency Business Account loans.

The U.S. Retail Bank delivered loan growth and operating momentum in a challenging environment
U.S. Retail reported net income of $907 million, a decrease of 43% (43% in U.S. dollars) compared with the first quarter last year. On an adjusted basis, net income was $1,217 million, a decline of 27% (27% in U.S. dollars). TD Bank's investment in The Charles Schwab Corporation ("Schwab") contributed $194 million in earnings, a decrease of 36% (35% in U.S. dollars) compared with the first quarter last year.

The U.S. Retail Bank, which excludes the Bank's investment in Schwab, reported net income of $713 million (US$526 million), a decrease of 44% (45% in U.S. dollars) from the first quarter last year, primarily reflecting the Federal Deposit Insurance Corporation (FDIC) special assessment, lower revenue and higher PCL. On an adjusted basis net income was $1,023 million (US$752 million), a decrease of 25% (26% in U.S. dollars) from the first quarter last year.

The U.S. Retail Bank continued to deliver loan growth while maintaining its through-the-cycle underwriting standards, with total average loan balances up 9% compared with the first quarter last year and up 2% from last quarter. Average deposit volumes declined 9% year-over-year and 1% quarter-over-quarter. Excluding sweep deposits, total personal and business deposit average balances were down 2% year-over-year and flat quarter-over-quarter, reflecting competitive market conditions.

During the quarter, TD Bank, America's Most Convenient Bank® (TD AMCB) announced a three-year US$20 billion Community Impact Plan to support lending, philanthropy, and banking access in diverse and underserved communities across its footprint. TD AMCB continued to deliver innovative solutions to small business clients with the launch of Tap to Pay on iPhone and Zelle for Small Business, offering enhanced convenience and payment functionality.

Wealth Management and Insurance delivered good performance reflecting the strength of its diversified businesses
Wealth Management and Insurance net income was $555 million, relatively flat compared with the first quarter last year, as positive top-line momentum was partially offset by higher insurance service expenses. This quarter's revenue growth of 8% reflected insurance premium growth and higher fee-based revenue in the asset management and advice-based businesses.

This quarter, Wealth Management and Insurance's investments in client-centric innovation continued to drive momentum and gain recognition.TD Direct Investing ranked as the #1 Direct Investing Brokerage in Canada by the Globe and Mail for the second consecutive year. Eighteen mutual funds and ETFs managed by TD Asset Management received 2023 FundGrade A+ Awards by Fundata Canada Inc. for demonstrating strong risk-adjusted performance relative to industry peers, underscoring the expertise of the Bank's investment teams.

Wholesale Banking delivered record revenue
Wholesale Banking reported net income for the quarter was $205 million, a decrease of $126 million compared with the first quarter last year, reflecting higher non-interest expenses which include integration-related costs of $117 million and a provision of $102 million taken in connection with the industry-wide U.S. record keeping matter, partially offset by higher revenues. On an adjusted basis, net income was $298 million, a decrease of $49 million or 14%. Revenue for the quarter was $1,780 million, an increase of $435 million, or 32%, compared with the first quarter last year, reflecting the segment's expanded capabilities from the inclusion of TD Cowen and strong performance across Global Markets and Corporate and Investment Banking.

This quarter, the Wholesale Bank continued to demonstrate its leadership in Environmental, Social, and Governance (ESG). TD Securities was joint lead manager on a 3-year (US$1.5 billion) Social Bond for the International Finance Corporation (IFC) to support low-income communities in emerging markets. The transaction represents IFC's largest social bond ever issued. TD Securities was also joint lead manager on a new (AUD$1.5 billion) Green Bond issued by KFW Development Bank, the issuer's largest ever transaction in the Australian market.

Continuing to innovate for customers
The Bank continued to enhance TD Invent, its enterprise approach to innovation, including reaching a milestone with over 700 patents across Canada and the U.S. as of this quarter. For the third consecutive year, the Bank was recognized by the Business Intelligence Group's annual BIG Innovation Awards, ranking highest in the Organization and Product categories for the TD Accessibility Adapter, a colleague-developed browser plug-in that helps to make online experiences more inclusive.

Capital
TD's Common Equity Tier 1 Capital ratio was 13.9%.

Conclusion
"Looking ahead, TD is well-positioned from both a capital and funding perspective, with the capacity to continue to invest in our business and return capital to shareholders," said Masrani. "I want to thank our more than 95,000 TD bankers who continue to deliver for our customers, communities, and shareholders."

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

ENHANCED DISCLOSURE TASK FORCE

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

Type of Risk	Topic	EDTF Disclosure	Page			
			RTS First Quarter 2024	SFI First Quarter 2024	SRD First Quarter 2024	Annual Report 2023
General	1	Present all related risk information together in any particular report.	Refer to below for location of disclosures			
	2	The bank's risk terminology and risk measures and present key parameter values used.				83-88, 92, 97, 99-101, 112-114
	3	Describe and discuss top and emerging risks.				76-82
	4	Outline plans to meet each new key regulatory ratio once applicable rules are finalized.	28, 41			72, 109
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	6	Description of the bank's risk culture and procedures applied to support the culture.				83-84
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	20	Tabulate consolidated total assets, liabilities and off-balance sheet commitments by remaining contractual maturity at the balance sheet date.	41-43			109-111
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	27	Description of the bank's policies for identifying impaired loans.	66			62, 147-148, 154, 177
	28	Reconciliation of the opening and closing balances of impaired loans in the period and the allowance for loan losses.	23, 63-65	25, 29		60, 174-176
	29	Analysis of the bank's counterparty credit risks that arise from derivative transactions.			50-52, 63-67	91, 159, 181-183, 187, 190-191
	30	Discussion of credit risk mitigation, including collateral held for all sources of credit risk.				91, 151, 159
Other Risks	31	Description of 'other risk' types based on management's classifications and discuss how each one is identified, governed, measured, and managed.				97-100, 112-116
	32	Discuss publicly known risk events related to other risks.	74			81-82, 212-213, 221

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MANAGEMENT'S DISCUSSION AND ANALYSIS OF OPERATING PERFORMANCE

This MD&A is presented to enable readers to assess material changes in the financial condition and operating results of TD Bank Group ("TD" or the "Bank") for the three months ended January 31, 2024, compared with the corresponding periods shown. This MD&A should be read in conjunction with the Bank's unaudited Interim Consolidated Financial Statements and related Notes included in this Report to Shareholders and with the 2023 Consolidated Financial Statements and related Notes and 2023 MD&A. This MD&A is dated February 28, 2024. Unless otherwise indicated, all amounts are expressed in Canadian dollars and have been primarily derived from the Bank's 2023 Consolidated Financial Statements and related Notes or Interim Consolidated Financial Statements and related Notes, prepared in accordance with IFRS as issued by the IASB. Note that certain comparative amounts have been revised to conform with the presentation adopted in the current period. Additional information relating to the Bank, including the Bank's 2023 Annual Information Form, is available on the Bank's website at http://www.td.com as well as on SEDAR+ at http://www.sedar.com and on the SEC's website at http://www.sec.gov (EDGAR filers section).

Caution Regarding Forward-Looking Statements

From time to time, the Bank (as defined in this document) makes written and/or oral forward-looking statements, including in this document, in other filings with Canadian regulators or the United States (U.S.) Securities and Exchange Commission (SEC), and in other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media, and others. All such statements are made pursuant to the "safe harbour" provisions of, and are intended to be forward-looking statements under, applicable Canadian and U.S. securities legislation, including the *U.S. Private Securities Litigation Reform Act of 1995*. Forward-looking statements include, but are not limited to, statements made in this document, the Management's Discussion and Analysis ("2023 MD&A") in the Bank's 2023 Annual Report under the heading "Economic Summary and Outlook", under the headings "Key Priorities for 2024" and "Operating Environment and Outlook" for the Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, and Wholesale Banking segments, and under the heading "2023 Accomplishments and Focus for 2024" for the Corporate segment, and in other statements regarding the Bank's objectives and priorities for 2024 and beyond and strategies to achieve them, the regulatory environment in which the Bank operates, and the Bank's anticipated financial performance. Forward-looking statements can be identified by words such as "anticipate", "believe", "could", "estimate", "expect", "forecast", "goal", "intend", "may", "outlook", "plan", "possible", "potential", "predict", "project", "should", "target", "will", and "would" and similar expressions or variations thereof, or the negative thereof, but these terms are not the exclusive means of identifying such statements.

By their very nature, these forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the physical, financial, economic, political, and regulatory environments, such risks and uncertainties – many of which are beyond the Bank's control and the effects of which can be difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Risk factors that could cause, individually or in the aggregate, such differences include: strategic, credit, market (including equity, commodity, foreign exchange, interest rate, and credit spreads), operational (including technology, cyber security, and infrastructure), model, insurance, liquidity, capital adequacy, legal, regulatory compliance and conduct, reputational, environmental and social, and other risks. Examples of such risk factors include general business and economic conditions in the regions in which the Bank operates; geopolitical risk; inflation, rising rates and recession; regulatory oversight and compliance risk; the ability of the Bank to execute on long-term strategies, shorter-term key strategic priorities, including the successful completion of acquisitions and dispositions and integration of acquisitions, the ability of the Bank to achieve its financial or strategic objectives with respect to its investments, business retention plans, and other strategic plans; technology and cyber security risk (including cyber-attacks, data security breaches or technology failures) on the Bank's technologies, systems and networks, those of the Bank's customers (including their own devices), and third parties providing services to the Bank; model risk; fraud activity; insider risk; the failure of third parties to comply with their obligations to the Bank or its affiliates, including relating to the care and control of information, and other risks arising from the Bank's use of third parties; the impact of new and changes to, or application of, current laws, rules and regulations, including without limitation tax laws, capital guidelines and liquidity regulatory guidance; increased competition from incumbents and new entrants (including Fintechs and big technology competitors); shifts in consumer attitudes and disruptive technology; environmental and social risk (including climate change); exposure related to significant litigation and regulatory matters; ability of the Bank to attract, develop, and retain key talent; changes to the Bank's credit ratings; changes in foreign exchange rates, interest rates, credit spreads and equity prices; the interconnectivity of Financial Institutions including existing and potential international debt crises; increased funding costs and market volatility due to market illiquidity and competition for funding; Interbank Offered Rate (IBOR) transition risk; critical accounting estimates and changes to accounting standards, policies, and methods used by the Bank; the economic, financial, and other impacts of pandemics; and the occurrence of natural and unnatural catastrophic events and claims resulting from such events. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results. For more detailed information, please refer to the "Risk Factors and Management" section of the 2023 MD&A, as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable) related to any events or transactions discussed under the heading "Significant Events" in the relevant MD&A, which applicable releases may be found on www.td.com. All such factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements, should be considered carefully when making decisions with respect to the Bank. The Bank cautions readers not to place undue reliance on the Bank's forward-looking statements.

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

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

TABLE 1: FINANCIAL HIGHLIGHTS

(millions of Canadian dollars, except as noted)	*For the three months ended*		
	January 31 2024	October 31 2023	January 31 2023
Results of operations			
Total revenue – reported[1]	**$ 13,714**	$ 13,178	$ 12,201
Total revenue – adjusted[1,2]	**13,771**	13,242	13,077
Provision for (recovery of) credit losses	**1,001**	878	690
Insurance service expenses (ISE)[1]	**1,366**	1,346	1,164
Non-interest expenses – reported[1]	**8,030**	7,628	8,112
Non-interest expenses – adjusted[1,2]	**7,125**	6,988	6,337
Net income – reported[1]	**2,824**	2,866	1,581
Net income – adjusted[1,2]	**3,637**	3,485	4,154
Financial position (billions of Canadian dollars)			
Total loans net of allowance for loan losses	**$ 904.3**	$ 895.9	$ 836.7
Total assets	**1,910.9**	1,955.1	1,926.6
Total deposits	**1,181.3**	1,198.2	1,220.6
Total equity	**112.4**	112.1	112.0
Total risk-weighted assets[3]	**579.4**	571.2	531.6
Financial ratios			
Return on common equity (ROE) – reported[1,4]	**10.9 %**	10.5 %	5.9 %
Return on common equity – adjusted[1,2]	**14.1**	12.9	16.1
Return on tangible common equity (ROTCE)[1,2,4]	**14.9**	14.3	8.0
Return on tangible common equity – adjusted[1,2]	**18.7**	17.1	21.1
Efficiency ratio – reported[1,4]	**58.6**	57.9	66.5
Efficiency ratio – adjusted, net of ISE[1,2,4,5]	**57.4**	58.7	53.2
Provision for (recovery of) credit losses as a % of net average loans and acceptances	**0.44**	0.39	0.32
Common share information – reported (Canadian dollars)			
Per share earnings[1]			
Basic	**$ 1.55**	$ 1.48	$ 0.82
Diluted	**1.55**	1.48	0.82
Dividends per share	**1.02**	0.96	0.96
Book value per share[4]	**57.34**	56.56	55.07
Closing share price[6]	**81.67**	77.46	92.06
Shares outstanding (millions)			
Average basic	**1,776.7**	1,806.3	1,820.7
Average diluted	**1,778.2**	1,807.8	1,823.1
End of period	**1,772.1**	1,790.7	1,828.9
Market capitalization (billions of Canadian dollars)	**$ 144.7**	$ 138.7	$ 168.4
Dividend yield[4]	**4.9 %**	4.7 %	4.3 %
Dividend payout ratio[4]	**65.7**	64.6	116.6
Price-earnings ratio[1,4]	**13.1**	14.0	11.1
Total shareholder return (1 year)[4]	**(6.9)**	(6.9)	(5.7)
Common share information – adjusted (Canadian dollars)[1,2]			
Per share earnings[1]			
Basic	**$ 2.01**	$ 1.82	$ 2.24
Diluted	**2.00**	1.82	2.23
Dividend payout ratio	**50.7 %**	52.4 %	42.9 %
Price-earnings ratio[1]	**10.6**	9.8	10.8
Capital ratios[3]			
Common Equity Tier 1 Capital ratio	**13.9 %**	14.4 %	15.5 %
Tier 1 Capital ratio	**15.7**	16.2	17.5
Total Capital ratio	**17.6**	18.1	19.9
Leverage ratio	**4.4**	4.4	4.8
TLAC ratio	**30.8**	32.7	36.6
TLAC Leverage ratio	**8.6**	8.9	9.9

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

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

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

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

[5] Efficiency ratio – adjusted, net of ISE is calculated by dividing adjusted non-interest expenses by adjusted total revenue, net of ISE. Adjusted total revenue, net of ISE – Q1 2024: $12,405 million, Q4 2023: $11,896 million, Q1 2023: $11,913 million. Effective the first quarter of 2024, the composition of this non-GAAP ratio and the comparative amounts have been revised.

[6] Toronto Stock Exchange closing market price.

SIGNIFICANT EVENTS

***a)* Restructuring Charges**

The Bank continued to undertake certain measures in the first quarter of 2024 to reduce its cost base and achieve greater efficiency. In connection with these measures, the Bank incurred $291 million of restructuring charges which primarily relate to employee severance and other personnel-related costs and real estate optimization. The Bank continues to expect to incur restructuring charges in the first half of calendar 2024 that are of a similar magnitude to the restructuring charges incurred in the fourth quarter of 2023.

***b)* Federal Deposit Insurance Corporation Special Assessment**

On November 16, 2023, the FDIC announced a final rule that implements a special assessment to recover the losses to the Deposit Insurance Fund arising from the protection of uninsured depositors during the U.S. bank failures in the spring of 2023. The FDIC special assessment resulted in the recognition of $411 million (US$300 million) pre-tax in non-interest expenses in the first quarter of the Bank's fiscal 2024. On February 23, 2024, the FDIC notified all institutions subject to the special assessment that its estimate of total losses has increased compared to the amount communicated with the final rule in November 2023. The FDIC plans to provide institutions subject to the special assessment an updated estimate with its first quarter 2024 special assessment invoice, to be released in June 2024. At this time, it is not known what the final FDIC special assessment will be, but the Bank expects the FDIC special assessment to increase.

HOW WE PERFORMED

CORPORATE OVERVIEW

The Toronto-Dominion Bank and its subsidiaries are collectively known as TD Bank Group ("TD" or the "Bank"). TD is the sixth largest bank in North America by assets and serves more than 27.5 million customers in four key businesses operating in a number of locations in financial centres around the globe: Canadian Personal and Commercial Banking, including TD Canada Trust and TD Auto Finance Canada; U.S. Retail, including TD Bank, America's Most Convenient Bank®, TD Auto Finance U.S., TD Wealth (U.S.), and an investment in The Charles Schwab Corporation; Wealth Management and Insurance, including TD Wealth (Canada), TD Direct Investing, and TD Insurance; and Wholesale Banking, including TD Securities and TD Cowen. TD also ranks among the world's leading online financial services firms, with more than 17 million active online and mobile customers. TD had $1.91 trillion in assets on January 31, 2024. The Toronto-Dominion Bank trades under the symbol "TD" on the Toronto and New York Stock Exchanges.

HOW THE BANK REPORTS

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

Non-GAAP and Other Financial Measures

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

U.S. Strategic Cards

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

Investment in The Charles Schwab Corporation and IDA Agreement

On October 6, 2020, the Bank acquired an approximately 13.5% stake in The Charles Schwab Corporation ("Schwab") following the completion of Schwab's acquisition of TD Ameritrade Holding Corporation ("TD Ameritrade") of which the Bank was a major shareholder (the "Schwab transaction"). On August 1, 2022, the Bank sold 28.4 million non-voting common shares of Schwab, at a price of US$66.53 per share for proceeds of $2.5 billion (US$1.9 billion), which reduced the Bank's ownership interest in Schwab to approximately 12.0%.

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

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

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

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

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

TABLE 2: OPERATING RESULTS – Reported

(millions of Canadian dollars)	*For the three months ended*		
	January 31 2024	October 31 2023	January 31 2023
Net interest income	**$ 7,488**	$ 7,494	$ 7,733
Non-interest income[1]	**6,226**	5,684	4,468
Total revenue[1]	**13,714**	13,178	12,201
Provision for (recovery of) credit losses	**1,001**	878	690
Insurance service expenses[1]	**1,366**	1,346	1,164
Non-interest expenses[1]	**8,030**	7,628	8,112
Income before income taxes and share of net income from investment in Schwab[1]	**3,317**	3,326	2,235
Provision for (recovery of) income taxes[1]	**634**	616	939
Share of net income from investment in Schwab	**141**	156	285
Net income – reported[1]	**2,824**	2,866	1,581
Preferred dividends and distributions on other equity instruments	**74**	196	83
Net income available to common shareholders[1]	**$ 2,750**	$ 2,670	$ 1,498

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

The following table provides a reconciliation between the Bank's adjusted and reported results. For further details refer to the "Significant Events" or "Financial Results Overview" sections.

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

(millions of Canadian dollars)	*For the three months ended*		
	January 31 2024	October 31 2023	January 31 2023
Operating results – adjusted			
Net interest income[1]	**$ 7,545**	$ 7,558	$ 7,862
Non-interest income[1,2]	**6,226**	5,684	5,215
Total revenue[2]	**13,771**	13,242	13,077
Provision for (recovery of) credit losses	**1,001**	878	690
Insurance service expenses[2]	**1,366**	1,346	1,164
Non-interest expenses[2,3]	**7,125**	6,988	6,337
Income before income taxes and share of net income from investment in Schwab	**4,279**	4,030	4,886
Provision for income taxes	**872**	779	1,060
Share of net income from investment in Schwab[4]	**230**	234	328
Net income – adjusted[2]	**3,637**	3,485	4,154
Preferred dividends and distributions on other equity instruments	**74**	196	83
Net income available to common shareholders – adjusted	**3,563**	3,289	4,071
Pre-tax adjustments for items of note			
Amortization of acquired intangibles[5]	**(94)**	(92)	(54)
Acquisition and integration charges related to the Schwab transaction[3,4]	**(32)**	(31)	(34)
Share of restructuring and other charges from investment in Schwab[4]	**(49)**	(35)	–
Restructuring charges[3]	**(291)**	(363)	–
Acquisition and integration-related charges[3]	**(117)**	(197)	(21)
Charges related to the terminated First Horizon (FHN) acquisition[3]	**–**	–	(106)
Impact from the terminated FHN acquisition-related capital hedging strategy[1]	**(57)**	(64)	(876)
Litigation (settlement)/recovery[3]	**–**	–	(1,603)
FDIC special assessment[3]	**(411)**	–	–
Less: Impact of income taxes			
Amortization of acquired intangibles	**(15)**	(9)	(8)
Acquisition and integration charges related to the Schwab transaction	**(6)**	(5)	(6)
Restructuring charges	**(78)**	(97)	–
Acquisition and integration-related charges	**(24)**	(36)	(5)
Charges related to the terminated FHN acquisition	**–**	–	(26)
Impact from the terminated FHN acquisition-related capital hedging strategy	**(14)**	(16)	(216)
Litigation (settlement)/recovery	**–**	–	(445)
FDIC special assessment	**(101)**	–	–
Canada Recovery Dividend (CRD) and federal tax rate increase for fiscal 2022[6]	**–**	–	585
Total adjustments for items of note	**(813)**	(619)	(2,573)
Net income available to common shareholders – reported	**$ 2,750**	$ 2,670	$ 1,498

[1] Prior to May 4, 2023, the impact shown covers periods before the termination of the FHN transaction and includes the following components, reported in the Corporate segment: i) mark-to-market gains (losses) on interest rate swaps recorded in non-interest income – Q1 2023: ($998) million, ii) basis adjustment amortization related to de-designated fair value hedge accounting relationships, recorded in net interest income – Q1 2023: $122 million, and iii) interest income (expense) recognized on the interest rate swaps, reclassified from non-interest income to net interest income with no impact to total adjusted net income – Q1 2023: $251 million. After the termination of the merger agreement, the residual impact of the strategy is reversed through net interest income – Q1 2024: ($57) million, Q4 2023: ($64) million.

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

[3] Adjusted non-interest expenses exclude the following items of note:

i. Amortization of acquired intangibles – Q1 2024: $63 million, Q4 2023: $62 million, Q1 2023: $24 million, reported in the Corporate segment;
ii. The Bank's own integration and acquisition costs related to the Schwab transaction – Q1 2024: $23 million, Q4 2023: $18 million, Q1 2023: $21 million, reported in the Corporate segment;
iii. Acquisition and integration-related charges – Q1 2024: $117 million, Q4 2023: $197 million, Q1 2023: $21 million, reported in the Wholesale Banking segment;
iv. Charges related to the terminated FHN acquisition – Q1 2023: $106 million, reported in the U.S. Retail segment;
v. Stanford litigation settlement – Q1 2023: $1,603 million, reported in the Corporate segment;
vi. Restructuring charges – Q1 2024: $291 million, Q4 2023: $363 million, reported in the Corporate segment; and
vii. FDIC special assessment – Q1 2024: $411 million, reported in the U.S. Retail segment.

[4] Adjusted share of net income from investment in Schwab excludes the following items of note on an after-tax basis. The earnings impact of these items is reported in the Corporate segment:

i. Amortization of Schwab-related acquired intangibles – Q1 2024: $31 million, Q4 2023: $30 million, Q1 2023: $30 million;
ii. The Bank's share of acquisition and integration charges associated with Schwab's acquisition of TD Ameritrade – Q1 2024: $9 million, Q4 2023: $13 million, Q1 2023: $13 million;
iii. The Bank's share of restructuring charges incurred by Schwab – Q1 2024: $27 million, Q4 2023: $35 million; and
iv. The Bank's share of the FDIC special assessment charge incurred by Schwab – Q1 2024: $22 million.

[5] Amortization of acquired intangibles relates to intangibles acquired as a result of asset acquisitions and business combinations, including the after-tax amounts for amortization of acquired intangibles relating to the Share of net income from investment in Schwab, reported in the Corporate segment. Refer to footnotes 3 and 4 for amounts.

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

TABLE 4: RECONCILIATION OF REPORTED TO ADJUSTED EARNINGS PER SHARE[1]			
(Canadian dollars)		*For the three months ended*	
	January 31 2024	October 31 2023	January 31 2023
Basic earnings per share – reported[2]	**$ 1.55**	$ 1.48	$ 0.82
Adjustments for items of note	**0.45**	0.34	1.41
Basic earnings per share – adjusted[2]	**$ 2.01**	$ 1.82	$ 2.24
Diluted earnings per share – reported[2]	**$ 1.55**	$ 1.48	$ 0.82
Adjustments for items of note	**0.45**	0.34	1.41
Diluted earnings per share – adjusted[2]	**$ 2.00**	$ 1.82	$ 2.23

[1] EPS is computed by dividing net income available to common shareholders by the weighted-average number of shares outstanding during the period. Numbers may not add due to rounding.

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

TABLE 5: AMORTIZATION OF INTANGIBLES, NET OF INCOME TAXES			
(millions of Canadian dollars)		*For the three months ended*	
	January 31 2024	October 31 2023	January 31 2023
Schwab[1]	**$ 31**	$ 30	$ 30
Wholesale Banking related intangibles	**42**	46	7
Other	**6**	7	9
Included as items of note	**79**	83	46
Software and asset servicing rights	**96**	93	90
Amortization of intangibles, net of income taxes	**$ 175**	$ 176	$ 136

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

Return on Common Equity

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

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

TABLE 6: RETURN ON COMMON EQUITY			
(millions of Canadian dollars, except as noted)		*For the three months ended*	
	January 31 2024	October 31 2023	January 31 2023
Average common equity	**$ 100,269**	$ 100,998	$ 100,441
Net income available to common shareholders – reported[1]	**2,750**	2,670	1,498
Items of note, net of income taxes	**813**	619	2,573
Net income available to common shareholders – adjusted[1]	**$ 3,563**	$ 3,289	$ 4,071
Return on common equity – reported[1]	**10.9 %**	10.5 %	5.9 %
Return on common equity – adjusted[1]	**14.1**	12.9	16.1

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

Return on Tangible Common Equity

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

TABLE 7: RETURN ON TANGIBLE COMMON EQUITY			
(millions of Canadian dollars, except as noted)		*For the three months ended*	
	January 31 2024	October 31 2023	January 31 2023
Average common equity	**$ 100,269**	$ 100,998	$ 100,441
Average goodwill	**18,208**	18,217	17,486
Average imputed goodwill and intangibles on investments in Schwab	**6,056**	6,094	6,160
Average other acquired intangibles[1]	**615**	635	442
Average related deferred tax liabilities	**(231)**	(114)	(174)
Average tangible common equity	**75,621**	76,166	76,527
Net income available to common shareholders – reported[2]	**2,750**	2,670	1,498
Amortization of acquired intangibles, net of income taxes	**79**	83	46
Net income available to common shareholders adjusted for amortization of acquired intangibles, net of income taxes[2]	**2,829**	2,753	1,544
Other items of note, net of income taxes	**734**	536	2,527
Net income available to common shareholders – adjusted[2]	**$ 3,563**	$ 3,289	$ 4,071
Return on tangible common equity[2]	**14.9 %**	14.3 %	8.0 %
Return on tangible common equity – adjusted[2]	**18.7**	17.1	21.1

[1] Excludes intangibles relating to software and asset servicing rights.

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

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

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

TABLE 8: IMPACT OF FOREIGN EXCHANGE RATE ON U.S. RETAIL SEGMENT TRANSLATED EARNINGS

(millions of Canadian dollars, except as noted)	*For the three months ended* **January 31, 2024 vs. January 31, 2023 Increase (Decrease)**
U.S. Retail Bank	
Total revenue – reported	$ 9
Total revenue – adjusted[1]	9
Non-interest expenses – reported	6
Non-interest expenses – adjusted[1]	5
Net income – reported, after-tax	2
Net income – adjusted, after-tax[1]	3
Share of net income from investment in Schwab[2]	–
U.S. Retail segment net income – reported, after-tax	2
U.S. Retail segment net income – adjusted, after-tax[1]	3
Earnings per share (Canadian dollars)	
Basic – reported	$ –
Basic – adjusted[1]	–
Diluted – reported	–
Diluted – adjusted[1]	–

Average foreign exchange rate (equivalent of CAD $1.00)	*For the three months ended* **January 31 2024**	January 31 2023
U.S. dollar	**$ 0.739**	$ 0.741

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

[2] Share of net income from investment in Schwab and the foreign exchange impact are reported with a one-month lag.

FINANCIAL RESULTS OVERVIEW

Performance Summary

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

- Adjusted diluted EPS for the three months ended January 31, 2024, decreased 10% from the same period last year.
- Adjusted ROTCE for the three months ended January 31, 2024, was 18.7%.
- For the twelve months ended January 31, 2024, the total shareholder return was -6.9% compared to the Canadian peer[1] average of -0.1%.

Net Income

Quarterly comparison – Q1 2024 vs. Q1 2023

Reported net income for the quarter was $2,824 million, an increase of $1,243 million, or 79%, compared with the first quarter last year, primarily reflecting the impact of the Stanford litigation settlement in the prior year, the loss from the net effect of the terminated FHN acquisition-related capital hedging strategy, and prior year recognition of a provision for income taxes in connection with the CRD and increase in the Canadian federal tax rate for fiscal 2022. On an adjusted basis, net income for the quarter was $3,637 million, a decrease of $517 million, or 12%, compared with the first quarter last year, primarily reflecting higher non-interest expenses and higher PCL, partially offset by higher revenues.

By segment, the increase in reported net income reflects increases in the Corporate segment of $1,989 million, in Canadian Personal and Commercial Banking of $56 million, and in Wealth Management and Insurance of $1 million, partially offset by decreases in U.S. Retail of $677 million and in Wholesale Banking of $126 million.

Quarterly comparison – Q1 2024 vs. Q4 2023

Reported net income for the quarter decreased $42 million, or 1%, compared with the prior quarter, primarily reflecting higher non-interest expenses, including the FDIC special assessment, and higher PCL, partially offset by higher revenues. Adjusted net income for the quarter increased $152 million, or 4%.

By segment, the decrease in reported net income reflects decreases in U.S. Retail of $362 million and in the Corporate segment of $37 million, partially offset by increases in Wholesale Banking of $188 million, in Canadian Personal and Commercial Banking of $106 million, and in Wealth Management and Insurance of $63 million.

Net Interest Income

Quarterly comparison – Q1 2024 vs. Q1 2023

Reported net interest income for the quarter was $7,488 million, a decrease of $245 million, or 3%, compared with the first quarter last year, primarily reflecting lower net interest income in Wholesale Banking and lower deposit volumes and margins in U.S. Retail, partially offset by higher volumes in Canadian Personal and Commercial Banking. On an adjusted basis, net interest income was $7,545 million, a decrease of $317 million, or 4%.

By segment, the decrease in reported net interest income reflects decreases in Wholesale Banking of $327 million and in U.S. Retail of $268 million, partially offset by increases in Canadian Personal and Commercial Banking of $294 million, in the Corporate segment of $54 million, and in Wealth Management and Insurance of $2 million.

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

Quarterly comparison – Q1 2024 vs. Q4 2023
Reported net interest income for the quarter decreased $6 million, compared with the prior quarter, primarily reflecting lower revenue in treasury and balance sheet management activities, lower net interest income in Wholesale Banking, and lower deposit volumes in U.S. Retail, partially offset by higher volumes and margins in Canadian Personal and Commercial Banking. On an adjusted basis, net interest income decreased $13 million.

By segment, the decrease in reported net interest income reflects decreases in the Corporate segment of $55 million, in U.S. Retail of $52 million, and in Wholesale Banking of $47 million, partially offset by increases in Canadian Personal and Commercial Banking of $128 million and in Wealth Management and Insurance of $20 million.

Non-Interest Income

Quarterly comparison – Q1 2024 vs. Q1 2023
Reported non-interest income for the quarter was $6,226 million, an increase of $1,758 million, or 39%, compared with the first quarter last year, primarily reflecting higher equity commissions, lending revenue primarily from syndicated and leveraged finance, underwriting fees, and trading-related revenue in Wholesale Banking, the prior year's loss from the net effect of the terminated FHN acquisition-related capital hedging strategy, and higher insurance premiums. On an adjusted basis, non-interest income was $6,226 million, an increase of $1,011 million, or 19%.

By segment, the increase in reported non-interest income reflects increases in Wholesale Banking of $762 million, in the Corporate segment of $733 million, in Wealth Management and Insurance of $218 million, in U.S. Retail of $44 million, and in Canadian Personal and Commercial Banking of $1 million.

Quarterly comparison – Q1 2024 vs. Q4 2023
Non-interest income for the quarter increased $542 million, or 10%, compared with the prior quarter, primarily reflecting higher trading-related revenue, lending revenue, and underwriting fees in Wholesale Banking, and higher insurance premiums.

By segment, the increase in non-interest income reflects increases in Wholesale Banking of $339 million, in Wealth Management and Insurance of $159 million, in U.S. Retail of $32 million, in the Corporate segment of $10 million, and in Canadian Personal and Commercial Banking of $2 million.

Provision for Credit Losses

Quarterly comparison – Q1 2024 vs. Q1 2023
PCL for the quarter was $1,001 million, an increase of $311 million compared with the first quarter last year. PCL – impaired was $934 million, an increase of $381 million, or 69%, reflecting further normalization of credit performance in the consumer lending portfolios, and credit migration in the commercial lending portfolios. PCL – performing was $67 million, a decrease of $70 million, reflecting a lower build in the current quarter. The performing provisions this quarter were largely recorded in the Canadian Personal and Commercial Banking segment, reflecting volume growth and current credit conditions. Total PCL for the quarter as an annualized percentage of credit volume was 0.44%.

By segment, PCL was higher by $185 million in U.S. Retail, by $96 million in Canadian Personal and Commercial Banking, by $52 million in the Corporate segment, and lower by $22 million in Wholesale Banking.

Quarterly comparison – Q1 2024 vs. Q4 2023
PCL for the quarter was $1,001 million, an increase of $123 million compared with the prior quarter. PCL – impaired was $934 million, an increase of $215 million, or 30%, reflecting further normalization of credit performance in the consumer lending portfolios, and credit migration in the commercial lending portfolios. PCL – performing was $67 million, a decrease of $92 million, reflecting a lower build in the current quarter. The performing provisions this quarter were largely recorded in the Canadian Personal and Commercial Banking segment, reflecting volume growth and current credit conditions. Total PCL for the quarter as an annualized percentage of credit volume was 0.44%.

By segment, PCL was higher by $96 million in U.S. Retail, by $41 million in the Corporate segment, by $33 million in Canadian Personal and Commercial Banking, and lower by $47 million in Wholesale Banking.

TABLE 9: PROVISION FOR CREDIT LOSSES[1]

(millions of Canadian dollars)	*For the three months ended*		
	January 31 2024	October 31 2023	January 31 2023
Provision for (recovery of) credit losses – Stage 3 (impaired)			
Canadian Personal and Commercial Banking	**$ 364**	$ 274	$ 220
U.S. Retail	**377**	308	212
Wealth Management and Insurance	**–**	–	–
Wholesale Banking	**5**	–	1
Corporate[2]	**188**	137	120
Total provision for (recovery of) credit losses – Stage 3	**934**	719	553
Provision for (recovery of) credit losses – Stage 1 and Stage 2 (performing)			
Canadian Personal and Commercial Banking	**59**	116	107
U.S. Retail	**8**	(19)	(12)
Wealth Management and Insurance	**–**	–	–
Wholesale Banking	**5**	57	31
Corporate[2]	**(5)**	5	11
Total provision for (recovery of) credit losses – Stage 1 and Stage 2	**67**	159	137
Total provision for (recovery of) credit losses	**$ 1,001**	$ 878	$ 690

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

Insurance Service Expenses
Quarterly comparison – Q1 2024 vs. Q1 2023
Insurance service expenses for the quarter were $1,366 million, an increase of $202 million, or 17%, compared with the first quarter last year, reflecting increased claims severity and less favourable prior years' claims development.

Quarterly comparison – Q1 2024 vs. Q4 2023
Insurance service expenses for the quarter increased $20 million, or 1%, compared with the prior quarter, reflecting less favourable prior years' claims development, partially offset by fewer severe weather-related events.

Non-Interest Expenses and Efficiency Ratio
Quarterly comparison – Q1 2024 vs. Q1 2023
Reported non-interest expenses were $8,030 million, a decrease of $82 million, or 1%, compared with the first quarter last year, primarily reflecting the impact of the Stanford litigation settlement in the prior year, partially offset by higher employee-related expenses and the FDIC special assessment. On an adjusted basis, non-interest expenses were $7,125 million, an increase of $788 million, or 12%.

By segment, the decrease in reported non-interest expenses reflects a decrease in the Corporate segment of $1,228 million, partially offset by increases in Wholesale Banking of $617 million, in U.S. Retail of $370 million, in Canadian Personal and Commercial Banking of $121 million, and in Wealth Management and Insurance of $38 million.

The Bank's reported efficiency ratio was 58.6%, compared to 66.5% in the first quarter last year. The Bank's adjusted efficiency ratio, net of ISE was 57.4%, compared with 53.2% in the first quarter last year.

Quarterly comparison – Q1 2024 vs. Q4 2023
Reported non-interest expenses increased $402 million, or 5%, compared with the prior quarter, primarily reflecting the FDIC special assessment, higher employee-related expenses and a provision of $102 million taken in connection with the U.S. record keeping matter, partially offset by lower professional and advisory spend, and lower acquisition and integration-related charges. Adjusted non-interest expenses increased $137 million, or 2%, compared with the prior quarter.

By segment, the increase in reported non-interest expenses reflects increases in U.S. Retail of $365 million, in Wealth Management and Insurance of $90 million, and in Wholesale Banking of $59 million, partially offset by decreases in the Corporate segment of $57 million and in Canadian Personal and Commercial Banking of $55 million.

The Bank's reported efficiency ratio was 58.6%, compared with 57.9% in the prior quarter. The Bank's adjusted efficiency ratio, net of ISE was 57.4%, compared with 58.7% in the prior quarter.

Income Taxes
The Bank's effective income tax rate on a reported basis was 19.1% for the current quarter, compared with 42.0% in the first quarter last year and 18.5% in the prior quarter. The year-over-year decrease primarily reflects the prior period tax adjustments associated with the implementation of the CRD and the Canadian federal tax rate increase as well as earnings mix. The quarter-over-quarter increase primarily reflects earnings mix.

To allow for an after-tax calculation of adjusted income, the adjusted provision for income taxes is calculated by adjusting the taxes for each item of note using the statutory income tax rate of the applicable legal entity. The adjusted effective income tax rate is calculated as the adjusted provision for income taxes as a percentage of adjusted net income before taxes. The Bank's adjusted effective income tax rate was 20.4% for the current quarter, compared with 21.7% in the first quarter last year and 19.3% in the prior quarter. The year-over-year decrease and quarter-over-quarter increase primarily reflect earnings mix.

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

(millions of Canadian dollars, except as noted)	*For the three months ended*					
	January 31 2024		October 31 2023		January 31 2023	
Income taxes at Canadian statutory income tax rate	**$ 920**	**27.7 %**	$ 922	27.7 %	$ 620	27.8 %
Increase (decrease) resulting from:						
Dividends received	**(19)**	**(0.6)**	(28)	(0.8)	(27)	(1.2)
Rate differentials on international operations[1]	**(271)**	**(8.2)**	(241)	(7.2)	(227)	(10.2)
Other	**4**	**0.2**	(37)	(1.2)	573	25.6
Provision for income taxes and effective income tax rate – reported[2]	**$ 634**	**19.1 %**	$ 616	18.5 %	$ 939	42.0 %
Total adjustments for items of note	**238**		163		121	
Provision for income taxes and effective income tax rate – adjusted[2]	**$ 872**	**20.4 %**	$ 779	19.3 %	$ 1,060	21.7 %

[1] These amounts reflect tax credits as well as international business mix.
[2] For the three months ended October 31, 2023 and January 31, 2023, certain amounts have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's first quarter 2024 Interim Consolidated Financial Statements for further details.

Canadian Tax Measures
On November 30, 2023, Parliament introduced Bill C-59, which advances certain tax measures introduced in the Canadian Federal budget presented on March 28, 2023. Bill C-59 denies the dividend received deduction in respect of dividends received by financial institutions on shares that are mark-to-market property, subject to a minor carve out for dividends on certain preferred shares, as well as imposes a 2% tax on the net value of share repurchases by public corporations in Canada. The legislation, which is not yet substantively enacted, proposes that these measures be effective beginning January 1, 2024.

International Tax Reform – Pillar Two Global Minimum Tax
The Organisation for Economic Co-operation and Development published Pillar Two model rules as part of its efforts toward international tax reform. The Pillar Two model rules provide for the implementation of a 15% global minimum tax for large multinational enterprises, which is to be applied on a jurisdiction-by-jurisdiction basis. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Bank operates. The earliest the legislation will be effective for the Bank is the fiscal year beginning on November 1, 2024. On August 4, 2023, draft legislative proposals regarding Canada's implementation of the Pillar Two rules were released for public comment and updated proposals are expected to be issued in early 2024. The Bank is assessing its potential exposure to Pillar Two income taxes.

ECONOMIC SUMMARY AND OUTLOOK

The global economy remains on track to slow in calendar 2024, but to a lesser extent than anticipated in the prior quarter. Inflation has generally continued to cool across the G-7, and central banks are expected to start lowering interest rates soon. However, the pace of decline is expected to be gradual with central bankers vigilant on inflation risks. The lagged impact of cumulative interest rate hikes is expected to be the primary influence dampening economic growth and returning inflation closer to the target ranges of the various regions by the end of calendar 2024. Geopolitical events remain a downside risk to the economic forecast.

The U.S. economy grew at a solid 3.3% annualized pace in the fourth calendar quarter of 2023. Consumer spending remained healthy, growing at a solid 2.8% pace, while business investment was more modest, rising 1.9%. Government spending continued to provide support to growth, while housing activity expanded for the second consecutive quarter. Overall, the U.S. economy accelerated from a 1.9% pace in calendar 2022 to 2.5% in 2023.

Based on the January 2024 data, the U.S. job market was still tight with the unemployment rate historically low at 3.7%. The labour market has shown impressive resilience in recent months, with job openings still elevated relative to their pre-pandemic level and the pace of hiring picking up slightly in recent months. Although the downturn in total inflation has stalled due to higher energy costs, core inflation measures have continued to move lower. This has prompted the central bank to entertain discussions on when interest rate cuts will become appropriate.

TD Economics expects the U.S. Federal Reserve will begin cutting interest rates mid-year from their current restrictive level of 5.25-5.50% to 4.25%-4.50% by the end of calendar 2024. Interest rates are still expected to weigh on demand through the year.

The Canadian economy slowed notably in calendar 2023. Real GDP contracted in the third calendar quarter by 1% annualized, however domestic demand still grew by a modest 1.3%. TD Economics expects economic activity to have returned to growth in the final calendar quarter of 2023, thereby avoiding a technical recession. The trend rate of job growth has also slowed below that of the labour force, pushing the unemployment rate higher. TD Economics expects the unemployment rate to continue to move higher in the months ahead, contributing to prolonged weakness in consumer spending. As a result, economic growth is likely to remain quite modest through calendar 2024. Against that subdued backdrop, the uncertainty surrounding the impact of the substantial interest rate hikes still working their way through the economy leaves recession risks elevated in Canada.

Despite signs of slowing in the Canadian economy, progress on inflation has stalled in recent months. The Bank of Canada has left the overnight interest rate unchanged at 5.00% since July, but continues to express concern about the persistence of underlying inflation. TD Economics expects some cooling in inflationary dynamics will allow the Bank of Canada to lower interest rates in the spring, albeit at a gradual pace. The Canadian dollar is expected to hover in the 73 to 74 U.S. cent range over the next few quarters.

HOW OUR BUSINESSES PERFORMED

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

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

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

Net interest income within Wholesale Banking is calculated on a taxable equivalent basis (TEB), which means that the value of non-taxable or tax-exempt income, including certain dividends, is adjusted to its equivalent pre-tax value. Using TEB allows the Bank to measure income from all securities and loans consistently and makes for a more meaningful comparison of net interest income with similar institutions. The TEB increase to net interest income and provision for income taxes reflected in Wholesale Banking results is reversed in the Corporate segment. The TEB adjustment for the quarter was $29 million, compared with $44 million in the prior quarter and $57 million in the first quarter last year.

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

TABLE 11: CANADIAN PERSONAL AND COMMERCIAL BANKING

(millions of Canadian dollars, except as noted)	*For the three months ended*		
	January 31 2024	October 31 2023	January 31 2023
Net interest income	**$ 3,833**	$ 3,705	$ 3,539
Non-interest income	**1,051**	1,049	1,050
Total revenue	**4,884**	4,754	4,589
Provision for (recovery of) credit losses – impaired	**364**	274	220
Provision for (recovery of) credit losses – performing	**59**	116	107
Total provision for (recovery of) credit losses	**423**	390	327
Non-interest expenses	**1,984**	2,039	1,863
Provision for (recovery of) income taxes	**692**	646	670
Net income	**$ 1,785**	$ 1,679	$ 1,729
Selected volumes and ratios			
Return on common equity[1]	**34.6 %**	35.1 %	39.9 %
Net interest margin (including on securitized assets)[2]	**2.84**	2.78	2.80
Efficiency ratio	**40.6**	42.9	40.6
Number of Canadian retail branches	**1,062**	1,062	1,060
Average number of full-time equivalent staff	**29,271**	29,069	28,803

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

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

Quarterly comparison – Q1 2024 vs. Q1 2023

Canadian Personal and Commercial Banking net income for the quarter was $1,785 million, an increase of $56 million, or 3%, compared with the first quarter last year, reflecting higher revenue, partially offset by higher non-interest expenses and PCL. The annualized ROE for the quarter was 34.6%, compared with 39.9% in the first quarter last year.

Revenue for the quarter was $4,884 million, an increase of $295 million, or 6%, compared with the first quarter last year.

Net interest income was $3,833 million, an increase of $294 million, or 8%, compared with the first quarter last year, primarily reflecting volume growth. Average loan volumes increased $36 billion, or 7%, reflecting 7% growth in personal loans and 8% growth in business loans. Average deposit volumes increased $14 billion, or 3%, reflecting 6% growth in personal deposits, partially offset by 2% decline in business deposits. Net interest margin was 2.84%, an increase of 4 basis points (bps), primarily due to higher margins on deposits, partially offset by lower margins on loans.

Non-interest income was $1,051 million, relatively flat compared with the first quarter last year.

PCL for the quarter was $423 million, an increase of $96 million, compared with the first quarter last year. PCL – impaired for the quarter was $364 million, an increase of $144 million, or 65%, reflecting further normalization of credit performance in the consumer lending portfolios, and credit migration in the commercial lending portfolios. PCL – performing was $59 million, a decrease of $48 million, reflecting a lower build in the current quarter. The performing provisions this quarter largely reflect credit conditions, including some continued normalization of credit performance in the consumer lending portfolios, credit migration in the commercial lending portfolios, and volume growth. Total PCL as an annualized percentage of credit volume was 0.30%, an increase of 5 bps compared with the first quarter last year.

Non-interest expenses for the quarter were $1,984 million, an increase of $121 million, or 6%, compared with the first quarter last year, reflecting higher spend supporting business growth including employee-related expenses and technology costs.

The efficiency ratio for the quarter was 40.6%, flat compared with the first quarter last year.

Quarterly comparison – Q1 2024 vs. Q4 2023

Canadian Personal and Commercial Banking net income for the quarter was $1,785 million, an increase of $106 million, or 6%, compared with the prior quarter, reflecting higher revenue and lower non-interest expenses, partially offset by higher PCL. The annualized ROE for the quarter was 34.6%, compared with 35.1%, in the prior quarter.

Revenue increased $130 million, or 3%, compared with the prior quarter. Net interest income increased $128 million, or 3%, reflecting volume growth and higher margins. Average loan volumes increased $7 billion, or 1%, reflecting 1% growth in personal loans and 2% growth in business loans. Average deposit volumes increased $8 billion, or 2%, reflecting 3% growth in personal deposits, partially offset by 1% decline in business deposits. Net interest margin was 2.84%, an increase of 6 bps, primarily due to higher deposit margins.

Non-interest income increased $2 million, relatively flat compared with the prior quarter.

PCL for the quarter was $423 million, an increase of $33 million compared with the prior quarter. PCL – impaired was $364 million, an increase of $90 million, or 33%, reflecting further normalization of credit performance in the consumer lending portfolios, and credit migration in the commercial lending portfolios. PCL – performing was $59 million, a decrease of $57 million, reflecting a lower build in the current quarter. The performing provisions this quarter largely reflect credit conditions including some continued normalization of credit performance in the consumer lending portfolios, credit migration in the commercial lending portfolios, and volume growth. Total PCL as an annualized percentage of credit volume was 0.30%, an increase of 2 bps compared with the prior quarter.

Non-interest expenses decreased $55 million, or 3% compared with the prior quarter, primarily reflecting higher non-credit provisions in the prior quarter and lower operating expenses within our support functions, partially offset by higher employee-related expenses in Branch Banking.

The efficiency ratio was 40.6%, compared with 42.9%, in the prior quarter.

TABLE 12: U.S. RETAIL

(millions of dollars, except as noted)	*For the three months ended*		
Canadian Dollars	**January 31 2024**	October 31 2023	January 31 2023
Net interest income	**$ 2,899**	$ 2,951	$ 3,167
Non-interest income	**604**	572	560
Total revenue	**3,503**	3,523	3,727
Provision for (recovery of) credit losses – impaired	**377**	308	212
Provision for (recovery of) credit losses – performing	**8**	(19)	(12)
Total provision for (recovery of) credit losses	**385**	289	200
Non-interest expenses – reported	**2,410**	2,045	2,040
Non-interest expenses – adjusted[1,2]	**1,999**	2,045	1,934
Provision for (recovery of) income taxes – reported	**(5)**	117	204
Provision for (recovery of) income taxes – adjusted[1]	**96**	117	230
U.S. Retail Bank net income – reported	**713**	1,072	1,283
U.S. Retail Bank net income – adjusted[1]	**1,023**	1,072	1,363
Share of net income from investment in Schwab[3,4]	**194**	197	301
Net income – reported	**$ 907**	$ 1,269	$ 1,584
Net income – adjusted[1]	**1,217**	1,269	1,664
U.S. Dollars			
Net interest income	**$ 2,141**	$ 2,175	$ 2,348
Non-interest income	**446**	421	415
Total revenue	**2,587**	2,596	2,763
Provision for (recovery of) credit losses – impaired	**279**	227	158
Provision for (recovery of) credit losses – performing	**6**	(14)	(9)
Total provision for (recovery of) credit losses	**285**	213	149
Non-interest expenses – reported	**1,779**	1,505	1,512
Non-interest expenses – adjusted[1,2]	**1,479**	1,505	1,434
Provision for (recovery of) income taxes – reported	**(3)**	87	151
Provision for (recovery of) income taxes – adjusted[1]	**71**	87	170
U.S. Retail Bank net income – reported	**526**	791	951
U.S. Retail Bank net income – adjusted[1]	**752**	791	1,010
Share of net income from investment in Schwab[3,4]	**144**	146	222
Net income – reported	**$ 670**	$ 937	$ 1,173
Net income – adjusted[1]	**896**	937	1,232
Selected volumes and ratios			
Return on common equity – reported[5]	**8.5 %**	12.2 %	15.5 %
Return on common equity – adjusted[1,5]	**11.3**	12.2	16.3
Net interest margin[1,6]	**3.03**	3.07	3.29
Efficiency ratio – reported	**68.8**	58.0	54.7
Efficiency ratio – adjusted[1]	**57.2**	58.0	51.9
Assets under administration (billions of U.S. dollars)[7]	**$ 40**	$ 40	$ 38
Assets under management (billions of U.S. dollars)[7,8]	**7**	7	7
Number of U.S. retail stores	**1,176**	1,177	1,161
Average number of full-time equivalent staff	**27,985**	28,182	27,587

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

[2] Adjusted non-interest expenses exclude the following items of note:
i. Charges related to the terminated First Horizon acquisition – Q1 2023: $106 million or US$78 million ($80 million or US$59 million after-tax); and
ii. FDIC special assessment – Q1 2024: $411 million or US$300 million ($310 million or US$226 million after-tax).

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

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

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

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

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

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

Quarterly comparison – Q1 2024 vs. Q1 2023
U.S. Retail reported net income for the quarter was $907 million (US$670 million), a decrease of $677 million (US$503 million), or 43% (43% in U.S. dollars), compared with the first quarter last year. On an adjusted basis, net income for the quarter was $1,217 million (US$896 million), a decrease of $447 million (US$336 million), or 27% (27% in U.S. dollars). The reported and adjusted annualized ROE for the quarter were 8.5% and 11.3%, respectively, compared with 15.5% and 16.3%, respectively, in the first quarter last year.

U.S. Retail net income includes contributions from the U.S. Retail Bank and the Bank's investment in Schwab. Reported net income for the quarter from the Bank's investment in Schwab was $194 million (US$144 million), a decrease of $107 million (US$78 million), or 36% (35% in U.S. dollars).

U.S. Retail Bank reported net income was $713 million (US$526 million), a decrease of $570 million (US$425 million), or 44% (45% in U.S. dollars), compared with the first quarter last year, primarily reflecting the FDIC special assessment in non-interest expenses, lower revenue and higher PCL. U.S. Retail Bank adjusted net income was $1,023 million (US$752 million), a decrease of $340 million (US$258 million), or 25% (26% in U.S. dollars), compared with the first quarter last year, reflecting lower revenue, higher PCL and higher non-interest expenses.

Revenue for the quarter was US$2,587 million, a decrease of US$176 million, or 6%, compared with the first quarter last year. Net interest income of US$2,141 million, decreased US$207 million, or 9%, driven by lower deposit volumes and margins, partially offset by higher loan volumes. Net interest margin of 3.03%, decreased 26 bps, due to lower deposit margins reflecting higher deposit costs and lower margins on loans. Non-interest income of US$446 million increased US$31 million, or 7%, compared with the first quarter last year, primarily reflecting fee income growth from increased customer activity.

Average loan volumes increased US$16 billion, or 9%, compared with the first quarter last year. Personal loans increased 11%, reflecting lower mortgage prepayments in the higher rate environment and strong auto originations. Business loans increased 7%, reflecting good originations from new customer growth and slower payment rates. Average deposit volumes decreased US$33 billion, or 9%, reflecting a 23% decrease in sweep deposits, a 4% decrease in business deposits, and a 1% decrease in personal deposit volumes.

Assets under administration (AUA) were US$40 billion as at January 31, 2024, an increase of US$2 billion, or 5%, compared with the first quarter last year, reflecting net asset growth. After giving effect to realignment of certain asset management businesses from U.S. Retail to Wealth Management and Insurance, Assets under Management (AUM) were US$7 billion as at January 31, 2024, flat compared with the first quarter last year.

PCL for the quarter was US$285 million, an increase of US$136 million compared with the first quarter last year. PCL – impaired was US$279 million, an increase of US$121 million, or 77%, primarily reflecting further normalization of credit performance in the consumer lending portfolios and credit migration in the commercial lending portfolios, largely related to commercial real estate. PCL – performing was a build of US$6 million, compared with a recovery of US$9 million in the prior year. U.S. Retail PCL including only the Bank's share of PCL in the U.S. strategic cards portfolio, as an annualized percentage of credit volume was 0.61%, an increase of 27 bps, compared with the first quarter last year.

Reported non-interest expenses for the quarter were US$1,779 million, an increase of US$267 million, or 18%, compared with the first quarter last year, reflecting the FDIC special assessment, and higher employee-related expenses, partially offset by acquisition and integration-related charges for the terminated First Horizon transaction in the first quarter last year. On an adjusted basis, non-interest expenses increased US$45 million, or 3%, reflecting higher employee-related expenses.

The reported and adjusted efficiency ratios for the quarter were 68.8% and 57.2%, respectively, compared with 54.7% and 51.9%, respectively, in the first quarter last year.

Quarterly comparison – Q1 2024 vs. Q4 2023
U.S. Retail reported net income of $907 million (US$670 million), a decrease of $362 million (US$267 million), or 29% (28% in U.S. dollars), compared with the prior quarter. On an adjusted basis, net income for the quarter was $1,217 million (US$896 million), a decrease of $52 million (US$41 million), or 4% (4% in U.S. dollars). The reported and adjusted annualized ROE for the quarter were 8.5% and 11.3%, respectively, compared with 12.2%, respectively, in the prior quarter.

The contribution from Schwab of $194 million (US$144 million) decreased $3 million (US$2 million), or 2% (1% in U.S. dollars).

U.S. Retail Bank reported net income was $713 million (US$526 million), a decrease of $359 million (US$265 million), or 33% (34% in U.S. dollars), compared with the prior quarter, primarily reflecting the FDIC special assessment in non-interest expenses and higher PCL. U.S. Retail Bank adjusted net income was $1,023 million (US$752 million), a decrease of $49 million (US$39 million), or 5% (5% in U.S. dollars), primarily reflecting higher PCL, partially offset by lower non-interest expenses.

Revenue for the quarter was US$2,587 million, a decrease of US$9 million, relatively flat compared with the prior quarter. Net interest income of US$2,141 million decreased US$34 million, or 2%, primarily reflecting lower deposit volumes, partially offset by higher loan volumes. Net interest margin of 3.03% decreased 4 bps quarter over quarter due to lower deposit margins reflecting higher deposit costs, partially offset by the benefit of higher reinvestment rates. Non-interest income of US$446 million increased US$25 million, or 6%, primarily reflecting higher deposit-related fees.

Average loan volumes increased US$3 billion, or 2%, compared with the prior quarter. Personal loans increased 2%, reflecting lower mortgage prepayments, strong auto originations, and seasonal credit card growth. Business loans increased 1%, reflecting good originations from new customer growth and slower payment rates. Average deposit volumes decreased US$5 billion, or 1%, compared with the prior quarter, reflecting a 5% decrease in sweep deposits and a 1% decrease in business deposits, partially offset by a 1% increase in personal deposit volume.

AUA were US$40 billion as at January 31, 2024, flat compared with the prior quarter. After giving effect to realignment of certain asset management businesses from U.S. Retail to Wealth Management and Insurance, AUM were US$7 billion, flat compared with the prior quarter.

PCL for the quarter was US$285 million, an increase of US$72 million compared with the prior quarter. PCL – impaired was US$279 million, an increase of US$52 million, or 23%, reflecting further normalization of credit performance in the consumer lending portfolios, including seasonal trends in the credit card and auto portfolios. PCL – performing was a build of US$6 million, compared with a recovery of US$14 million in the prior quarter. U.S. Retail PCL including only the Bank's share of PCL in the U.S. strategic cards portfolio, as an annualized percentage of credit volume was 0.61%, an increase of 15 bps, compared with the prior quarter.

Reported non-interest expenses for the quarter were US$1,779 million, an increase of US$274 million, or 18%, compared to the prior quarter, primarily reflecting the FDIC special assessment. On an adjusted basis, non-interest expenses decreased US$26 million, or 2%, reflecting higher legal costs in the prior quarter, partially offset by higher employee-related expenses.

The reported and adjusted efficiency ratios for the quarter were 68.8% and 57.2%, respectively, compared with 58.0%, respectively, in the prior quarter.

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

TABLE 13: WEALTH MANAGEMENT AND INSURANCE			
(millions of Canadian dollars, except as noted)	*For the three months ended*		
	January 31 2024	October 31 2023	January 31 2023
Net interest income	**$ 285**	$ 265	$ 283
Non-interest income[1]	**2,850**	2,691	2,632
Total revenue	**3,135**	2,956	2,915
Provision for (recovery of) credit losses – impaired	**–**	–	–
Provision for (recovery of) credit losses – performing	**–**	–	–
Total provision for (recovery of) credit losses	**–**	–	–
Insurance service expenses[1]	**1,366**	1,346	1,164
Non-interest expenses[1]	**1,047**	957	1,009
Provision for (recovery of) income taxes	**167**	161	188
Net income	**$ 555**	$ 492	$ 554
Selected volumes and ratios			
Return on common equity[1,2]	**37.5 %**	33.9 %	39.1 %
Efficiency ratio[1]	**33.4**	32.4	34.6
Efficiency ratio, net of ISE[1,3]	**59.2**	59.4	57.6
Assets under administration (billions of Canadian dollars)[4]	**$ 576**	$ 531	$ 541
Assets under management (billions of Canadian dollars)	**479**	441	452
Average number of full-time equivalent staff	**15,386**	15,674	16,400

[1] For the three months ended October 31, 2023 and January 31, 2023, certain amounts have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's first quarter 2024 Interim Consolidated Financial Statements for further details.
[2] Capital allocated to the business segment was increased to 11.5% CET1 Capital effective the first quarter of 2024, compared with 11% in the prior year.
[3] Efficiency ratio, net of ISE is calculated by dividing non-interest expenses by total revenue, net of ISE. Total revenue, net of ISE – Q1 2024: $1,769 million, Q4 2023: $1,610 million, Q1 2023: $1,751 million. Total revenue, net of ISE is a non-GAAP financial measure. Refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section and the Glossary of this document for additional information about this metric.
[4] Includes AUA administered by TD Investor Services, which is part of the Canadian Personal and Commercial Banking segment.

Quarterly comparison – Q1 2024 vs. Q1 2023

Wealth Management and Insurance net income for the quarter was $555 million, an increase of $1 million, or relatively flat compared with the first quarter last year, reflecting higher revenue, offset by higher insurance service expenses and non-interest expenses. The annualized ROE for the quarter was 37.5%, compared with 39.1% in the first quarter last year.

Revenue for the quarter was $3,135 million, an increase of $220 million, or 8%, compared with the first quarter last year. Non-interest income was $2,850 million, an increase of $218 million, or 8%, reflecting higher insurance premiums, and higher fee-based revenue in the wealth management business. Net interest income was $285 million, an increase of $2 million, or 1%, compared with the first quarter last year.

AUA were $576 billion as at January 31, 2024, an increase of $35 billion, or 6%, compared with the first quarter last year, reflecting market appreciation and net asset growth. AUM were $479 billion as at January 31, 2024, an increase of $27 billion, or 6%, compared with the first quarter last year, reflecting market appreciation.

Insurance service expenses for the quarter were $1,366 million, an increase of $202 million, or 17%, compared with the first quarter last year, reflecting increased claims severity and less favourable prior years' claims development.

Non-interest expenses for the quarter were $1,047 million, an increase of $38 million, or 4%, compared with the first quarter last year, reflecting higher variable compensation commensurate with higher revenues, and technology costs.

The efficiency ratio for the quarter was 33.4%, compared with 34.6% in the first quarter last year. The efficiency ratio, net of ISE for the quarter was 59.2%, compared with 57.6% in the first quarter last year.

Quarterly comparison – Q1 2024 vs. Q4 2023

Wealth Management and Insurance net income for the quarter was $555 million, an increase of $63 million, or 13%, compared with the prior quarter, reflecting higher revenue, partially offset by higher non-interest expenses. The annualized ROE for the quarter was 37.5%, compared with 33.9%, in the prior quarter.

Revenue increased $179 million, or 6%, compared with the prior quarter. Non-interest income increased $159 million, or 6%, reflecting higher insurance premiums, as well as higher fee-based and transaction revenue in the wealth management business. Net interest income increased $20 million, or 8%, reflecting higher deposit margins.

AUA increased $45 billion, or 8%, and AUM increased $38 billion, or 9%, compared with the prior quarter, both primarily reflecting market appreciation and net asset growth.

Insurance service expenses for the quarter increased $20 million, or 1%, compared with the prior quarter, reflecting less favourable prior years' claims development, partially offset by fewer severe weather-related events.

Non-interest expenses increased $90 million, or 9%, compared with the prior quarter, primarily reflecting higher employee-related expenses including variable compensation commensurate with higher revenues.

The efficiency ratio for the quarter was 33.4%, compared with 32.4% in the prior quarter. The efficiency ratio, net of ISE for the quarter was 59.2%, compared with 59.4% in the prior quarter.

TABLE 14: WHOLESALE BANKING[1]			
(millions of Canadian dollars, except as noted)	*For the three months ended*		
	January 31 2024	October 31 2023	January 31 2023
Net interest income (TEB)	**$ 198**	$ 245	$ 525
Non-interest income	**1,582**	1,243	820
Total revenue	**1,780**	1,488	1,345
Provision for (recovery of) credit losses – impaired	**5**	–	1
Provision for (recovery of) credit losses – performing	**5**	57	31
Total provision for (recovery of) credit losses	**10**	57	32
Non-interest expenses – reported	**1,500**	1,441	883
Non-interest expenses – adjusted[2,3]	**1,383**	1,244	862
Provision for (recovery of) income taxes (TEB) – reported	**65**	(27)	99
Provision for (recovery of) income taxes (TEB) – adjusted[2]	**89**	9	104
Net income – reported	**$ 205**	$ 17	$ 331
Net income – adjusted[2]	**298**	178	347
Selected volumes and ratios			
Trading-related revenue (TEB)[4]	**$ 730**	$ 590	$ 662
Average gross lending portfolio (billions of Canadian dollars)[5]	**96.2**	93.0	96.9
Return on common equity – reported[6]	**5.3 %**	0.5 %	9.4 %
Return on common equity – adjusted[2,6]	**7.6**	4.9	9.9
Efficiency ratio – reported	**84.3**	96.8	65.7
Efficiency ratio – adjusted[2]	**77.7**	83.6	64.1
Average number of full-time equivalent staff	**7,100**	7,346	5,365

1 Effective March 1, 2023, Wholesale Banking results include the acquisition of Cowen Inc.
2 For additional information about the Bank's use of non-GAAP financial measures, refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section of this document.
3 Adjusted non-interest expenses exclude the acquisition and integration-related charges primarily for the Cowen acquisition – Q1 2024: $117 million ($93 million after-tax), Q4 2023: $197 million ($161 million after-tax), Q1 2023: $21 million ($16 million after-tax).
4 Includes net interest income (loss) TEB of ($54) million (Q4 2023: $61 million, Q1 2023: $261 million), and trading income (loss) of $784 million (Q4 2023: $529 million, Q1 2023: $401 million). Trading-related revenue (TEB) is a non-GAAP financial measure. Refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section and the Glossary of this document for additional information about this metric.
5 Includes gross loans and bankers' acceptances relating to Wholesale Banking, excluding letters of credit, cash collateral, credit default swaps, and allowance for credit losses.
6 Capital allocated to the business segment was increased to 11.5% CET1 Capital effective the first quarter of 2024 compared with 11% in the prior year.

Quarterly comparison – Q1 2024 vs. Q1 2023

Wholesale Banking reported net income for the quarter was $205 million, a decrease of $126 million, or 38%, compared with the first quarter last year, primarily reflecting higher non-interest expenses, partially offset by higher revenues. On an adjusted basis, net income was $298 million, a decrease of $49 million or 14%.

Revenue for the quarter, including TD Cowen, was $1,780 million, an increase of $435 million, or 32%, compared with the first quarter last year. Higher revenue primarily reflects higher equity commissions, lending revenue primarily from syndicated and leveraged finance, underwriting fees, and trading-related revenue.

PCL for the quarter was $10 million, a decrease of $22 million compared with the first quarter last year. PCL – impaired was $5 million. PCL – performing was $5 million, a decrease of $26 million due to prior period build.

Reported non-interest expenses for the quarter, including TD Cowen, were $1,500 million, an increase of $617 million, or 70%, compared with the first quarter last year, primarily reflecting TD Cowen and the associated acquisition and integration-related costs and higher variable compensation commensurate with higher revenues as well as a provision of $102 million taken in connection with the U.S. record keeping matter. On an adjusted basis, non-interest expenses were $1,383 million, an increase of $521 million, or 60%.

Quarterly comparison – Q1 2024 vs. Q4 2023

Wholesale Banking reported net income for the quarter was $205 million, an increase of $188 million compared with the prior quarter, primarily reflecting higher revenues, partially offset by higher non-interest expenses. On an adjusted basis, net income was $298 million, an increase of $120 million, or 67%.

Revenue for the quarter increased $292 million, or 20%, compared with the prior quarter. Higher revenue primarily reflects higher trading-related revenue, lending revenue, and underwriting fees.

PCL for the quarter was $10 million, a decrease of $47 million compared with the prior quarter. PCL – impaired was $5 million. PCL – performing was $5 million, a decrease of $52 million due to prior quarter build.

Reported non-interest expenses for the quarter, increased $59 million, or 4%, compared with the prior quarter, primarily reflecting a provision of $102 million taken in connection with the U.S. record keeping matter, partially offset by lower acquisition and integration related costs. On an adjusted basis, non-interest expenses increased $139 million or 11%.

TABLE 15: CORPORATE

(millions of Canadian dollars)		For the three months ended	
	January 31 2024	October 31 2023	January 31 2023
Net income (loss) – reported	**$ (628)**	$ (591)	$ (2,617)
Adjustments for items of note			
Amortization of acquired intangibles	**94**	92	54
Acquisition and integration charges related to the Schwab transaction	**32**	31	34
Share of restructuring and other charges from investment in Schwab	**49**	35	–
Restructuring charges	**291**	363	–
Impact from the terminated FHN acquisition-related capital hedging strategy	**57**	64	876
Litigation settlement	**–**	–	1,603
Less: impact of income taxes			
CRD and federal tax rate increase for fiscal 2022	**–**	–	(585)
Other items of note	**113**	127	675
Net income (loss) – adjusted[1]	**$ (218)**	$ (133)	$ (140)
Decomposition of items included in net income (loss) – adjusted			
Net corporate expenses[2]	**$ (254)**	$ (227)	$ (191)
Other	**36**	94	51
Net income (loss) – adjusted[1]	**$ (218)**	$ (133)	$ (140)
Selected volumes			
Average number of full-time equivalent staff	**23,437**	23,491	21,844

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

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

Quarterly comparison – Q1 2024 vs. Q1 2023

Corporate segment's reported net loss for the quarter was $628 million, compared with a reported net loss of $2,617 million in the first quarter last year. The lower net loss primarily reflects the impact of the Stanford litigation settlement in the prior year, the net effect of the terminated FHN acquisition-related capital hedging strategy, and prior year recognition of a provision for income taxes in connection with the CRD and increase in the Canadian federal tax rate for fiscal 2022, partially offset by restructuring charges in the current quarter. Net corporate expenses increased $63 million compared to the prior year, mainly reflecting investments in our risk and control infrastructure. The adjusted net loss for the quarter was $218 million, compared with an adjusted net loss of $140 million in the first quarter last year.

Quarterly comparison – Q1 2024 vs. Q4 2023

Corporate segment's reported net loss for the quarter was $628 million, compared with a reported net loss of $591 million in the prior quarter. The higher net loss reflects lower revenue in treasury and balance sheet management activities and higher risk and control expenses, partially offset by lower restructuring charges. Net corporate expenses increased $27 million compared to the prior quarter, mainly reflecting investments in our risk and control infrastructure. The adjusted net loss for the quarter was $218 million, compared with an adjusted net loss of $133 million in the prior quarter.

QUARTERLY RESULTS

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

TABLE 16: QUARTERLY RESULTS

(millions of Canadian dollars, except as noted)								For the three months ended
	2024				2023			2022
	Jan. 31	Oct. 31	Jul. 31	Apr. 30	Jan. 31	Oct. 31	Jul. 31	Apr. 30
Net interest income	**$ 7,488**	$ 7,494	$ 7,289	$ 7,428	$ 7,733	$ 7,630	$ 7,044	$ 6,377
Non-interest income[1]	**6,226**	5,684	5,625	4,969	4,468	7,933	3,881	4,886
Total revenue[1]	**13,714**	13,178	12,914	12,397	12,201	15,563	10,925	11,263
Provision for (recovery of) credit losses	**1,001**	878	766	599	690	617	351	27
Insurance service expenses[1]	**1,366**	1,346	1,386	1,118	1,164	723	829	592
Non-interest expenses[1]	**8,030**	7,628	7,359	6,756	8,112	6,545	6,096	6,033
Provision for (recovery of) income taxes[1]	**634**	616	704	859	939	1,297	703	1,002
Share of net income from investment in Schwab	**141**	156	182	241	285	290	268	202
Net income – reported[1]	**2,824**	2,866	2,881	3,306	1,581	6,671	3,214	3,811
Pre-tax adjustments for items of note[2]								
Amortization of acquired intangibles	**94**	92	88	79	54	57	58	60
Acquisition and integration charges related to the Schwab transaction	**32**	31	54	30	34	18	23	20
Share of restructuring and other charges from investment in Schwab	**49**	35	–	–	–	–	–	–
Restructuring charges	**291**	363	–	–	–	–	–	–
Acquisition and integration-related charges	**117**	197	143	73	21	18	–	–
Charges related to the terminated FHN acquisition	**–**	–	84	154	106	67	29	–
Payment related to the termination of the FHN transaction[3]	**–**	–	306	–	–	–	–	–
Impact from the terminated FHN acquisition-related capital hedging strategy	**57**	64	177	134	876	(2,319)	678	–
Impact of retroactive tax legislation on payment card clearing services[4]	**–**	–	57	–	–	–	–	–
Litigation settlement/(recovery)[4]	**–**	–	–	39	1,603	–	–	(224)
FDIC special assessment	**411**	–	–	–	–	–	–	–
Gain on sale of Schwab shares[4]	**–**	–	–	–	–	(997)	–	–
Total pre-tax adjustments for items of note	**1,051**	782	909	509	2,694	(3,156)	788	(144)
Less: Impact of income taxes[2,5]	**238**	163	141	108	121	(550)	189	(47)
Net income – adjusted[1,2]	**3,637**	3,485	3,649	3,707	4,154	4,065	3,813	3,714
Preferred dividends and distributions on other equity instruments	**74**	196	74	210	83	107	43	66
Net income available to common shareholders – adjusted[1,2]	**$ 3,563**	$ 3,289	$ 3,575	$ 3,497	$ 4,071	$ 3,958	$ 3,770	$ 3,648
(Canadian dollars, except as noted)								
Basic earnings per share[1]								
Reported	**$ 1.55**	$ 1.48	$ 1.53	$ 1.69	$ 0.82	$ 3.62	$ 1.76	$ 2.08
Adjusted[2]	**2.01**	1.82	1.95	1.91	2.24	2.18	2.09	2.02
Diluted earnings per share[1]								
Reported	**1.55**	1.48	1.53	1.69	0.82	3.62	1.75	2.07
Adjusted[2]	**2.00**	1.82	1.95	1.91	2.23	2.18	2.09	2.02
Return on common equity – reported	**10.9 %**	10.5 %	10.8 %	12.4 %	5.9 %	26.5 %	13.5 %	16.4 %
Return on common equity – adjusted[1,2]	**14.1**	12.9	13.8	14.0	16.1	16.0	16.1	15.9
(billions of Canadian dollars, except as noted)								
Average total assets	**$ 1,934**	$ 1,910	$ 1,898	$ 1,944	$ 1,931	$ 1,893	$ 1,811	$ 1,778
Average interest-earning assets[6]	**1,729**	1,715	1,716	1,728	1,715	1,677	1,609	1,595
Net interest margin – reported	**1.72 %**	1.73 %	1.69 %	1.76 %	1.79 %	1.81 %	1.74 %	1.64 %
Net interest margin – adjusted[2]	**1.74**	1.75	1.70	1.81	1.82	1.80	1.73	1.64

[1] The Bank adopted IFRS 17 on November 1, 2023. Comparative periods prior to fiscal 2023 have not been restated and are based on IFRS 4.
[2] For explanations of items of note, refer to the "Non-GAAP Financial Measures – Reconciliation of Adjusted to Reported Net Income" table in the "How We Performed" section of this document as well as footnotes 3 and 4.
[3] Adjusted non-interest expenses exclude the payment related to the termination of the FHN transaction, reported in the Corporate segment.
[4] Adjusted non-interest income excludes the following items of note:
i. Settlement of *TD Bank, N.A. v. Lloyd's Underwriters et al.*, in Canada pursuant to which the Bank recovered losses resulting from the previous resolution of proceedings in the U.S. related to an alleged Ponzi scheme perpetrated by Scott Rothstein. The amount is reported in the U.S. Retail segment.
ii. The Bank sold 28.4 million non-voting common shares of Schwab and recognized a gain on the sale. The amount is reported in the Corporate segment.
iii. Stanford litigation settlement reflects the foreign exchange loss, reported in the Corporate segment.
iv. Impact of retroactive tax legislation on payment card clearing services, reported in the Corporate segment.
[5] Includes the CRD and impact from increase in the Canadian federal tax rate for fiscal 2022.
[6] Average interest-earning assets used in the calculation of net interest margin is a non-GAAP financial measure. Refer to "Non-GAAP and Other Financial Measures" in the "How We Performed" section and the Glossary of this document for additional information about these metrics.

BALANCE SHEET REVIEW

TABLE 17: SELECTED INTERIM CONSOLIDATED BALANCE SHEET ITEMS

(millions of Canadian dollars)		*As at*
	January 31, 2024	October 31, 2023
Assets		
Cash and Interest-bearing deposits with banks	**$ 81,381**	$ 105,069
Trading loans, securities, and other	**161,520**	152,090
Non-trading financial assets at fair value through profit or loss	**6,985**	7,340
Derivatives	**60,574**	87,382
Financial assets designated at fair value through profit or loss	**5,970**	5,818
Financial assets at fair value through other comprehensive income	**74,730**	69,865
Debt securities at amortized cost, net of allowance for credit losses	**300,071**	308,016
Securities purchased under reverse repurchase agreements	**199,079**	204,333
Loans, net of allowance for loan losses	**904,336**	895,947
Investment in Schwab	**9,548**	8,907
Other[1]	**106,698**	110,372
Total assets[1]	**$ 1,910,892**	$ 1,955,139
Liabilities		
Trading deposits	**$ 30,634**	$ 30,980
Derivatives	**54,073**	71,640
Financial liabilities designated at fair value through profit or loss	**180,112**	192,130
Deposits	**1,181,254**	1,198,190
Obligations related to securities sold under repurchase agreements	**174,129**	166,854
Subordinated notes and debentures	**9,554**	9,620
Other[1]	**168,701**	173,654
Total liabilities[1]	**1,798,457**	1,843,068
Total equity[1]	**112,435**	112,071
Total liabilities and equity[1]	**$ 1,910,892**	$ 1,955,139

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

Total assets were $1,911 billion as at January 31, 2024, a decrease of $44 billion, from October 31, 2023. The impact of foreign exchange translation from the appreciation in the Canadian dollar decreased total assets by $31 billion.

The decrease in total assets reflects a decrease in derivative assets of $27 billion, cash and interest-bearing deposits with banks of $24 billion, debt securities at amortized cost (DSAC), net of allowance for credit losses of $8 billion, securities purchased under reverse repurchase agreements of $5 billion, and other assets of $4 billion. The decrease was partially offset by an increase in trading loans, securities, and other of $10 billion, loans, net of allowances for loan losses of $8 billion, financial assets at fair value through other comprehensive income (FVOCI) of $5 billion and investment in Schwab of $1 billion.

Cash and interest-bearing deposits with banks decreased $24 billion primarily reflecting cash management activities.

Trading loans, securities, and other increased $10 billion primarily in equity securities, partially offset by commodities held for trading and the impact of foreign exchange translation.

Derivative assets decreased $27 billion primarily reflecting changes in mark-to-market values of foreign exchange and interest rate contracts.

Financial assets at fair value through other comprehensive income increased $5 billion primarily reflecting new investments, partially offset by maturities and sales and the impact of foreign exchange translation.

Debt securities at amortized cost, net of allowance for credit losses decreased $8 billion primarily reflecting maturities and the impact of foreign exchange translation, partially offset by new investments.

Securities purchased under reverse repurchase agreements decreased $5 billion primarily reflecting the impact of foreign exchange translation and a decrease in volume.

Loans, net of allowance for loan losses increased $8 billion primarily reflecting volume growth in business and government loans and residential real estate secured lending, partially offset by the impact of foreign exchange translation.

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

Other assets decreased $4 billion primarily reflecting a volume decrease in customers' liabilities under acceptances, the impact of foreign exchange translation and decrease in current income tax receivable, partially offset by an increase in amounts receivable from brokers, dealers, and clients due to higher volumes of pending trades.

Total liabilities were $1,798 billion as at January 31, 2024, a decrease of $45 billion from October 31, 2023. The impact of foreign exchange translation from the appreciation in the Canadian dollar decreased total liabilities by $32 billion.

The decrease in total liabilities reflects a decrease in derivative liabilities of $18 billion, deposits of $17 billion, financial liabilities designated at fair value through profit or loss (FVTPL) of $12 billion and other liabilities of $5 billion. The decrease was partially offset by obligations related to securities sold under repurchase agreements of $7 billion.

Derivative liabilities decreased $18 billion primarily reflecting changes in mark-to-market values of foreign exchange and interest rate contracts.

Financial liabilities designated at fair value through profit or loss decreased $12 billion reflecting maturities and the impact of foreign exchange translation, partially offset by new issuances.

Deposits decreased $17 billion primarily reflecting the impact of foreign exchange translation and volume decrease in bank deposits, partially offset by higher volumes in personal deposits.

Obligations related to securities sold under repurchase agreements increased $7 billion reflecting an increase in volume, partially offset by the impact of foreign exchange translation.

Other liabilities decreased $5 billion primarily reflecting volume decrease in acceptances and accounts payable, accrued expenses, and other items, and the impact of foreign exchange translation, partially offset by increase in amounts payable to brokers, dealers, and clients due to higher volumes of pending trades and volume increase in securitization liabilities at fair value.

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

CREDIT PORTFOLIO QUALITY

Quarterly comparison – Q1 2024 vs. Q1 2023

Gross impaired loans excluding acquired credit-impaired (ACI) loans were $3,709 million as at January 31, 2024, an increase of $1,118 million, or 43%, compared with the first quarter last year. Canadian Personal and Commercial Banking gross impaired loans increased $552 million, or 52%, compared with the first quarter last year, reflecting formations outpacing resolutions in the commercial and consumer lending portfolios. U.S. Retail gross impaired loans increased $565 million, or 38%, compared with the first quarter last year, reflecting formations outpacing resolutions in the commercial and consumer lending portfolios, and the impact of foreign exchange. Wholesale gross impaired loans decreased $1 million, compared with the first quarter last year. Net impaired loans were $2,526 million as at January 31, 2024, an increase of $762 million, or 43%, compared with the first quarter last year.

The allowance for credit losses of $8,268 million as at January 31, 2024 was comprised of Stage 3 allowance for impaired loans of $1,187 million, Stage 2 allowance of $4,258 million and Stage 1 allowance of $2,820 million, and the allowance for debt securities of $3 million. The Stage 1 and 2 allowances are for performing loans and off-balance sheet instruments.

The Stage 3 allowance for loan losses increased $355 million, or 43%, reflecting further normalization of credit performance in the consumer lending portfolios, credit migration in the commercial lending portfolios, and the impact of foreign exchange. The Stage 1 and Stage 2 allowance for loan losses increased $433 million, or 7%, reflecting credit conditions, including credit migration, volume growth, and the impact of foreign exchange. The allowance change included an increase of $99 million attributable to the retailer program partners' share of the U.S. strategic cards portfolio.

The allowance for debt securities increased by $1 million, compared with the first quarter last year.

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

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

The Bank calculates allowances for ECLs on debt securities measured at amortized cost and FVOCI. The Bank has $371 billion in such debt securities, all of which are performing (Stage 1 and 2) and none are impaired (Stage 3). The allowance for credit losses on DSAC and debt securities at FVOCI was $2 million and $1 million, respectively.

Quarterly comparison – Q1 2024 vs. Q4 2023

Gross impaired loans excluding ACI loans increased $410 million, or 12%, compared with the prior quarter. Impaired loans net of allowance increased $249 million, or 11%, compared with the prior quarter.

The allowance for credit losses of $8,268 million as at January 31, 2024 was comprised of Stage 3 allowance for impaired loans of $1,187 million, Stage 2 allowance of $4,258 million and Stage 1 allowance of $2,820 million, and the allowance for debt securities of $3 million. The Stage 1 and 2 allowances are for performing loans and off-balance sheet instruments. The Stage 3 allowance for loan losses increased $151 million, or 15%, compared with the prior quarter, largely reflecting some further normalization of credit performance in the consumer lending portfolios, and credit migration in the commercial lending portfolios. The Stage 1 and Stage 2 allowance for loan losses decreased $71 million, compared with the prior quarter, primarily reflecting the impact of foreign exchange, partially offset by an increase in the consumer lending portfolios related to volume growth and current credit conditions, including credit migration.

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

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

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

(millions of Canadian dollars)			*For the three months ended*
	January 31 2024	October 31 2023	January 31 2023
Personal, Business, and Government Loans			
Impaired loans as at beginning of period	**$ 3,299**	$ 2,980	$ 2,503
Classified as impaired during the period	**2,005**	1,677	1,350
Transferred to performing during the period	**(315)**	(263)	(240)
Net repayments	**(308)**	(332)	(361)
Disposals of loans	**(10)**	–	–
Amounts written off	**(917)**	(855)	(625)
Exchange and other movements	**(45)**	92	(36)
Impaired loans as at end of period	**$ 3,709**	$ 3,299	$ 2,591

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

TABLE 19: ALLOWANCE FOR CREDIT LOSSES

(millions of Canadian dollars, except as noted)			*As at*
	January 31 2024	October 31 2023	January 31 2023
Allowance for loan losses for on-balance sheet loans			
Stage 1 allowance for loan losses	**$ 2,396**	$ 2,673	$ 2,569
Stage 2 allowance for loan losses	**3,686**	3,435	3,093
Stage 3 allowance for loan losses	**1,183**	1,028	830
Total allowance for loan losses for on-balance sheet loans[1]	**7,265**	7,136	6,492
Allowance for off-balance sheet instruments			
Stage 1 allowance for loan losses	**424**	476	456
Stage 2 allowance for loan losses	**572**	565	527
Stage 3 allowance for loan losses	**4**	8	2
Total allowance for off-balance sheet instruments	**1,000**	1,049	985
Allowance for loan losses	**8,265**	8,185	7,477
Allowance for debt securities	**3**	4	2
Allowance for credit losses	**$ 8,268**	$ 8,189	$ 7,479
Impaired loans, net of allowance[2]	**$ 2,526**	$ 2,277	$ 1,764
Net impaired loans as a percentage of net loans[2]	**0.28 %**	0.25 %	0.21 %
Total allowance for credit losses as a percentage of gross loans and acceptances	**0.89**	0.89	0.86
Provision for (recovery of) credit losses as a percentage of net average loans and acceptances	**0.44**	0.39	0.32

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

Real Estate Secured Lending

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

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

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

(millions of Canadian dollars)					*As at*
			Amortizing	**Non-amortizing**	**Total**
	Residential mortgages	**Home equity lines of credit**	**Total amortizing real estate secured lending**	**Home equity lines of credit**	
					January 31, 2024
Total	**$ 266,316**	**$ 86,890**	**$ 353,206**	**$ 31,024**	**$ 384,230**
					October 31, 2023
Total	$ 263,733	$ 86,943	$ 350,676	$ 30,675	$ 381,351

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

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

(millions of Canadian dollars, except as noted) *As at*

	Residential mortgages				Home equity lines of credit				Total			
	Insured[3]		Uninsured		Insured[3]		Uninsured		Insured[3]		Uninsured	
											January 31, 2024	
Canada												
Atlantic provinces	**$ 2,539**	**1.0 %**	**$ 4,600**	**1.7 %**	**$ 175**	**0.1 %**	**$ 1,998**	**1.7 %**	**$ 2,714**	**0.7 %**	**$ 6,598**	**1.7 %**
British Columbia[4]	**8,586**	**3.2**	**46,537**	**17.5**	**889**	**0.8**	**21,758**	**18.5**	**9,475**	**2.5**	**68,295**	**17.8**
Ontario[4]	**22,391**	**8.4**	**120,974**	**45.4**	**3,010**	**2.6**	**64,329**	**54.5**	**25,401**	**6.6**	**185,303**	**48.2**
Prairies[4]	**18,419**	**6.9**	**20,683**	**7.8**	**1,686**	**1.4**	**11,932**	**10.1**	**20,105**	**5.2**	**32,615**	**8.5**
Québec	**7,137**	**2.7**	**14,450**	**5.4**	**569**	**0.5**	**11,568**	**9.8**	**7,706**	**2.0**	**26,018**	**6.8**
Total Canada	**59,072**	**22.2 %**	**207,244**	**77.8 %**	**6,329**	**5.4 %**	**111,585**	**94.6 %**	**65,401**	**17.0 %**	**318,829**	**83.0 %**
United States	**1,414**		**53,940**		**–**		**10,369**		**1,414**		**64,309**	
Total	**$ 60,486**		**$ 261,184**		**$ 6,329**		**$ 121,954**		**$ 66,815**		**$ 383,138**	
											October 31, 2023	
Canada												
Atlantic provinces	$ 2,561	1.0 %	$ 4,557	1.7 %	$ 181	0.2 %	$ 1,938	1.6 %	$ 2,742	0.7 %	$ 6,495	1.7 %
British Columbia[4]	8,642	3.3	46,003	17.4	920	0.8	21,642	18.4	9,562	2.5	67,645	17.7
Ontario[4]	22,559	8.6	118,882	45.1	3,126	2.7	64,095	54.4	25,685	6.8	182,977	48.1
Prairies[4]	18,621	7.1	20,385	7.7	1,746	1.5	11,956	10.2	20,367	5.3	32,341	8.5
Québec	7,221	2.7	14,302	5.4	590	0.5	11,424	9.7	7,811	2.0	25,726	6.7
Total Canada	59,604	22.7 %	204,129	77.3 %	6,563	5.7 %	111,055	94.3 %	66,167	17.3 %	315,184	82.7 %
United States	1,439		55,169		–		10,591		1,439		65,760	
Total	$ 61,043		$ 259,298		$ 6,563		$ 121,646		$ 67,606		$ 380,944	

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

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

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

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

As at

	<=5 years	>5 – 10 years	>10 – 15 years	>15 – 20 years	>20 – 25 years	>25 – 30 years	>30 – 35 years	>35 years	Total
									January 31, 2024
Canada	**0.8 %**	**2.7 %**	**5.8 %**	**14.5 %**	**31.8 %**	**25.4 %**	**1.4 %**	**17.6 %**	**100.0 %**
United States	**4.7**	**1.2**	**3.3**	**7.6**	**11.3**	**70.9**	**0.5**	**0.5**	**100.0**
Total	**1.5 %**	**2.4 %**	**5.4 %**	**13.3 %**	**28.2 %**	**33.3 %**	**1.3 %**	**14.6 %**	**100.0 %**
									October 31, 2023
Canada	0.8 %	2.7 %	5.7 %	14.1 %	31.5 %	24.6 %	1.4 %	19.2 %	100.0 %
United States	5.3	1.4	3.8	7.8	10.6	69.5	1.1	0.5	100.0
Total	1.6 %	2.5 %	5.3 %	13.0 %	27.8 %	32.6 %	1.4 %	15.8 %	100.0 %

1 Excludes loans classified as trading as the Bank intends to sell the loans immediately or in the near term, and loans designated at FVTPL for which no allowance is recorded.
2 Percentage based on outstanding balance.
3 $32.9 billion or 13% of the mortgage portfolio in Canada (October 31, 2023: $37.4 billion or 14%) relates to mortgages in which the fixed contractual payments are no longer sufficient to cover the interest based on the rates in effect at January 31, 2024 and October 31, 2023, respectively.

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

For the three months ended

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

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

Sovereign Risk

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

TABLE 24: Total Net Exposure by Region and Counterparty

(millions of Canadian dollars) *As at*

	Loans and commitments[1]				Derivatives, repos, and securities lending[2]				Trading and investment portfolio[3]				Total
	Corporate	Sovereign	Financial	Total	Corporate	Sovereign	Financial	Total	Corporate	Sovereign	Financial	Total	Exposure[4]
													January 31, 2024
Region													
Europe	**$ 7,258**	**$ 7**	**$ 5,492**	**$ 12,757**	**$ 3,526**	**$ 1,881**	**$ 7,884**	**$ 13,291**	**$ 921**	**$ 24,768**	**$ 2,156**	**$ 27,845**	**$ 53,893**
United Kingdom	**8,418**	**6,761**	**2,512**	**17,691**	**2,668**	**444**	**12,351**	**15,463**	**625**	**936**	**282**	**1,843**	**34,997**
Asia	**239**	**26**	**2,347**	**2,612**	**410**	**656**	**2,338**	**3,404**	**391**	**10,047**	**964**	**11,402**	**17,418**
Other[5]	**225**	**67**	**483**	**775**	**180**	**343**	**2,746**	**3,269**	**174**	**1,141**	**2,904**	**4,219**	**8,263**
Total	**$ 16,140**	**$ 6,861**	**$ 10,834**	**$ 33,835**	**$ 6,784**	**$ 3,324**	**$ 25,319**	**$ 35,427**	**$ 2,111**	**$ 36,892**	**$ 6,306**	**$ 45,309**	**$ 114,571**
													October 31, 2023
Region													
Europe	$ 7,577	$ 7	$ 5,324	$ 12,908	$ 3,763	$ 1,945	$ 6,736	$ 12,444	$ 777	$ 25,015	$ 2,001	$ 27,793	$ 53,145
United Kingdom	8,928	7,965	2,131	19,024	2,759	490	13,431	16,680	491	596	257	1,344	37,048
Asia	254	20	2,167	2,441	262	706	2,640	3,608	325	10,728	830	11,883	17,932
Other[5]	233	8	517	758	233	720	2,883	3,836	209	1,205	3,443	4,857	9,451
Total	$ 16,992	$ 8,000	$ 10,139	$ 35,131	$ 7,017	$ 3,861	$ 25,690	$ 36,568	$ 1,802	$ 37,544	$ 6,531	$ 45,877	$ 117,576

[1] Exposures, including interest-bearing deposits with banks, are presented net of impairment charges where applicable.
[2] Exposures are calculated on a fair value basis and presented net of collateral. Derivatives are presented as net exposures where there is an International Swaps and Derivatives Association master netting agreement.
[3] Trading exposures are net of eligible short positions.
[4] In addition to the exposures identified above, the Bank also has $37.5 billion (October 31, 2023 – $40.8 billion) of exposure to supranational entities.
[5] Other regional exposure largely attributable to Australia.

CAPITAL POSITION

REGULATORY CAPITAL

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

OSFI's Capital Requirements under Basel III

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

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

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

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

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

REGULATORY CAPITAL AND TLAC TARGET RATIOS

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

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

Global Systemically Important Banks Disclosures

The Financial Stability Board (FSB), in consultation with the BCBS and national authorities, identifies G-SIBs. The G-SIB assessment methodology is based on the submissions of the largest global banks. Thirteen indicators are used in the G-SIB assessment methodology to determine systemic importance. The score for a particular indicator is calculated by dividing the individual bank value by the aggregate amount for the indicator summed across all banks included in the assessment. Accordingly, an individual bank's ranking is reliant on the results and submissions of other global banks.

The Bank is required to publish the thirteen indicators used in the G-SIB indicator-based assessment framework. Public disclosure of financial year-end data is required annually, no later than the date of a bank's first quarter public disclosure of shareholder financial data in the following year.

Public communications on G-SIB status are issued annually each November. On November 22, 2019, the Bank was designated as a G-SIB by the FSB. The Bank continued to maintain its G-SIB status when the FSB published the 2023 list of G-SIBs on November 27, 2023. As a result of this designation, the Bank is subject to an additional loss absorbency requirement (CET1 as a percentage of RWA) of 1% under applicable FSB member authority requirements. The Bank's G-SIB designation has no additional impact on the Bank's minimum CET1 regulatory requirements, as the G-SIB surcharge is consistent with the D-SIB requirement set out by OSFI. The G-SIB surcharge may increase above 1% if the Bank's G-SIB score increases above certain thresholds to a maximum of 4.5%.

As a result of the Bank's G-SIB designation, the U.S. Federal Reserve requires TD Group US Holding LLC (TDGUS), as TD's U.S. Intermediate Holding Company (IHC), to maintain a minimum amount of TLAC and long-term debt.

The indicator-based measurement approach, currently in effect, divides the thirteen indicators into five categories, with each category yielding a 20% weight to a bank's total score on the G-SIB scale.

The following table provides the results of the thirteen indicators for the Bank. The increase in Payments activity was primarily due to US-dollar activities. Trading volume increase was mainly driven by higher U.S. fixed income trading. The increase in Trading and other securities was due to an increase in treasury and government-related securities. Other notable changes in the indicators from prior year primarily reflect normal business activities of the Bank.

TABLE 25: G-SIB INDICATORS[1]

(millions of Canadian dollars)

			As at
		October 31, 2023	October 31, 2022
Category (and weighting)	**Individual Indicator**		
Cross-jurisdictional activity (20%)	Cross-jurisdictional claims	**$ 1,003,230**	$ 1,061,844
	Cross-jurisdictional liabilities	**964,092**	1,037,857
Size (20%)	Total exposures as defined for use in the Basel III leverage ratio	**2,112,677**	2,086,338
Interconnectedness (20%)	Intra-financial system assets	**109,833**	111,106
	Intra-financial system liabilities	**55,247**	46,280
	Securities outstanding	**470,767**	475,328
Substitutability/financial institution infrastructure (20%)	Assets under custody	**563,783**	544,237
	Payments activity	**39,499,576**	35,006,485
	Underwritten transactions in debt and equity markets	**186,110**	168,956
	Trading Volume (includes the two sub indicators)		
	– Trading volume fixed income sub indicator	**9,239,393**	5,472,810
	– Trading volume equities and other securities sub indicator	**2,958,869**	3,102,383
Complexity (20%)	Notional amount of OTC derivatives	**21,198,657**	20,854,259
	Trading and other securities[2]	**64,944**	43,174
	Level 3 assets	**3,548**	3,481

[1] The G-SIB indicators are prepared based on the methodology prescribed in BCBS guidelines published and disclosed in accordance with OSFI's Advisory on G-SIBs – Public Disclosure Requirements. Given the Bank was designated as a G-SIB by the FSB on November 22, 2019, additional public disclosures on these indicators are required. Refer to the Bank's Regulatory Capital Disclosures at www.td.com/investor-relations/ir-homepage/regulatory-disclosures/g-sib/disclosures.jsp for these additional disclosures on the 2023 G-SIB indicators. The Bank is required to submit its G-SIB indicators to OSFI and BCBS for review following the date of this report. In the event that one or both regulators provide comments to the Bank regarding its submission that would result in changes to the G-SIB indicators listed in the table above, the Bank will publish such revised G-SIB indicators on its website.

[2] Includes trading securities, securities designated at FVTPL, and securities at FVOCI.

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

TABLE 26: CAPITAL STRUCTURE AND RATIOS – Basel III			
(millions of Canadian dollars, except as noted)			*As at*
	January 31 2024	October 31 2023	January 31 2023
Common Equity Tier 1 Capital			
Common shares plus related contributed surplus	**$ 25,428**	$ 25,522	$ 25,174
Retained earnings	**72,347**	73,044	73,501
Accumulated other comprehensive income	**3,830**	2,750	1,923
Common Equity Tier 1 Capital before regulatory adjustments	**101,605**	101,316	100,598
Common Equity Tier 1 Capital regulatory adjustments			
Goodwill (net of related tax liability)	**(17,922)**	(18,424)	(17,134)
Intangibles (net of related tax liability)	**(2,654)**	(2,606)	(2,133)
Deferred tax assets excluding those arising from temporary differences	**(198)**	(207)	(85)
Cash flow hedge reserve	**3,559**	5,571	4,033
Shortfall of provisions to expected losses	**–**	–	–
Gains and losses due to changes in own credit risk on fair valued liabilities	**(148)**	(379)	(152)
Defined benefit pension fund net assets (net of related tax liability)	**(773)**	(908)	(1,132)
Investment in own shares	**(20)**	(21)	(18)
Non-significant investments in the capital of banking, financial, and insurance entities, net of eligible short positions (amount above 10% threshold)	**(2,724)**	(1,976)	(1,649)
Significant investments in the common stock of banking, financial, and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	**–**	–	–
Equity investments in funds subject to the fall-back approach	**(56)**	(49)	–
Other deductions or regulatory adjustments to CET1 as determined by OSFI	**10**	–	–
Total regulatory adjustments to Common Equity Tier 1 Capital	**(20,926)**	(18,999)	(18,270)
Common Equity Tier 1 Capital	**80,679**	82,317	82,328
Additional Tier 1 Capital instruments			
Directly issued qualifying Additional Tier 1 instruments plus stock surplus	**10,830**	10,791	11,246
Additional Tier 1 Capital instruments before regulatory adjustments	**10,830**	10,791	11,246
Additional Tier 1 Capital instruments regulatory adjustments			
Non-significant investments in the capital of banking, financial, and insurance entities, net of eligible short positions (amount above 10% threshold)	**(5)**	(6)	(138)
Significant investments in the capital of banking, financial, and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	**(350)**	(350)	(350)
Total regulatory adjustments to Additional Tier 1 Capital	**(355)**	(356)	(488)
Additional Tier 1 Capital	**10,475**	10,435	10,758
Tier 1 Capital	**91,154**	92,752	93,086
Tier 2 Capital instruments and provisions			
Directly issued qualifying Tier 2 instruments plus related stock surplus	**9,357**	9,424	11,138
Collective allowances	**1,781**	1,964	2,265
Tier 2 Capital before regulatory adjustments	**11,138**	11,388	13,403
Tier 2 regulatory adjustments			
Investments in own Tier 2 instruments	**–**	–	–
Non-significant investments in the capital of banking, financial, and insurance entities, net of eligible short positions (amount above 10% threshold)[1]	**(228)**	(196)	(220)
Non-significant investments in the other TLAC-eligible instruments issued by G-SIBs and Canadian D-SIBs, where the institution does not own more than 10% of the issued common share capital of the entity: amount previously designated for the 5% threshold but that no longer meets the conditions	**(115)**	(136)	(77)
Significant investments in the capital of banking, financial, and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions	**(160)**	(160)	(160)
Total regulatory adjustments to Tier 2 Capital	**(503)**	(492)	(457)
Tier 2 Capital	**10,635**	10,896	12,946
Total Capital	**$ 101,789**	$ 103,648	$ 106,032
Risk-weighted assets	**$ 579,424**	$ 571,161	$ 531,644
Capital Ratios and Multiples			
Common Equity Tier 1 Capital (as percentage of risk-weighted assets)	**13.9 %**	14.4 %	15.5 %
Tier 1 Capital (as percentage of risk-weighted assets)	**15.7**	16.2	17.5
Total Capital (as percentage of risk-weighted assets)	**17.6**	18.1	19.9
Leverage ratio[2]	**4.4**	4.4	4.8

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

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

As at January 31, 2024, the Bank's CET1, Tier 1, and Total Capital ratios were 13.9%, 15.7%, and 17.6%, respectively. The decrease in the Bank's CET1 Capital ratio from 14.4% as at October 31, 2023, was primarily attributable to RWA growth across various segments, common shares repurchased for cancellation, and the impact of the regulatory changes related to the Fundamental Review of the Trading Book and Negatively amortizing mortgages. CET1 was also impacted by the FDIC special assessment booked in the quarter. The impact of the foregoing items was partially offset by organic growth, and the issuance of common shares pursuant to the Bank's dividend reinvestment plan.

As at January 31, 2024, the Bank's leverage ratio was 4.4%, consistent with the ratio reported at October 31, 2023. The leverage ratio impact from exposure increases across various segments and common shares repurchased for cancellation was offset by organic capital growth and the issuance of common shares pursuant to the Bank's dividend reinvestment plan.

Future Regulatory Capital Developments

There are no future regulatory capital developments in addition to those described in the "Future Regulatory Capital Developments" section of the Bank's 2023 Annual Report.

TABLE 27: EQUITY AND OTHER SECURITIES[1]

(millions of shares/units and millions of Canadian dollars, except as noted)				*As at*
	January 31, 2024		October 31, 2023	
	Number of shares/units	**Amount**	Number of shares/units	Amount
Common shares outstanding	**1,772.8**	**$ 25,318**	1,791.4	$ 25,434
Treasury – common shares	**(0.7)**	**(58)**	(0.7)	(64)
Total common shares	**1,772.1**	**$ 25,260**	1,790.7	$ 25,370
Stock options				
Vested	**6.4**		5.1	
Non-vested	**9.5**		9.0	
Preferred shares – Class A				
Series 1	**20.0**	**$ 500**	20.0	$ 500
Series 3	**20.0**	**500**	20.0	500
Series 5	**20.0**	**500**	20.0	500
Series 7	**14.0**	**350**	14.0	350
Series 9	**8.0**	**200**	8.0	200
Series 16	**14.0**	**350**	14.0	350
Series 18	**14.0**	**350**	14.0	350
Series 22	**14.0**	**350**	14.0	350
Series 24	**18.0**	**450**	18.0	450
Series 27	**0.8**	**850**	0.8	850
Series 28	**0.8**	**800**	0.8	800
	143.6	**$ 5,200**	143.6	$ 5,200
Other equity instruments				
Limited Recourse Capital Notes Series 1[2]	**1.8**	**1,750**	1.8	1,750
Limited Recourse Capital Notes Series 2[2]	**1.5**	**1,500**	1.5	1,500
Limited Recourse Capital Notes Series 3[2,3]	**1.7**	**2,403**	1.7	2,403
	148.6	**$ 10,853**	148.6	$ 10,853
Treasury – preferred shares and other equity instruments	**(0.1)**	**(27)**	(0.1)	(65)
Total preferred shares and other equity instruments	**148.5**	**$ 10,826**	148.5	$ 10,788

1 For further details, including the conversion and exchange features, and distributions, refer to Note 20 of the Bank's 2023 Consolidated Financial Statements.
2 For Limited Recourse Capital Notes (LRCNs), the number of shares/units represents the number of notes issued.
3 For LRCNs – Series 3, the amount represents the Canadian dollar equivalent of the U.S. dollar notional amount. Refer to the "Preferred Shares and Other Equity Instruments – Significant Terms and Conditions" table in Note 20 of the Bank's 2023 Consolidated Financial Statements for further details.

DIVIDENDS

On February 28, 2024, the Board approved a dividend in an amount of one dollar and two cents ($1.02) per fully paid common share in the capital stock of the Bank for the quarter ending April 30, 2024, payable on and after April 30, 2024, to shareholders of record at the close of business on April 9, 2024.

DIVIDEND REINVESTMENT PLAN

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

During the three months ended January 31, 2024, the Bank issued 2.0 million common shares from treasury with no discount. During the three months ended January 31, 2023, the Bank issued 7.9 million common shares from treasury with a 2% discount.

NORMAL COURSE ISSUER BID

On August 28, 2023, the Bank announced that the Toronto Stock Exchange and OSFI approved a normal course issuer bid (NCIB) to repurchase for cancellation up to 90 million of its common shares. The NCIB commenced on August 31, 2023, and during the three months ended January 31, 2024, the Bank repurchased 20.9 million common shares under the NCIB, at an average price of $82.39 per share for a total amount of $1.7 billion.

NON-VIABILITY CONTINGENT CAPITAL PROVISION

If a non-viability contingent capital (NVCC) trigger event were to occur, for all series of Class A First Preferred Shares excluding the preferred shares issued with respect to LRCNs, the maximum number of common shares that could be issued, assuming there are no declared and unpaid dividends on the respective series of preferred shares at the time of conversion, would be 1.0 billion in aggregate.

The LRCNs, by virtue of the recourse to the preferred shares held in the Limited Recourse Trust, include NVCC provisions. For LRCNs, if an NVCC trigger were to occur, the maximum number of common shares that could be issued, assuming there are no declared and unpaid dividends on the preferred shares series issued in connection with such LRCNs, would be 1.1 billion in aggregate.

For NVCC subordinated notes and debentures, if an NVCC trigger event were to occur, the maximum number of common shares that could be issued, assuming there is no accrued and unpaid interest on the respective subordinated notes and debentures, would be 2.7 billion in aggregate.

MANAGING RISK

EXECUTIVE SUMMARY

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

The Bank's businesses and operations are exposed to a broad number of risks that have been identified and defined in the Enterprise Risk Framework. The Bank's tolerance to those risks is defined in the Enterprise Risk Appetite which has been developed within a comprehensive framework that takes into consideration current conditions in which the Bank operates and the impact that emerging risks will have on TD's strategy and risk profile. The Bank's risk appetite states that it takes risks required to build its business, but only if those risks: (1) fit the business strategy and can be understood and managed; (2) do not expose the enterprise to any significant single loss events; TD does not 'bet the bank' on any single acquisition, business, or product; and (3) do not risk harming the TD brand. Each business is responsible for setting and aligning its individual risk appetites with that of the enterprise based on a thorough examination of the specific risks to which it is exposed.

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

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

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

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

CREDIT RISK

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

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

TABLE 28: GROSS CREDIT RISK EXPOSURE – Standardized and Internal Ratings-Based (IRB) Approaches[1]

(millions of Canadian dollars)						*As at*
	January 31, 2024			October 31, 2023		
	Standardized	**IRB**	**Total**	Standardized	IRB	Total
Retail						
Residential secured	**$ 4,485**	**$ 516,992**	**$ 521,477**	$ 4,815	$ 515,152	$ 519,967
Qualifying revolving retail	**821**	**167,594**	**168,415**	810	169,183	169,993
Other retail	**3,633**	**99,189**	**102,822**	3,368	99,253	102,621
Total retail	**8,939**	**783,775**	**792,714**	8,993	783,588	792,581
Non-retail						
Corporate	**2,776**	**664,502**	**667,278**	3,496	654,369	657,865
Sovereign	**94**	**491,549**	**491,643**	116	527,423	527,539
Bank	**3,996**	**155,738**	**159,734**	5,272	171,180	176,452
Total non-retail	**6,866**	**1,311,789**	**1,318,655**	8,884	1,352,972	1,361,856
Gross credit risk exposures	**$ 15,805**	**$ 2,095,564**	**$ 2,111,369**	$ 17,877	$ 2,136,560	$ 2,154,437

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

MARKET RISK

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

Market Risk Linkage to the Balance Sheet

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

TABLE 29: MARKET RISK LINKAGE TO THE BALANCE SHEET

(millions of Canadian dollars)									*As at*
	January 31, 2024				October 31, 2023				
	Balance sheet	**Trading market risk**	**Non-trading market risk**	**Other**	Balance sheet	Trading market risk	Non-trading market risk	Other	Non-trading market risk – primary risk sensitivity
Assets subject to market risk									
Interest-bearing deposits with banks	**$ 75,048**	**$ 275**	**$ 74,773**	**$ –**	$ 98,348	$ 327	$ 98,021	$ –	Interest rate
Trading loans, securities, and other	**161,520**	**159,063**	**2,457**	**–**	152,090	151,011	1,079	–	Interest rate
Non-trading financial assets at fair value through profit or loss	**6,985**	**–**	**6,985**	**–**	7,340	–	7,340	–	Equity, foreign exchange, interest rate
Derivatives	**60,574**	**56,397**	**4,177**	**–**	87,382	81,526	5,856	–	Equity, foreign exchange, interest rate
Financial assets designated at fair value through profit or loss	**5,970**	**–**	**5,970**	**–**	5,818	–	5,818	–	Interest rate
Financial assets at fair value through other comprehensive income	**74,730**	**–**	**74,730**	**–**	69,865	–	69,865	–	Equity, foreign exchange, interest rate
Debt securities at amortized cost, net of allowance for credit losses	**300,071**	**–**	**300,071**	**–**	308,016	–	308,016	–	Foreign exchange, interest rate
Securities purchased under reverse repurchase agreements	**199,079**	**8,606**	**190,473**	**–**	204,333	9,649	194,684	–	Interest rate
Loans, net of allowance for loan losses	**904,336**	**–**	**904,336**	**–**	895,947	–	895,947	–	Interest rate
Customers' liability under acceptances	**13,066**	**–**	**13,066**	**–**	17,569	–	17,569	–	Interest rate
Investment in Schwab	**9,548**	**–**	**9,548**	**–**	8,907	–	8,907	–	Equity
Other assets[1,2]	**1,775**	**–**	**1,775**	**–**	1,956	–	1,956	–	Interest rate
Assets not exposed to market risk	**98,190**	**–**	**–**	**98,190**	97,568	–	–	97,568	
Total Assets	**$ 1,910,892**	**$ 224,341**	**$ 1,588,361**	**$ 98,190**	$ 1,955,139	$ 242,513	$ 1,615,058	$ 97,568	
Liabilities subject to market risk									
Trading deposits	**$ 30,634**	**$ 27,226**	**$ 3,408**	**$ –**	$ 30,980	$ 27,059	$ 3,921	$ –	Equity, interest rate
Derivatives	**54,073**	**51,749**	**2,324**	**–**	71,640	70,382	1,258	–	Equity, foreign exchange, interest rate
Securitization liabilities at fair value	**16,543**	**16,543**	**–**	**–**	14,422	14,422	–	–	Interest rate
Financial liabilities designated at fair value through profit or loss	**180,112**	**2**	**180,110**	**–**	192,130	2	192,128	–	Interest rate
Deposits	**1,181,254**	**–**	**1,181,254**	**–**	1,198,190	–	1,198,190	–	Interest rate, foreign exchange
Acceptances	**13,066**	**–**	**13,066**	**–**	17,569	–	17,569	–	Interest rate
Obligations related to securities sold short	**42,875**	**41,088**	**1,787**	**–**	44,661	43,993	668	–	Interest rate
Obligations related to securities sold under repurchase agreements	**174,129**	**11,760**	**162,369**	**–**	166,854	12,641	154,213	–	Interest rate
Securitization liabilities at amortized cost	**12,358**	**–**	**12,358**	**–**	12,710	–	12,710	–	Interest rate
Subordinated notes and debentures	**9,554**	**–**	**9,554**	**–**	9,620	–	9,620	–	Interest rate
Other liabilities[1,2]	**26,497**	**–**	**26,497**	**–**	27,062	–	27,062	–	Equity, interest rate
Liabilities and Equity not exposed to market risk	**169,797**	**–**	**–**	**169,797**	169,301	–	–	169,301	
Total Liabilities and Equity	**$ 1,910,892**	**$ 148,368**	**$ 1,592,727**	**$ 169,797**	$ 1,955,139	$ 168,499	$ 1,617,339	$ 169,301	

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

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

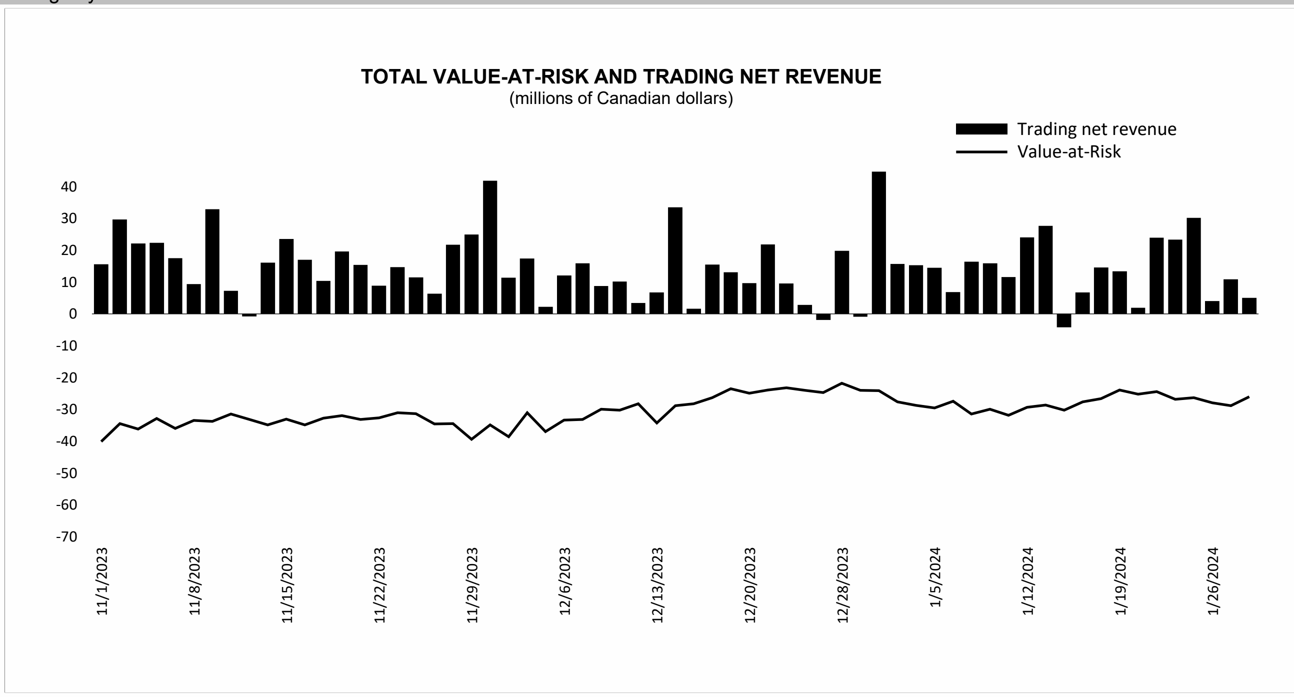
Calculating VaR

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

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

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

The following graph discloses daily one-day VaR usage and trading net revenue, reported on a TEB, within Wholesale Banking. Trading net revenue includes trading income and net interest income related to positions within the Bank's market risk capital trading books. For the quarter ended January 31, 2024, there were 4 days of trading losses and trading net revenue was positive for 94% of the trading days, reflecting normal trading activity. Losses in the year did not exceed VaR on any trading day.



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

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

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

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

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

TABLE 30: PORTFOLIO MARKET RISK MEASURES

(millions of Canadian dollars)						*For the three months ended*
				January 31 2024	October 31 2023	January 31 2023
	As at	**Average**	**High**	**Low**	Average	Average
Interest rate risk	$ **15.4**	$ **17.8**	$ **25.5**	$ **12.1**	$ 21.2	$ 24.1
Credit spread risk	**29.6**	**29.4**	**35.0**	**23.9**	30.6	29.2
Equity risk	**8.5**	**7.2**	**8.7**	**5.6**	6.8	10.6
Foreign exchange risk	**1.6**	**2.4**	**4.5**	**1.2**	2.8	4.8
Commodity risk	**3.7**	**3.7**	**4.6**	**2.6**	3.9	8.1
Idiosyncratic debt specific risk	**18.1**	**20.9**	**29.7**	**13.8**	26.2	38.9
Diversification effect[1]	**(50.7)**	**(51.2)**	**n/m[2]**	**n/m**	(56.9)	(62.7)
Total Value-at-Risk (one-day)	**26.2**	**30.2**	**40.1**	**21.8**	34.6	53.0

[1] The aggregate VaR is less than the sum of the VaR of the different risk types due to risk offsets resulting from portfolio diversification.

[2] Not meaningful. It is not meaningful to compute a diversification effect because the high and low may occur on different days for different risk types.

Average VaR decreased year-over-year and quarter-over-quarter due to changes in interest rate risk positions and tighter credit spreads.

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

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

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

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

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

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

The following table shows the potential before-tax impact of an immediate and sustained 100 bps increase or decrease in interest rates on the EVE and NIIS measures. Interest rate floors are applied by currency to the decrease in rates such that they do not exceed expected lower bounds, with the most material currencies set to a floor of -25 bps.

TABLE 31: STRUCTURAL INTEREST RATE SENSITIVITY MEASURES

(millions of Canadian dollars)										*As at*
	January 31, 2024						October 31, 2023		January 31, 2023	
	EVE Sensitivity			**NII Sensitivity[1]**			EVE Sensitivity	NII Sensitivity[1]	EVE Sensitivity	NII Sensitivity[1]
	Canada	**U.S.**	**Total**	**Canada**	**U.S.**	**Total**	Total	Total	Total	Total
Before-tax impact of										
100 bps increase in rates	**$ (402)**	**$ (1,734)**	**$ (2,136)**	**$ 579**	**$ 390**	**$ 969**	$ (2,211)	$ 920	$ (1,610)	$ 1,135
100 bps decrease in rates	**320**	**1,402**	**1,722**	**(605)**	**(547)**	**(1,152)**	1,599	(1,099)	1,056	(1,216)

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

As at January 31, 2024, an immediate and sustained 100 bps increase in interest rates would have had a negative impact to the Bank's EVE of $2,136 million, a decrease of $75 million from last quarter, and a positive impact to the Bank's NII of $969 million, an increase of $49 million from last quarter. An immediate and sustained 100 bps decrease in interest rates would have had a positive impact to the Bank's EVE of $1,722 million, an increase of $123 million from last quarter, and a negative impact to the Bank's NII of $1,152 million, an increase of $53 million from last quarter. The quarter-over-quarter decrease in up shock EVE Sensitivity is primarily due to a decrease in the interest rate sensitivity of the Bank's investment portfolio in the U.S. Region, partially offset by an increase in the duration of net assets supported by equity. The quarter-over-quarter increase in down shock EVE Sensitivity is primarily due to an increase in the duration of net assets supported by equity. The quarter-over-quarter increase in both up and down shock NII Sensitivity is primarily due to changes in deposit composition and Treasury hedging activity.

Liquidity Risk

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

TD'S LIQUIDITY RISK APPETITE

The Bank applies an established set of practices and protocols for managing its potential exposure to liquidity risk. The Bank targets a 90-day survival horizon under a combined bank-specific and market-wide stress scenario, and a minimum buffer over regulatory requirements prescribed by the OSFI Liquidity Adequacy Requirements (LAR) guidelines. Under the LAR guidelines, Canadian banks are required to maintain a Liquidity Coverage Ratio (LCR) at the minimum of 100% other than during periods of financial stress and to maintain a Net Stable Funding Ratio (NSFR) at the minimum of 100%. The Bank's funding program emphasizes maximizing deposits as a core source of funding, and having ready access to wholesale funding markets across diversified terms, funding types, and currencies that is designed to ensure low exposure to a sudden contraction of wholesale funding capacity and to minimize structural liquidity gaps. The Bank also maintains a contingency funding plan to enhance preparedness for recovery from potential liquidity stress events. The Bank's strategies and actions comprise an integrated liquidity risk management program that is designed to ensure low exposure to liquidity risk and compliance with regulatory requirements.

LIQUIDITY RISK MANAGEMENT RESPONSIBILITY

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

The Bank has established TDGUS as TD's U.S. IHC, as well as a Combined U.S. Operations (CUSO) reporting unit that consists of the IHC and TD's U.S. branch and agency network. Both TDGUS and CUSO are managed to the U.S. Enhanced Prudential Standards liquidity requirements in addition to the Bank's liquidity management framework.

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

Liquid assets

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

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

TABLE 32: SUMMARY OF LIQUID ASSETS BY TYPE AND CURRENCY[1,2]

(millions of Canadian dollars, except as noted)	Bank-owned liquid assets	Securities received as collateral from securities financing and derivative transactions	Total liquid assets	% of total	Encumbered liquid assets	Unencumbered liquid assets
						As at January 31, 2024
Cash and central bank reserves	**$ 13,203**	**$ –**	**$ 13,203**	**2 %**	**$ 590**	**$ 12,613**
Canadian government obligations	**18,437**	**80,646**	**99,083**	**12**	**45,930**	**53,153**
National Housing Act Mortgage-Backed Securities (NHA MBS)	**41,024**	**–**	**41,024**	**5**	**1,889**	**39,135**
Obligations of provincial governments, public sector entities and multilateral development banks[3]	**41,606**	**23,211**	**64,817**	**8**	**33,066**	**31,751**
Corporate issuer obligations	**20,494**	**4,358**	**24,852**	**3**	**5,106**	**19,746**
Equities	**9,952**	**2,107**	**12,059**	**1**	**9,498**	**2,561**
Total Canadian dollar-denominated	**144,716**	**110,322**	**255,038**	**31**	**96,079**	**158,959**
Cash and central bank reserves	**59,981**	**–**	**59,981**	**7**	**199**	**59,782**
U.S. government obligations	**77,506**	**64,971**	**142,477**	**17**	**72,539**	**69,938**
U.S. federal agency obligations, including U.S. federal agency mortgage-backed obligations	**79,224**	**13,183**	**92,407**	**11**	**27,269**	**65,138**
Obligations of other sovereigns, public sector entities and multilateral development banks[3]	**66,005**	**40,789**	**106,794**	**13**	**38,154**	**68,640**
Corporate issuer obligations	**77,877**	**10,190**	**88,067**	**11**	**18,535**	**69,532**
Equities	**51,299**	**34,804**	**86,103**	**10**	**47,636**	**38,467**
Total non-Canadian dollar-denominated	**411,892**	**163,937**	**575,829**	**69**	**204,332**	**371,497**
Total	**$ 556,608**	**$ 274,259**	**$ 830,867**	**100 %**	**$ 300,411**	**$ 530,456**
						October 31, 2023
Cash and central bank reserves	$ 28,548	$ –	$ 28,548	3 %	$ 506	$ 28,042
Canadian government obligations	15,214	94,000	109,214	13	67,457	41,757
NHA MBS	38,760	–	38,760	4	1,043	37,717
Obligations of provincial governments, public sector entities and multilateral development banks[3]	40,697	22,703	63,400	8	31,078	32,322
Corporate issuer obligations	19,507	4,815	24,322	3	4,512	19,810
Equities	10,555	2,288	12,843	1	8,890	3,953
Total Canadian dollar-denominated	153,281	123,806	277,087	32	113,486	163,601
Cash and central bank reserves	66,094	–	66,094	8	180	65,914
U.S. government obligations	72,808	64,449	137,257	16	63,688	73,569
U.S. federal agency obligations, including U.S. federal agency mortgage-backed obligations	80,047	15,838	95,885	11	29,487	66,398
Obligations of other sovereigns, public sector entities and multilateral development banks[3]	65,996	54,321	120,317	13	56,652	63,665
Corporate issuer obligations	84,853	9,656	94,509	11	15,228	79,281
Equities	38,501	38,388	76,889	9	47,653	29,236
Total non-Canadian dollar-denominated	408,299	182,652	590,951	68	212,888	378,063
Total	$ 561,580	$ 306,458	$ 868,038	100 %	$ 326,374	$ 541,664

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

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

TABLE 33: SUMMARY OF UNENCUMBERED LIQUID ASSETS BY BANK, SUBSIDIARIES, AND BRANCHES

(millions of Canadian dollars)	As at **January 31 2024**	October 31 2023
The Toronto-Dominion Bank (Parent)	**$ 211,078**	$ 205,408
Bank subsidiaries	**278,746**	291,915
Foreign branches	**40,632**	44,341
Total	**$ 530,456**	$ 541,664

The Bank's monthly average liquid assets (excluding those held in insurance subsidiaries) for the quarters ended January 31, 2024 and October 31, 2023, are summarized in the following table.

TABLE 34: SUMMARY OF AVERAGE LIQUID ASSETS BY TYPE AND CURRENCY[1,2]

(millions of Canadian dollars, except as noted)	Bank-owned liquid assets	Securities received as collateral from securities financing and derivative transactions	Total liquid assets	% of Total	Encumbered liquid assets	Unencumbered liquid assets
						Average for the three months ended
						January 31, 2024
Cash and central bank reserves	**$ 25,485**	**$ –**	**$ 25,485**	**3 %**	**$ 543**	**$ 24,942**
Canadian government obligations	**17,377**	**82,565**	**99,942**	**12**	**54,469**	**45,473**
NHA MBS	**40,487**	**–**	**40,487**	**5**	**1,391**	**39,096**
Obligations of provincial governments, public sector entities and multilateral development banks[3]	**43,258**	**24,036**	**67,294**	**8**	**35,838**	**31,456**
Corporate issuer obligations	**19,590**	**5,056**	**24,646**	**3**	**5,314**	**19,332**
Equities	**11,845**	**2,423**	**14,268**	**1**	**10,393**	**3,875**
Total Canadian dollar-denominated	**158,042**	**114,080**	**272,122**	**32**	**107,948**	**164,174**
Cash and central bank reserves	**53,870**	**–**	**53,870**	**6**	**240**	**53,630**
U.S. government obligations	**76,266**	**64,334**	**140,600**	**17**	**70,162**	**70,438**
U.S. federal agency obligations, including U.S. federal agency mortgage-backed obligations	**78,957**	**12,071**	**91,028**	**11**	**26,571**	**64,457**
Obligations of other sovereigns, public sector entities and multilateral development banks[3]	**66,149**	**44,439**	**110,588**	**13**	**43,327**	**67,261**
Corporate issuer obligations	**78,943**	**11,043**	**89,986**	**11**	**17,989**	**71,997**
Equities	**48,073**	**36,885**	**84,958**	**10**	**48,537**	**36,421**
Total non-Canadian dollar-denominated	**402,258**	**168,772**	**571,030**	**68**	**206,826**	**364,204**
Total	**$ 560,300**	**$ 282,852**	**$ 843,152**	**100 %**	**$ 314,774**	**$ 528,378**
						October 31, 2023
Cash and central bank reserves	$ 30,169	$ –	$ 30,169	4 %	$ 478	$ 29,691
Canadian government obligations	17,188	87,770	104,958	12	65,465	39,493
NHA MBS	39,047	–	39,047	4	1,068	37,979
Obligations of provincial governments, public sector entities and multilateral development banks[3]	40,614	23,474	64,088	7	33,166	30,922
Corporate issuer obligations	17,625	4,741	22,366	3	4,573	17,793
Equities	11,338	3,039	14,377	2	8,756	5,621
Total Canadian dollar-denominated	155,981	119,024	275,005	32	113,506	161,499
Cash and central bank reserves	63,529	–	63,529	8	243	63,286
U.S. government obligations	72,220	62,823	135,043	16	63,096	71,947
U.S. federal agency obligations, including U.S. federal agency mortgage-backed obligations	80,429	14,100	94,529	11	28,197	66,332
Obligations of other sovereigns, public sector entities and multilateral development banks[3]	65,257	49,780	115,037	13	51,138	63,899
Corporate issuer obligations	84,183	9,711	93,894	11	15,193	78,701
Equities	39,737	39,120	78,857	9	44,434	34,423
Total non-Canadian dollar-denominated	405,355	175,534	580,889	68	202,301	378,588
Total	$ 561,336	$ 294,558	$ 855,894	100 %	$ 315,807	$ 540,087

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

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

TABLE 35: SUMMARY OF AVERAGE UNENCUMBERED LIQUID ASSETS BY BANK, SUBSIDIARIES, AND BRANCHES

(millions of Canadian dollars)	*Average for the three months ended* January 31 2024	October 31 2023
The Toronto-Dominion Bank (Parent)	**$ 209,171**	$ 207,164
Bank subsidiaries	**285,938**	294,582
Foreign branches	**33,269**	38,341
Total	**$ 528,378**	$ 540,087

ASSET ENCUMBRANCE

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

TABLE 36: ENCUMBERED AND UNENCUMBERED ASSETS							
(millions of Canadian dollars)							*As at*
			Total Assets		**Encumbered[1]**		**Unencumbered**
	Bank-owned assets	**Securities received as collateral from securities financing and derivative transactions[2]**	**Total Assets**	**Pledged as Collateral[3]**	**Other[4]**	**Available as Collateral[5]**	**Other[6]**
							January 31, 2024
Cash and due from banks	**$ 6,333**	**$ –**	**$ 6,333**	**$ –**	**$ –**	**$ 7**	**$ 6,326**
Interest-bearing deposits with banks	**75,048**	**–**	**75,048**	**5,719**	**119**	**65,937**	**3,273**
Securities, trading loans, and other[7]	**549,276**	**435,951**	**985,227**	**397,303**	**16,846**	**546,941**	**24,137**
Derivatives	**60,574**	**–**	**60,574**	**–**	**–**	**–**	**60,574**
Securities purchased under reverse repurchase agreements[8]	**199,079**	**(199,079)**	**–**	**–**	**–**	**–**	**–**
Loans, net of allowance for loan losses[9]	**904,336**	**(13,549)**	**890,787**	**55,582**	**75,370**	**60,643**	**699,192**
Customers' liabilities under acceptances	**13,066**	**–**	**13,066**	**–**	**–**	**–**	**13,066**
Other assets[10]	**103,180**	**–**	**103,180**	**646**	**–**	**–**	**102,534**
Total assets	**$ 1,910,892**	**$ 223,323**	**$ 2,134,215**	**$ 459,250**	**$ 92,335**	**$ 673,528**	**$ 909,102**
							October 31, 2023
Total assets	$ 1,955,139	$ 215,318	$ 2,170,457	$ 460,641	$ 84,997	$ 678,289	$ 946,530

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

LIQUIDITY STRESS TESTING AND CONTINGENCY FUNDING PLANS

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

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

CREDIT RATINGS

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

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

TABLE 37: CREDIT RATINGS[1]

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

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

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

TABLE 38: ADDITIONAL COLLATERAL REQUIREMENTS FOR RATING DOWNGRADES[1]

(millions of Canadian dollars)	*Average for the three months ended*	
	January 31 2024	October 31 2023
One-notch downgrade	**$ 90**	$ 153
Two-notch downgrade	**150**	230
Three-notch downgrade	**800**	955

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

LIQUIDITY COVERAGE RATIO

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

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

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

TABLE 39: AVERAGE BASEL III LIQUIDITY COVERAGE RATIO[1]

(millions of Canadian dollars, except as noted)	*Average for the three months ended*	
		January 31, 2024
	Total unweighted value (average)[2]	**Total weighted value (average)[3]**
High-quality liquid assets		
Total high-quality liquid assets	**$ n/a[4]**	**$ 334,351**
Cash outflows		
Retail deposits and deposits from small business customers, of which:	**$ 482,805**	**$ 30,811**
Stable deposits[5]	**256,660**	**7,700**
Less stable deposits	**226,145**	**23,111**
Unsecured wholesale funding, of which:	**349,412**	**174,407**
Operational deposits (all counterparties) and deposits in networks of cooperative banks[6]	**128,573**	**30,354**
Non-operational deposits (all counterparties)	**192,654**	**115,868**
Unsecured debt	**28,185**	**28,185**
Secured wholesale funding	**n/a**	**38,464**
Additional requirements, of which:	**346,601**	**105,521**
Outflows related to derivative exposures and other collateral requirements	**60,479**	**43,247**
Outflows related to loss of funding on debt products	**11,461**	**11,461**
Credit and liquidity facilities	**274,661**	**50,813**
Other contractual funding obligations	**19,252**	**10,385**
Other contingent funding obligations[7]	**771,815**	**11,987**
Total cash outflows	**$ n/a**	**$ 371,575**
Cash inflows		
Secured lending	**$ 224,349**	**$ 35,812**
Inflows from fully performing exposures	**21,167**	**10,038**
Other cash inflows	**74,396**	**74,396**
Total cash inflows	**$ 319,912**	**$ 120,246**

	Average for the three months ended	
	January 31, 2024	October 31, 2023
	Total adjusted value	Total adjusted value
Total high-quality liquid assets[8]	**$ 334,351**	$ 325,142
Total net cash outflows[9]	**251,329**	250,314
Liquidity coverage ratio	**133 %**	130 %

[1] The LCR for the quarter ended January 31, 2024 is calculated as an average of the 62 daily data points in the quarter.
[2] Unweighted inflow and outflow values are outstanding balances maturing or callable within 30 days.
[3] Weighted values are calculated after the application of respective HQLA haircuts or inflow and outflow rates, as prescribed by the OSFI LAR guideline.
[4] Not applicable as per the LCR common disclosure template.
[5] As defined by the OSFI LAR guideline, stable deposits from retail and small- and medium-sized enterprise (SME) customers are deposits that are insured and are either held in transactional accounts or the depositors have an established relationship with the Bank that makes deposit withdrawal highly unlikely.
[6] Operational deposits from non-SME business customers are deposits kept with the Bank in order to facilitate their access and ability to conduct payment and settlement activities. These activities include clearing, custody, or cash management services.
[7] Includes uncommitted credit and liquidity facilities, stable value money market mutual funds, outstanding debt securities with remaining maturity greater than 30 days, and other contractual cash outflows. With respect to outstanding debt securities with remaining maturity greater than 30 days, TD has no contractual obligation to buy back these outstanding TD debt securities, and as a result, a 0% outflow rate is applied under the OSFI LAR guideline.
[8] Total HQLA includes both asset haircuts and applicable caps, as prescribed by the OSFI LAR guideline (HQLA assets after haircuts are capped at 40% for Level 2 and 15% for Level 2B).
[9] Total Net Cash Outflows include both inflow and outflow rates and applicable caps, as prescribed by the OSFI LAR guideline (inflows are capped at 75% of outflows).

The Bank's average LCR of 133% for the quarter ended January 31, 2024 continues to meet the regulatory requirements.

The Bank holds a variety of liquid assets commensurate with the liquidity needs of the organization. Many of these assets qualify as HQLA under the OSFI LAR guideline. The average HQLA of the Bank for the quarter ended January 31, 2024 was $334 billion (October 31, 2023 – $325 billion), with Level 1 assets representing 83% (October 31, 2023 – 82%). The Bank's reported HQLA excludes excess HQLA from the U.S. Retail operations, as required by the OSFI LAR guideline, to reflect liquidity transfer considerations between U.S. Retail and its affiliates as a result of the U.S. Federal Reserve Board's regulations. By excluding excess HQLA, the U.S. Retail LCR is effectively capped at 100% prior to total Bank consolidation.

As described in the "How TD Manages Liquidity Risk" section of the Bank's 2023 Annual Report, the Bank manages its HQLA and other liquidity buffers to the higher of TD's 90-day surplus requirement and the target buffers over regulatory requirements from the LCR, NSFR, and the Net Cumulative Cash Flow metrics. As a result, the total stock of HQLA is subject to ongoing rebalancing against the projected liquidity requirements.

NET STABLE FUNDING RATIO

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

TABLE 40: NET STABLE FUNDING RATIO

(millions of Canadian dollars, except as noted)					*As at*
					January 31, 2024
	Unweighted value by residential maturity				
	No maturity[1]	**Less than 6 months**	**6 months to less than 1 year**	**More than 1 year**	**Weighted value[2]**
Available Stable Funding Item					
Capital	$ 109,250	$ n/a	$ n/a	$ 9,113	$ 118,363
Regulatory capital	109,250	n/a	n/a	9,113	118,363
Other capital instruments	n/a	n/a	n/a	–	–
Retail deposits and deposits from small business customers:	434,080	65,298	39,640	30,458	529,638
Stable deposits[3]	250,832	24,753	15,242	15,120	291,406
Less stable deposits	183,248	40,545	24,398	15,338	238,232
Wholesale funding:	235,934	361,919	100,168	234,625	437,491
Operational deposits[4]	100,803	2,283	1	–	51,544
Other wholesale funding	135,131	359,636	100,167	234,625	385,947
Liabilities with matching interdependent assets[5]	–	2,119	1,634	21,620	–
Other liabilities:	54,220			95,202	2,381
NSFR derivative liabilities	n/a			(958)	n/a
All other liabilities and equity not included in the above categories	54,220	92,789	1,980	1,391	2,381
Total Available Stable Funding					$ 1,087,873
Required Stable Funding Item					
Total NSFR high-quality liquid assets	$ n/a	$ n/a	$ n/a	$ n/a	$ 62,180
Deposits held at other financial institutions for operational purposes	–	–	–	–	–
Performing loans and securities	108,989	225,917	118,247	673,137	758,227
Performing loans to financial institutions secured by Level 1 HQLA	–	71,624	9,075	–	10,865
Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	509	41,570	6,825	12,293	20,786
Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	37,171	67,047	46,137	284,009	333,861
With a risk weight of less than or equal to 35% under the Basel II standardized approach for credit risk	n/a	45,282	29,534	–	36,346
Performing residential mortgages, of which:	30,968	37,571	51,651	305,942	291,042
With a risk weight of less than or equal to 35% under the Basel II standardized approach for credit risk[6]	30,968	37,571	51,651	305,942	291,042
Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	40,341	8,105	4,559	70,893	101,673
Assets with matching interdependent liabilities[5]	–	1,715	2,438	21,540	–
Other assets:	69,568			135,698	104,767
Physical traded commodities, including gold	10,729	n/a	n/a	n/a	9,411
Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs				17,634	14,989
NSFR derivative assets	n/a			5,218	6,177
NSFR derivative liabilities before deduction of variation margin posted	n/a			18,871	944
All other assets not included in the above categories	58,839	86,349	1,664	5,962	73,246
Off-balance sheet items	n/a			770,848	27,722
Total Required Stable Funding					$ 952,896
Net Stable Funding Ratio					114 %

	As at
	October 31, 2023
Total Available Stable Funding	$ 1,123,816
Total Required Stable Funding	960,590
Net Stable Funding Ratio	117 %

[1] Items in the "no maturity" time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.
[2] Weighted values are calculated after the application of respective NSFR weights, as prescribed by the OSFI LAR guideline.
[3] As defined by the OSFI LAR guideline, stable deposits from retail and SME customers are deposits that are insured and are either held in transactional accounts or the depositors have an established relationship with the Bank that makes deposit withdrawals highly unlikely.
[4] Operational deposits from non-SME business customers are deposits kept with the Bank in order to facilitate their access and ability to conduct payment and settlement activities. These activities include clearing, custody, or cash management services.
[5] Interdependent asset and liability items are deemed by OSFI to be interdependent and have RSF and ASF risk factors adjusted to zero. Interdependent liabilities cannot fall due while the asset is still on balance sheet, cannot be used to fund any other assets and principal payments from the asset cannot be used for anything other than repaying the liability. As such, the only interdependent assets and liabilities that qualify for this treatment at the Bank are the liabilities arising from the Canada Mortgage Bonds Program and their corresponding encumbered assets.
[6] Includes Residential Mortgages and HELOCs.

The Bank's NSFR for the quarter ended January 31, 2024 is at 114% (October 31, 2023 – 117%) representing a surplus of $135 billion adhering to regulatory requirements. Decreases are attributable to changes in our funding composition and lower deposit balance in the U.S. Retail Segment.

FUNDING

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

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

TABLE 41: SUMMARY OF DEPOSIT FUNDING

(millions of Canadian dollars)				*As at*
		January 31 2024		October 31 2023
P&C deposits – Canadian	**$**	**533,989**	$	529,078
P&C deposits – U.S.[1]		**424,893**		446,355
Total	**$**	**958,882**	$	975,433

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

WHOLESALE FUNDING

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

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

Canada	**United States**	**Europe**
Capital Securities Program ($20 billion) Canadian Senior Medium-Term Linked Notes Program ($5 billion) HELOC ABS Program (Genesis Trust II) ($7 billion)	U.S. SEC (F-3) Registered Capital and Debt Program (US$75 billion)	United Kingdom Listing Authority (UKLA) Registered Legislative Covered Bond Program ($80 billion) UKLA Registered Global Medium-Term Note Program (US$40 billion)

The following table presents a breakdown of the Bank's term debt by currency and funding type. Term funding as at January 31, 2024, was $175.8 billion (October 31, 2023 – $173.3 billion).

Note that Table 42: Long-Term Funding and Table 43: Wholesale Funding do not include any funding accessed via repurchase transactions or securities financing.

TABLE 42: LONG-TERM FUNDING[1]

		As at
Long-term funding by currency	**January 31 2024**	October 31 2023
Canadian dollar	**27 %**	27 %
U.S. dollar	**34**	35
Euro	**26**	27
British pound	**7**	5
Other	**6**	6
Total	**100 %**	100 %
Long-term funding by type		
Senior unsecured medium-term notes	**59 %**	61 %
Covered bonds	**33**	31
Mortgage securitization[2]	**7**	7
Term asset-backed securities	**1**	1
Total	**100 %**	100 %

[1] The table includes funding issued to external investors only.
[2] Mortgage securitization excludes the residential mortgage trading business.

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

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

TABLE 43: WHOLESALE FUNDING[1]

(millions of Canadian dollars)									*As at*
								January 31 2024	October 31 2023
	Less than 1 month	**1 to 3 months**	**3 to 6 months**	**6 months to 1 year**	**Up to 1 year**	**Over 1 to 2 years**	**Over 2 years**	**Total**	Total
Deposits from banks[2]	**$ 19,867**	**$ 4,794**	**$ 3,640**	**$ 4,470**	**$ 32,771**	**$ –**	**$ –**	**$ 32,771**	$ 42,481
Bearer deposit notes	**199**	**328**	**767**	**498**	**1,792**	**–**	**–**	**1,792**	1,804
Certificates of deposit	**9,320**	**21,638**	**32,642**	**38,122**	**101,722**	**95**	**–**	**101,817**	113,476
Commercial paper	**4,564**	**14,716**	**10,093**	**17,413**	**46,786**	**–**	**–**	**46,786**	40,515
Covered bonds	**3,000**	**3,268**	**3,456**	**852**	**10,576**	**11,703**	**38,828**	**61,107**	56,973
Mortgage securitization[3]	**–**	**695**	**2,287**	**2,660**	**5,642**	**4,120**	**19,140**	**28,902**	27,131
Legacy senior unsecured medium-term notes[4]	**–**	**1,021**	**1,883**	**–**	**2,904**	**208**	**23**	**3,135**	3,162
Senior unsecured medium-term notes[5]	**–**	**10,393**	**3,115**	**13,049**	**26,557**	**17,864**	**52,794**	**97,215**	97,525
Subordinated notes and debentures[6]	**–**	**–**	**–**	**–**	**–**	**197**	**9,357**	**9,554**	9,620
Term asset-backed securitization	**400**	**–**	**309**	**1,008**	**1,717**	**–**	**404**	**2,121**	2,204
Other[7]	**32,987**	**2,890**	**2,703**	**2,409**	**40,989**	**613**	**700**	**42,302**	44,348
Total	**$ 70,337**	**$ 59,743**	**$ 60,895**	**$ 80,481**	**$ 271,456**	**$ 34,800**	**$ 121,246**	**$ 427,502**	$ 439,239
Of which:									
Secured	**$ 12,112**	**$ 3,963**	**$ 6,052**	**$ 4,520**	**$ 26,647**	**$ 15,824**	**$ 58,376**	**$ 100,847**	$ 95,328
Unsecured	**58,225**	**55,780**	**54,843**	**75,961**	**244,809**	**18,976**	**62,870**	**326,655**	343,911
Total	**$ 70,337**	**$ 59,743**	**$ 60,895**	**$ 80,481**	**$ 271,456**	**$ 34,800**	**$ 121,246**	**$ 427,502**	$ 439,239

[1] Excludes bankers' acceptances, which are disclosed in the Remaining Contractual Maturity table within the "Managing Risk" section of this document.
[2] Includes fixed-term deposits with banks.
[3] Includes mortgage-backed securities (MBS) issued to external investors and Wholesale Banking residential mortgage trading business.
[4] Includes a) senior debt issued prior to September 23, 2018; and b) senior debt issued on or after September 23, 2018 which is excluded from the bank recapitalization "bail-in" regime, including debt with an original term-to-maturity of less than 400 days.
[5] Comprised of senior debt subject to conversion under the bank recapitalization "bail-in" regime. Excludes $6.0 billion of structured notes subject to conversion under the "bail-in" regime (October 31, 2023 – $5.7 billion).
[6] Subordinated notes and debentures are not considered wholesale funding as they may be raised primarily for capital management purposes.
[7] Includes fixed-term deposits from non-bank institutions (unsecured) of $18.9 billion (October 31, 2023 – $22.1 billion) and the remaining are non-term deposits.

Excluding the Wholesale Banking residential mortgage trading business, the Bank's total MBS issued to external investors for the three months ended January 31, 2024 was $0.2 billion (three months ended January 31, 2023 – $0.4 billion) and other asset-backed securities issued for the three months ended January 31, 2024 was nil (three months ended January 31, 2023 – $0.3 billion). Total unsecured medium-term notes and covered bonds issuances for the three months ended January 31, 2024, were $0.7 billion and $4.5 billion, respectively (three months ended January 31, 2023 – $12.9 billion and nil, respectively).

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

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

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

TABLE 44: REMAINING CONTRACTUAL MATURITY

(millions of Canadian dollars) *As at* January 31, 2024

	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 months to 1 year	Over 1 to 2 years	Over 2 to 5 years	Over 5 years	No specific maturity	Total
Assets										
Cash and due from banks	$ 6,333	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ 6,333
Interest-bearing deposits with banks	33,748	316	119	–	–	–	–	–	40,865	75,048
Trading loans, securities, and other[1]	2,910	7,218	4,548	4,222	3,187	13,285	28,740	25,274	72,136	161,520
Non-trading financial assets at fair value through profit or loss	163	739	751	234	174	1,643	657	1,108	1,516	6,985
Derivatives	6,013	5,576	3,705	2,799	3,656	8,976	17,397	12,452	–	60,574
Financial assets designated at fair value through profit or loss	221	299	773	361	265	1,028	1,722	1,301	–	5,970
Financial assets at fair value through other comprehensive income	655	3,713	6,029	1,992	2,434	7,850	17,632	30,947	3,478	74,730
Debt securities at amortized cost, net of allowance for credit losses	1,258	2,960	15,625	3,403	5,057	22,520	112,305	136,945	(2)	300,071
Securities purchased under reverse repurchase agreements[2]	123,061	29,362	22,863	9,820	4,436	1,211	889	–	7,437	199,079
Loans										
Residential mortgages	2,671	5,332	8,697	13,800	13,475	56,840	165,184	55,671	–	321,670
Consumer instalment and other personal	929	1,682	2,461	3,767	5,878	27,156	84,409	34,448	56,667	217,397
Credit card	–	–	–	–	–	–	–	–	38,635	38,635
Business and government	40,069	10,410	14,852	16,295	16,667	41,553	98,116	69,291	26,646	333,899
Total loans	43,669	17,424	26,010	33,862	36,020	125,549	347,709	159,410	121,948	911,601
Allowance for loan losses	–	–	–	–	–	–	–	–	(7,265)	(7,265)
Loans, net of allowance for loan losses	43,669	17,424	26,010	33,862	36,020	125,549	347,709	159,410	114,683	904,336
Customers' liability under acceptances	10,459	2,573	34	–	–	–	–	–	–	13,066
Investment in Schwab	–	–	–	–	–	–	–	–	9,548	9,548
Goodwill[3]	–	–	–	–	–	–	–	–	18,098	18,098
Other intangibles[3]	–	–	–	–	–	–	–	–	2,799	2,799
Land, buildings, equipment, and other depreciable assets, and right-of-use assets[3]	–	9	12	12	24	77	668	3,160	5,562	9,524
Deferred tax assets	–	–	–	–	–	–	–	–	3,928	3,928
Amounts receivable from brokers, dealers, and clients	34,400	–	–	–	–	–	–	–	370	34,770
Other assets	5,219	4,918	666	286	263	119	124	90	12,828	24,513
Total assets	**$ 268,109**	**$ 75,107**	**$ 81,135**	**$ 56,991**	**$ 55,516**	**$ 182,258**	**$ 527,843**	**$ 370,687**	**$ 293,246**	**$ 1,910,892**
Liabilities										
Trading deposits	$ 1,329	$ 3,306	$ 5,070	$ 4,002	$ 2,736	$ 5,049	$ 7,671	$ 1,471	$ –	$ 30,634
Derivatives	6,180	5,865	3,622	2,238	3,103	6,728	12,365	13,972	–	54,073
Securitization liabilities at fair value	–	339	1,219	391	825	1,980	7,657	4,132	–	16,543
Financial liabilities designated at fair value through profit or loss	33,203	42,139	45,960	41,435	17,155	95	–	–	125	180,112
Deposits[4,5]										
Personal	10,760	15,741	22,117	19,561	21,717	18,475	21,271	683	492,515	622,840
Banks	14,101	115	–	–	–	1	3	1	11,722	25,943
Business and government	23,096	30,596	16,590	9,674	11,983	31,645	75,438	16,962	316,487	532,471
Total deposits	47,957	46,452	38,707	29,235	33,700	50,121	96,712	17,646	820,724	1,181,254
Acceptances	10,459	2,573	34	–	–	–	–	–	–	13,066
Obligations related to securities sold short[1]	1,007	2,136	2,016	1,421	383	7,227	14,670	12,571	1,444	42,875
Obligations related to securities sold under repurchase agreements[2]	156,296	10,241	3,278	1,190	587	473	92	–	1,972	174,129
Securitization liabilities at amortized cost	–	357	1,067	692	751	2,140	4,866	2,485	–	12,358
Amounts payable to brokers, dealers, and clients	33,314	–	–	–	–	–	–	–	698	34,012
Insurance contract liabilities	216	362	283	223	188	660	979	425	2,585	5,921
Other liabilities	11,379	8,339	7,565	1,949	1,987	915	1,320	4,282	6,190	43,926
Subordinated notes and debentures	–	–	–	–	–	197	–	9,357	–	9,554
Equity	–	–	–	–	–	–	–	–	112,435	112,435
Total liabilities and equity	**$ 301,340**	**$ 122,109**	**$ 108,821**	**$ 82,776**	**$ 61,415**	**$ 75,585**	**$ 146,332**	**$ 66,341**	**$ 946,173**	**$ 1,910,892**
Off-balance sheet commitments										
Credit and liquidity commitments[6,7]	$ 17,680	$ 27,179	$ 29,707	$ 21,266	$ 23,986	$ 44,606	$ 160,936	$ 4,958	$ 1,845	$ 332,163
Other commitments[8]	123	152	254	220	302	960	1,564	493	64	4,132
Unconsolidated structured entity commitments	17	–	123	62	870	501	–	–	–	1,573
Total off-balance sheet commitments	**$ 17,820**	**$ 27,331**	**$ 30,084**	**$ 21,548**	**$ 25,158**	**$ 46,067**	**$ 162,500**	**$ 5,451**	**$ 1,909**	**$ 337,868**

[1] Amount has been recorded according to the remaining contractual maturity of the underlying security.
[2] Certain contracts considered short-term are presented in 'less than 1 month' category.
[3] Certain non-financial assets have been recorded as having 'no specific maturity'.
[4] As the timing of demand deposits and notice deposits is non-specific and callable by the depositor, obligations have been included as having 'no specific maturity'.
[5] Includes $61 billion of covered bonds with remaining contractual maturities of $3 billion in 'less than 1 month', $3 billion in 'over 1 to 3 months', $4 billion in 'over 3 to 6 months', $1 billion in 'over 6 to 9 months', $12 billion in 'over 1 to 2 years', $34 billion in 'over 2 to 5 years', and $4 billion in 'over 5 years'.
[6] Includes $530 million in commitments to extend credit to private equity investments.
[7] Commitments to extend credit exclude personal lines of credit and credit card lines, which are unconditionally cancellable at the Bank's discretion at any time.
[8] Includes various purchase commitments as well as commitments for leases not yet commenced, and lease-related payments.

TABLE 44: REMAINING CONTRACTUAL MATURITY (continued)

(millions of Canadian dollars) *As at*

October 31, 2023

	Less than 1 month	1 to 3 months	3 to 6 months	6 to 9 months	9 months to 1 year	Over 1 to 2 years	Over 2 to 5 years	Over 5 years	No specific maturity	Total
Assets										
Cash and due from banks	$ 6,721	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ 6,721
Interest-bearing deposits with banks	51,021	559	–	–	–	–	–	–	46,768	98,348
Trading loans, securities, and other[1]	4,328	6,329	5,170	3,008	4,569	13,226	27,298	25,677	62,485	152,090
Non-trading financial assets at fair value through profit or loss	–	–	354	1,538	199	1,664	828	1,351	1,406	7,340
Derivatives	10,145	10,437	5,246	4,244	3,255	11,724	25,910	16,421	–	87,382
Financial assets designated at fair value through profit or loss	374	496	375	695	324	838	1,470	1,246	–	5,818
Financial assets at fair value through other comprehensive income	745	2,190	1,200	5,085	2,223	9,117	15,946	29,845	3,514	69,865
Debt securities at amortized cost, net of allowance for credit losses	1,221	4,020	4,073	16,218	3,480	22,339	116,165	140,502	(2)	308,016
Securities purchased under reverse repurchase agreements[2]	124,253	33,110	29,068	7,381	7,298	955	506	–	1,762	204,333
Loans										
Residential mortgages	1,603	2,616	5,860	10,575	14,181	57,254	168,475	59,733	44	320,341
Consumer instalment and other personal	894	1,580	2,334	3,830	5,974	27,166	85,487	34,183	56,106	217,554
Credit card	–	–	–	–	–	–	–	–	38,660	38,660
Business and government	37,656	10,058	13,850	14,886	16,964	42,460	96,952	67,190	26,512	326,528
Total loans	40,153	14,254	22,044	29,291	37,119	126,880	350,914	161,106	121,322	903,083
Allowance for loan losses	–	–	–	–	–	–	–	–	(7,136)	(7,136)
Loans, net of allowance for loan losses	40,153	14,254	22,044	29,291	37,119	126,880	350,914	161,106	114,186	895,947
Customers' liability under acceptances	14,804	2,760	5	–	–	–	–	–	–	17,569
Investment in Schwab	–	–	–	–	–	–	–	–	8,907	8,907
Goodwill[3]	–	–	–	–	–	–	–	–	18,602	18,602
Other intangibles[3]	–	–	–	–	–	–	–	–	2,771	2,771
Land, buildings, equipment, other depreciable assets, and right-of-use assets[3]	–	8	6	8	14	79	573	3,153	5,593	9,434
Deferred tax assets[4]	–	–	–	–	–	–	–	–	3,951	3,951
Amounts receivable from brokers, dealers, and clients	30,181	–	–	–	–	–	–	–	235	30,416
Other assets[4]	5,267	1,869	5,619	208	194	137	129	82	14,124	27,629
Total assets[4]	$ 289,213	$ 76,032	$ 73,160	$ 67,676	$ 58,675	$ 186,959	$ 539,739	$ 379,383	$ 284,302	$ 1,955,139
Liabilities										
Trading deposits	$ 1,272	$ 1,684	$ 5,278	$ 4,029	$ 4,153	$ 6,510	$ 6,712	$ 1,342	$ –	$ 30,980
Derivatives	9,068	9,236	4,560	3,875	2,559	8,345	16,589	17,408	–	71,640
Securitization liabilities at fair value	2	498	345	1,215	391	1,651	6,945	3,375	–	14,422
Financial liabilities designated at fair value through profit or loss	48,197	30,477	37,961	42,792	32,473	112	–	–	118	192,130
Deposits[5,6]										
Personal	6,044	19,095	22,387	14,164	19,525	17,268	20,328	51	507,734	626,596
Banks	19,608	68	29	–	–	–	4	1	11,515	31,225
Business and government	25,663	16,407	24,487	11,819	9,658	33,723	74,300	19,652	324,660	540,369
Total deposits	51,315	35,570	46,903	25,983	29,183	50,991	94,632	19,704	843,909	1,198,190
Acceptances	14,804	2,760	5	–	–	–	–	–	–	17,569
Obligations related to securities sold short[1]	135	1,566	1,336	1,603	1,309	5,471	19,991	11,971	1,279	44,661
Obligations related to securities sold under repurchase agreements[2]	146,559	10,059	6,607	457	1,142	150	46	–	1,834	166,854
Securitization liabilities at amortized cost	–	526	355	1,073	703	2,180	4,956	2,917	–	12,710
Amounts payable to brokers, dealers, and clients	30,248	–	–	–	–	–	–	–	624	30,872
Insurance contract liabilities[4]	243	305	327	258	253	694	1,131	501	2,134	5,846
Other liabilities[4]	11,923	9,808	7,986	1,276	1,198	918	1,979	4,226	8,260	47,574
Subordinated notes and debentures	–	–	–	–	–	196	–	9,424	–	9,620
Equity[4]	–	–	–	–	–	–	–	–	112,071	112,071
Total liabilities and equity[4]	$ 313,766	$ 102,489	$ 111,663	$ 82,561	$ 73,364	$ 77,218	$ 152,981	$ 70,868	$ 970,229	$ 1,955,139
Off-balance sheet commitments										
Credit and liquidity commitments[7,8]	$ 22,242	$ 24,178	$ 26,399	$ 21,450	$ 22,088	$ 47,826	$ 166,891	$ 5,265	$ 1,487	$ 337,826
Other commitments[9]	109	279	214	197	204	889	1,364	424	73	3,753
Unconsolidated structured entity commitments	–	836	3	239	95	729	–	–	–	1,902
Total off-balance sheet commitments	$ 22,351	$ 25,293	$ 26,616	$ 21,886	$ 22,387	$ 49,444	$ 168,255	$ 5,689	$ 1,560	$ 343,481

[1] Amount has been recorded according to the remaining contractual maturity of the underlying security.
[2] Certain contracts considered short-term are presented in 'less than 1 month' category.
[3] Certain non-financial assets have been recorded as having 'no specific maturity'.
[4] Balances as at October 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 of the Bank's first quarter 2024 Interim Consolidated Financial Statements for further details.
[5] As the timing of demand deposits and notice deposits is non-specific and callable by the depositor, obligations have been included as having 'no specific maturity'.
[6] Includes $57 billion of covered bonds with remaining contractual maturities of $6 billion in 'over 3 months to 6 months', $3 billion in 'over 6 months to 9 months', $1 billion in 'over 9 months to 1 year', $12 billion in 'over 1 to 2 years', $31 billion in 'over 2 to 5 years', and $4 billion in 'over 5 years'.
[7] Includes $573 million in commitments to extend credit to private equity investments.
[8] Commitments to extend credit exclude personal lines of credit and credit card lines, which are unconditionally cancellable at the Bank's discretion at any time.
[9] Includes various purchase commitments as well as commitments for leases not yet commenced, and lease-related payments.

REGULATORY AND STANDARD SETTER DEVELOPMENTS CONCERNING ENVIRONMENTAL AND SOCIAL (E&S) RISK (INCLUDING CLIMATE)
On March 7, 2023, OSFI issued Final Guideline B-15: Climate Risk Management (Guideline B-15), which sets out OSFI's expectations related to the management and disclosure of climate-related risks and opportunities. Guideline B-15 is iterative and is currently organized into interrelated and mutually reinforcing chapters, Chapter 1 – Governance and Risk Management Expectations and Chapter 2 – Climate-Related Financial Disclosures. Components of Guideline B-15 are initially effective for D-SIBs for fiscal year-end 2024, where annual disclosures are required to be made publicly available no later than 180 days after fiscal year-end. The Bank is currently assessing the impact of adopting Guideline B-15.

ISSB – IFRS S1 and IFRS S2
On June 26, 2023, the International Sustainability Standards Board (ISSB) under the IFRS Foundation, issued its first two sustainability standards, IFRS S1, *General Requirements for Disclosures of Sustainability-related Financial Information* (S1) and IFRS S2, *Climate-related Disclosures* (S2). S1 sets out the disclosure requirements for financially material information about sustainability-related risks and opportunities to meet investor information needs, and S2 specifically sets the disclosure requirement for climate-related risks and opportunities. The ISSB recommends an effective date for annual reporting periods beginning on or after January 1, 2024, this is subject to Canadian jurisdiction's endorsement. Early application is permitted on or before the date of initial application of IFRS S1 and S2. The International Organization of Securities Commissions has endorsed IFRS S1 and S2 on July 23, 2023, and is now calling its member jurisdictions to consider ways they may adopt or apply the ISSB standards. The Bank is currently assessing the impact of adopting these standards.

SECURITIZATION AND OFF-BALANCE SHEET ARRANGEMENTS

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

Securitization of Third Party-Originated Assets
Significant Unconsolidated Special Purpose Entities
The Bank securitizes third party-originated assets through Bank-sponsored SEs, including its Canadian multi-seller conduits which are not consolidated. These Canadian multi-seller conduits securitize Canadian originated third-party assets. The Bank administers these multi-seller conduits and provides liquidity facilities as well as securities distribution services; it may also provide credit enhancements. TD's total potential exposure to loss through the provision of liquidity facilities for multi-seller conduits was $15.7 billion as at January 31, 2024 (October 31, 2023 – $15.2 billion). As at January 31, 2024, the Bank had funded exposure of $14.1 billion under such liquidity facilities relating to outstanding issuances of asset-backed commercial paper (October 31, 2023 – $13.3 billion).

ACCOUNTING POLICIES AND ESTIMATES

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

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

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

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

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

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

Reinsurance contracts held are recognized and measured using the same principles as insurance contracts issued. Reinsurance contract assets are presented in Other assets in the Interim Consolidated Balance Sheet and the net results from reinsurance contracts held are presented in Other income (loss) in the Interim Consolidated Statement of Income. Refer to Note 13 of the Bank's first quarter 2024 Interim Consolidated Financial Statements for further details on the results of insurance and reinsurance contracts.

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

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

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

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

ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

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

Impairment – Expected Credit Loss Model

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

Insurance Contracts

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

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

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

Further information on insurance risk assumptions is provided in Note 13 of the Bank's first quarter 2024 Interim Consolidated Financial Statements.

FUTURE CHANGES IN ACCOUNTING POLICIES

There were no new or amended material accounting policies that have been issued, but are not yet effective on the date of issuance of the Bank's Interim Consolidated Financial Statements.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

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

GLOSSARY

Financial and Banking Terms

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

INTERIM CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

INTERIM CONSOLIDATED BALANCE SHEET (unaudited)

(As at and in millions of Canadian dollars)	**January 31, 2024**	October 31, 2023
ASSETS		
Cash and due from banks	**$ 6,333**	$ 6,721
Interest-bearing deposits with banks	**75,048**	98,348
	81,381	105,069
Trading loans, securities, and other **(Note 4)**	**161,520**	152,090
Non-trading financial assets at fair value through profit or loss **(Note 4)**	**6,985**	7,340
Derivatives **(Note 4)**	**60,574**	87,382
Financial assets designated at fair value through profit or loss **(Note 4)**	**5,970**	5,818
Financial assets at fair value through other comprehensive income **(Note 4)**	**74,730**	69,865
	309,779	322,495
Debt securities at amortized cost, net of allowance for credit losses (Notes 4, 5)	**300,071**	308,016
Securities purchased under reverse repurchase agreements	**199,079**	204,333
Loans (Notes 4, 6)		
Residential mortgages	**321,670**	320,341
Consumer instalment and other personal	**217,397**	217,554
Credit card	**38,635**	38,660
Business and government	**333,899**	326,528
	911,601	903,083
Allowance for loan losses **(Note 6)**	**(7,265)**	(7,136)
Loans, net of allowance for loan losses	**904,336**	895,947
Other		
Customers' liability under acceptances **(Note 6)**	**13,066**	17,569
Investment in Schwab **(Note 7)**	**9,548**	8,907
Goodwill	**18,098**	18,602
Other intangibles	**2,799**	2,771
Land, buildings, equipment, other depreciable assets and right-of-use assets	**9,524**	9,434
Deferred tax assets[1]	**3,928**	3,951
Amounts receivable from brokers, dealers, and clients	**34,770**	30,416
Other assets[1] **(Note 9)**	**24,513**	27,629
	116,246	119,279
Total assets[1]	**$ 1,910,892**	$ 1,955,139
LIABILITIES		
Trading deposits **(Notes 4, 10)**	**$ 30,634**	$ 30,980
Derivatives **(Note 4)**	**54,073**	71,640
Securitization liabilities at fair value **(Note 4)**	**16,543**	14,422
Financial liabilities designated at fair value through profit or loss **(Notes 4, 10)**	**180,112**	192,130
	281,362	309,172
Deposits (Notes 4, 10)		
Personal	**622,840**	626,596
Banks	**25,943**	31,225
Business and government	**532,471**	540,369
	1,181,254	1,198,190
Other		
Acceptances **(Note 6)**	**13,066**	17,569
Obligations related to securities sold short **(Note 4)**	**42,875**	44,661
Obligations related to securities sold under repurchase agreements	**174,129**	166,854
Securitization liabilities at amortized cost **(Note 4)**	**12,358**	12,710
Amounts payable to brokers, dealers, and clients	**34,012**	30,872
Insurance contract liabilities[1] **(Note 13)**	**5,921**	5,846
Other liabilities[1] **(Note 11)**	**43,926**	47,574
	326,287	326,086
Subordinated notes and debentures (Note 4)	**9,554**	9,620
Total liabilities[1]	**1,798,457**	1,843,068
EQUITY		
Shareholders' Equity		
Common shares **(Note 12)**	**25,318**	25,434
Preferred shares and other equity instruments **(Note 12)**	**10,853**	10,853
Treasury – common shares **(Note 12)**	**(58)**	(64)
Treasury – preferred shares and other equity instruments **(Note 12)**	**(27)**	(65)
Contributed surplus	**172**	155
Retained earnings[1]	**72,347**	73,008
Accumulated other comprehensive income (loss)	**3,830**	2,750
Total equity[1]	**112,435**	112,071
Total liabilities and equity[1]	**$ 1,910,892**	$ 1,955,139

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

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

INTERIM CONSOLIDATED STATEMENT OF INCOME (unaudited)

(millions of Canadian dollars, except as noted)	*For the three months ended*	
	January 31 2024	January 31 2023
Interest income[1] (Note 20)		
Loans	**$ 12,995**	$ 9,998
Reverse repurchase agreements	**2,938**	1,781
Securities		
Interest	**5,276**	4,339
Dividends	**548**	512
Deposits with banks	**1,056**	1,426
	22,813	18,056
Interest expense (Note 20)		
Deposits	**11,484**	7,795
Securitization liabilities	**257**	222
Subordinated notes and debentures	**94**	111
Repurchase agreements and short sales	**3,205**	2,008
Other	**285**	187
	15,325	10,323
Net interest income	**7,488**	7,733
Non-interest income		
Investment and securities services	**1,745**	1,405
Credit fees	**569**	428
Trading income (loss)	**925**	678
Service charges[2]	**654**	628
Card services	**762**	769
Insurance revenue[2]	**1,676**	1,542
Other income (loss)[2]	**(105)**	(982)
	6,226	4,468
Total revenue[2]	**13,714**	12,201
Provision for (recovery of) credit losses (Note 6)	**1,001**	690
Insurance service expenses[2]	**1,366**	1,164
Non-interest expenses		
Salaries and employee benefits	**4,314**	3,758
Occupancy, including depreciation	**468**	433
Technology and equipment, including depreciation	**638**	522
Amortization of other intangibles	**185**	142
Communication and marketing	**325**	313
Restructuring charges **(Note 18)**	**291**	–
Brokerage-related and sub-advisory fees	**130**	92
Professional, advisory and outside services	**565**	568
Other[2]	**1,114**	2,284
	8,030	8,112
Income before income taxes and share of net income from investment in Schwab[2]	**3,317**	2,235
Provision for (recovery of) income taxes[2]	**634**	939
Share of net income from investment in Schwab (Note 7)	**141**	285
Net income[2]	**2,824**	1,581
Preferred dividends and distributions on other equity instruments	**74**	83
Net income available to common shareholders[2]	**$ 2,750**	$ 1,498
Earnings per share (Canadian dollars) **(Note 17)**		
Basic[2]	**$ 1.55**	$ 0.82
Diluted[2]	**1.55**	0.82
Dividends per common share (Canadian dollars)	**1.02**	0.96

1 Includes $20,499 million and $16,248 million, for the three months ended January 31, 2024 and January 31, 2023, respectively, which have been calculated based on the effective interest rate method (EIRM).

2 Amounts for the three months ended January 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.

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

INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

(millions of Canadian dollars)	For the three months ended	
	January 31 2024	January 31 2023
Net income[1]	**$ 2,824**	$ 1,581
Other comprehensive income (loss)		
Items that will be subsequently reclassified to net income		
Net change in unrealized gain/(loss) on financial assets at fair value through other comprehensive income		
Change in unrealized gain/(loss)	**339**	244
Reclassification to earnings of net loss/(gain)	**(6)**	1
Changes in allowance for credit losses recognized in earnings	**(1)**	(1)
Income taxes relating to:		
Change in unrealized gain/(loss)	**(85)**	(73)
Reclassification to earnings of net loss/(gain)	**3**	–
	250	171
Net change in unrealized foreign currency translation gain/(loss) on investments in foreign operations, net of hedging activities		
Unrealized gain/(loss)	**(3,883)**	(2,365)
Reclassification to earnings of net loss/(gain)	**–**	(2)
Net gain/(loss) on hedges	**2,432**	842
Reclassification to earnings of net loss/(gain) on hedges	**–**	2
Income taxes relating to:		
Net gain/(loss) on hedges	**(676)**	(517)
Reclassification to earnings of net loss/(gain) on hedges	**–**	–
	(2,127)	(2,040)
Net change in gain/(loss) on derivatives designated as cash flow hedges		
Change in gain/(loss)	**275**	2,039
Reclassification to earnings of loss/(gain)	**2,440**	6
Income taxes relating to:		
Change in gain/(loss)	**(89)**	(353)
Reclassification to earnings of loss/(gain)	**(658)**	33
	1,968	1,725
Share of other comprehensive income (loss) from investment in Schwab	**882**	247
Items that will not be subsequently reclassified to net income		
Remeasurement gain/(loss) on employee benefit plans		
Gain/(loss)	**(227)**	96
Income taxes	**63**	(44)
	(164)	52
Change in net unrealized gain/(loss) on equity securities designated at fair value through other comprehensive income		
Change in net unrealized gain/(loss)	**200**	13
Income taxes	**(54)**	(4)
	146	9
Gain/(loss) from changes in fair value due to own credit risk on financial liabilities designated at fair value through profit or loss		
Gain/(loss)	**(54)**	(243)
Income taxes	**15**	66
	(39)	(177)
Total other comprehensive income (loss)	**916**	(13)
Total comprehensive income (loss)[1]	**$ 3,740**	$ 1,568
Attributable to:		
Common shareholders[1]	**$ 3,666**	$ 1,485
Preferred shareholders and other equity instrument holders[1]	**74**	83

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

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

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

(millions of Canadian dollars)	For the three months ended	
	January 31, 2024	January 31, 2023
Common shares (Note 12)		
Balance at beginning of period	**$ 25,434**	$ 24,363
Proceeds from shares issued on exercise of stock options	**42**	26
Shares issued as a result of dividend reinvestment plan	**137**	705
Purchase of shares for cancellation and other	**(295)**	–
Balance at end of period	**25,318**	25,094
Preferred shares and other equity instruments (Note 12)		
Balance at beginning and end of period	**10,853**	11,253
Treasury – common shares (Note 12)		
Balance at beginning of period	**(64)**	(91)
Purchase of shares	**(3,096)**	(1,816)
Sale of shares	**3,102**	1,804
Balance at end of period	**(58)**	(103)
Treasury – preferred shares and other equity instruments (Note 12)		
Balance at beginning of period	**(65)**	(7)
Purchase of shares and other equity instruments	**(98)**	(141)
Sale of shares and other equity instruments	**136**	139
Balance at end of period	**(27)**	(9)
Contributed surplus		
Balance at beginning of period	**155**	179
Net premium (discount) on sale of treasury instruments	**13**	3
Issuance of stock options, net of options exercised	**5**	10
Other	**(1)**	(7)
Balance at end of period	**172**	185
Retained earnings		
Balance at beginning of period[1]	**73,008**	73,698
Impact on adoption of IFRS 17[2]	**–**	112
Impact of reclassification of securities supporting insurance operations related to the adoption of IFRS 17[2]	**(10)**	–
Net income attributable to equity instrument holders[1]	**2,824**	1,581
Common dividends	**(1,807)**	(1,746)
Preferred dividends and distributions on other equity instruments	**(74)**	(83)
Net premium on repurchase of common shares and redemption of preferred shares and other equity instruments **(Note 12)**	**(1,428)**	–
Remeasurement gain/(loss) on employee benefit plans	**(164)**	52
Realized gain/(loss) on equity securities designated at fair value through other comprehensive income	**(2)**	(2)
Balance at end of period[1]	**72,347**	73,612
Accumulated other comprehensive income (loss)		
Net unrealized gain/(loss) on financial assets at fair value through other comprehensive income:		
Balance at beginning of period	**(413)**	(476)
Impact of reclassification of securities supporting insurance operations related to the adoption of IFRS 17[2]	**10**	–
Other comprehensive income (loss)	**241**	172
Allowance for credit losses	**(1)**	(1)
Balance at end of period	**(163)**	(305)
Net unrealized gain/(loss) on equity securities designated at fair value through other comprehensive income:		
Balance at beginning of period	**(127)**	23
Other comprehensive income (loss)	**144**	7
Reclassification of loss/(gain) to retained earnings	**2**	2
Balance at end of period	**19**	32
Gain/(loss) from changes in fair value due to own credit risk on financial liabilities designated at fair value through profit or loss:		
Balance at beginning of period	**(38)**	78
Other comprehensive income (loss)	**(39)**	(177)
Balance at end of period	**(77)**	(99)
Net unrealized foreign currency translation gain/(loss) on investments in foreign operations, net of hedging activities:		
Balance at beginning of period	**12,677**	12,048
Other comprehensive income (loss)	**(2,127)**	(2,040)
Balance at end of period	**10,550**	10,008
Net gain/(loss) on derivatives designated as cash flow hedges:		
Balance at beginning of period	**(5,472)**	(5,717)
Other comprehensive income (loss)	**1,968**	1,725
Balance at end of period	**(3,504)**	(3,992)
Share of accumulated other comprehensive income (loss) from investment in Schwab	**(2,995)**	(3,721)
Total accumulated other comprehensive income	**3,830**	1,923
Total equity[1]	**$ 112,435**	$ 111,955

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

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

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (unaudited)

(millions of Canadian dollars)	For the three months ended	
	January 31 2024	January 31 2023
Cash flows from (used in) operating activities		
Net income[1]	**$ 2,824**	$ 1,581
Adjustments to determine net cash flows from (used in) operating activities		
Provision for (recovery of) credit losses **(Note 6)**	**1,001**	690
Depreciation	**314**	289
Amortization of other intangibles	**185**	142
Net securities loss/(gain) **(Note 5)**	**(6)**	1
Share of net income from investment in Schwab **(Note 7)**	**(141)**	(285)
Deferred taxes[1]	**(67)**	(58)
Changes in operating assets and liabilities		
Interest receivable and payable **(Notes 9, 11)**	**164**	28
Securities sold under repurchase agreements	**7,275**	12,509
Securities purchased under reverse repurchase agreements	**5,254**	(10,198)
Securities sold short	**(1,786)**	1,206
Trading loans, securities, and other	**(9,430)**	(10,351)
Loans net of securitization and sales	**(9,413)**	(6,263)
Deposits	**(17,282)**	(8,255)
Derivatives	**9,241**	5,564
Non-trading financial assets at fair value through profit or loss	**355**	839
Financial assets and liabilities designated at fair value through profit or loss	**(12,170)**	22,887
Securitization liabilities	**1,769**	(931)
Current taxes	**1,568**	1,662
Brokers, dealers, and clients amounts receivable and payable	**(1,214)**	(8,920)
Other, including unrealized foreign currency translation loss/(gain)[1]	**1,447**	2,921
Net cash from (used in) operating activities	**(20,112)**	5,058
Cash flows from (used in) financing activities		
Redemption or repurchase of subordinated notes and debentures	**(24)**	53
Common shares issued, net	**37**	24
Repurchase of common shares **(Note 12)**	**(1,723)**	–
Sale of treasury shares and other equity instruments	**3,251**	1,946
Purchase of treasury shares and other equity instruments **(Note 12)**	**(3,194)**	(1,957)
Dividends paid on shares and distributions paid on other equity instruments	**(1,744)**	(1,124)
Repayment of lease liabilities	**(167)**	(156)
Net cash from (used in) financing activities	**(3,564)**	(1,214)
Cash flows from (used in) investing activities		
Interest-bearing deposits with banks	**21,136**	(7,024)
Activities in financial assets at fair value through other comprehensive income		
Purchases	**(7,301)**	(7,585)
Proceeds from maturities	**3,308**	5,473
Proceeds from sales	**738**	595
Activities in debt securities at amortized cost		
Purchases	**(3,238)**	(10,407)
Proceeds from maturities	**8,707**	14,041
Proceeds from sales	**498**	9
Net purchases of land, buildings, equipment, other depreciable assets, and other intangibles	**(471)**	(403)
Net cash acquired from divestitures	**70**	–
Net cash from (used in) investing activities	**23,447**	(5,301)
Effect of exchange rate changes on cash and due from banks	**(159)**	(111)
Net increase (decrease) in cash and due from banks	**(388)**	(1,568)
Cash and due from banks at beginning of period	**6,721**	8,556
Cash and due from banks at end of period	**$ 6,333**	$ 6,988
Supplementary disclosure of cash flows from operating activities		
Amount of income taxes paid (refunded) during the period	**$ 582**	$ 490
Amount of interest paid during the period	**15,178**	9,613
Amount of interest received during the period	**22,282**	16,862
Amount of dividends received during the period	**676**	529

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

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

NOTE 1: NATURE OF OPERATIONS

CORPORATE INFORMATION

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

BASIS OF PREPARATION

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

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

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

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

The Interim Consolidated Financial Statements for the three months ended January 31, 2024, were approved and authorized for issue by the Bank's Board of Directors, in accordance with a recommendation of the Audit Committee, on February 28, 2024.

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

NOTE 2: CURRENT AND FUTURE CHANGES IN ACCOUNTING POLICIES

CURRENT CHANGES IN ACCOUNTING POLICIES

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

Insurance Contracts

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

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

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

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

Reinsurance contracts held are recognized and measured using the same principles as insurance contracts issued. Reinsurance contract assets are presented in Other assets in the Interim Consolidated Balance Sheet and the net results from reinsurance contracts held are presented in Other income (loss) in the Interim Consolidated Statement of Income. Refer to Note 13 for further detail on the balances and results of insurance and reinsurance contracts.

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

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

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

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

FUTURE CHANGES IN ACCOUNTING POLICIES

There were no new or amended material accounting policies that have been issued, but are not yet effective on the date of issuance of the Bank's Interim Consolidated Financial Statements.

NOTE 3: SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, AND ASSUMPTIONS

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

Impairment – Expected Credit Loss Model

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

Insurance Contracts

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

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

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

Further information on insurance risk assumptions is provided in Note 13.

NOTE 4: FAIR VALUE MEASUREMENTS

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

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

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

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

(millions of Canadian dollars)				*As at*
	January 31, 2024		October 31, 2023	
	Carrying value	**Fair value**	Carrying value	Fair value
FINANCIAL ASSETS				
Debt securities at amortized cost, net of allowance for credit losses				
Government and government-related securities	**$ 227,917**	**$ 221,732**	$ 232,093	$ 222,699
Other debt securities	**72,154**	**70,117**	75,923	72,511
Total debt securities at amortized cost, net of allowance for credit losses	**300,071**	**291,849**	308,016	295,210
Total loans, net of allowance for loan losses	**904,336**	**896,070**	895,947	877,763
Total financial assets not carried at fair value	**$ 1,204,407**	**$ 1,187,919**	$ 1,203,963	$ 1,172,973
FINANCIAL LIABILITIES				
Deposits	**$ 1,181,254**	**$ 1,176,610**	$ 1,198,190	$ 1,188,585
Securitization liabilities at amortized cost	**12,358**	**11,912**	12,710	12,035
Subordinated notes and debentures	**9,554**	**9,519**	9,620	9,389
Total financial liabilities not carried at fair value	**$ 1,203,166**	**$ 1,198,041**	$ 1,220,520	$ 1,210,009

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

(b) FAIR VALUE HIERARCHY

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

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

(millions of Canadian dollars)								*As at*
				January 31, 2024				October 31, 2023
	Level 1	**Level 2**	**Level 3**	**Total**	Level 1	Level 2	Level 3	Total
FINANCIAL ASSETS AND COMMODITIES								
Trading loans, securities, and other[1]								
Government and government-related securities								
Canadian government debt								
Federal	**$ 228**	**$ 7,720**	**$ –**	**$ 7,948**	$ 72	$ 9,073	$ –	$ 9,145
Provinces	**–**	**7,395**	**–**	**7,395**	–	7,445	–	7,445
U.S. federal, state, municipal governments, and agencies debt	**2**	**25,136**	**34**	**25,172**	2	24,325	67	24,394
Other OECD[2] government-guaranteed debt	**–**	**8,688**	**–**	**8,688**	–	8,811	–	8,811
Mortgage-backed securities	**–**	**1,661**	**–**	**1,661**	–	1,698	–	1,698
Other debt securities								
Canadian issuers	**–**	**5,969**	**2**	**5,971**	–	6,067	5	6,072
Other issuers	**–**	**14,067**	**59**	**14,126**	–	14,553	60	14,613
Equity securities	**65,437**	**155**	**7**	**65,599**	54,186	41	10	54,237
Trading loans	**–**	**18,271**	**–**	**18,271**	–	17,261	–	17,261
Commodities	**5,840**	**847**	**–**	**6,687**	7,620	791	–	8,411
Retained interests	**–**	**2**	**–**	**2**	–	3	–	3
	71,507	**89,911**	**102**	**161,520**	61,880	90,068	142	152,090
Non-trading financial assets at fair value through profit or loss								
Securities	**257**	**2,055**	**1,079**	**3,391**	269	2,596	980	3,845
Loans	**–**	**3,594**	**–**	**3,594**	–	3,495	–	3,495
	257	**5,649**	**1,079**	**6,985**	269	6,091	980	7,340
Derivatives								
Interest rate contracts	**2**	**17,463**	**–**	**17,465**	17	22,893	–	22,910
Foreign exchange contracts	**26**	**37,130**	**1**	**37,157**	26	57,380	7	57,413
Credit contracts	**–**	**80**	**–**	**80**	–	54	–	54
Equity contracts	**100**	**3,690**	**–**	**3,790**	58	4,839	–	4,897
Commodity contracts	**223**	**1,850**	**9**	**2,082**	306	1,787	15	2,108
	351	**60,213**	**10**	**60,574**	407	86,953	22	87,382
Financial assets designated at fair value through profit or loss								
Securities[1]	**–**	**5,970**	**–**	**5,970**	–	5,818	–	5,818
	–	**5,970**	**–**	**5,970**	–	5,818	–	5,818
Financial assets at fair value through other comprehensive income								
Government and government-related securities								
Canadian government debt								
Federal	**–**	**20,723**	**–**	**20,723**	–	18,210	–	18,210
Provinces	**–**	**20,890**	**–**	**20,890**	–	19,940	–	19,940
U.S. federal, state, municipal governments, and agencies debt	**–**	**11,750**	**–**	**11,750**	–	11,002	–	11,002
Other OECD government-guaranteed debt	**–**	**1,512**	**–**	**1,512**	–	1,498	–	1,498
Mortgage-backed securities	**–**	**2,260**	**–**	**2,260**	–	2,277	–	2,277
Other debt securities								
Asset-backed securities	**–**	**3,923**	**–**	**3,923**	–	4,114	–	4,114
Corporate and other debt	**–**	**9,509**	**26**	**9,535**	–	8,863	27	8,890
Equity securities	**1,333**	**2**	**2,142**	**3,477**	1,133	3	2,377	3,513
Loans	**–**	**660**	**–**	**660**	–	421	–	421
	1,333	**71,229**	**2,168**	**74,730**	1,133	66,328	2,404	69,865
Securities purchased under reverse repurchase agreements	**–**	**8,606**	**–**	**8,606**	–	9,649	–	9,649
FINANCIAL LIABILITIES								
Trading deposits	**–**	**29,595**	**1,039**	**30,634**	–	29,995	985	30,980
Derivatives								
Interest rate contracts	**–**	**12,432**	**137**	**12,569**	16	21,064	126	21,206
Foreign exchange contracts	**33**	**33,656**	**2**	**33,691**	19	44,841	13	44,873
Credit contracts	**–**	**643**	**–**	**643**	–	172	–	172
Equity contracts	**14**	**4,796**	**28**	**4,838**	7	3,251	21	3,279
Commodity contracts	**273**	**2,040**	**19**	**2,332**	248	1,846	16	2,110
	320	**53,567**	**186**	**54,073**	290	71,174	176	71,640
Securitization liabilities at fair value	**–**	**16,543**	**–**	**16,543**	–	14,422	–	14,422
Financial liabilities designated at fair value through profit or loss	**–**	**180,088**	**24**	**180,112**	–	192,108	22	192,130
Obligations related to securities sold short[1]	**1,656**	**41,219**	**–**	**42,875**	1,329	43,332	–	44,661
Obligations related to securities sold under repurchase agreements	**–**	**11,877**	**–**	**11,877**	–	12,641	–	12,641

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

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

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

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

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

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

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

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

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

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

(millions of Canadian dollars)

	Fair value as at November 1 2023	Total realized and unrealized gains (losses) Included in income[2]	Included in OCI[3,4]	Movements[1] Purchases/ Issuances	Sales/ Settlements	Transfers Into Level 3	Out of Level 3	Fair value as at January 31 2024	Change in unrealized gains (losses) on instruments still held[5]
FINANCIAL ASSETS									
Trading loans, securities, and other									
Government and government-related securities	$ 67	$ –	$ –	$ –	$ (33)	$ –	$ –	$ 34	$ (1)
Other debt securities	65	3	–	72	(81)	2	–	61	(1)
Equity securities	10	(1)	–	–	(2)	–	–	7	–
	142	2	–	72	(116)	2	–	102	(2)
Non-trading financial assets at fair value through profit or loss									
Securities	980	13	–	91	(5)	–	–	1,079	17
	980	13	–	91	(5)	–	–	1,079	17
Financial assets at fair value through other comprehensive income									
Other debt securities	27	–	(3)	3	(1)	–	–	26	(3)
Equity securities	2,377	–	(10)	6	(231)	–	–	2,142	2
	$ 2,404	$ –	$ (13)	$ 9	$ (232)	$ –	$ –	$ 2,168	$ (1)
FINANCIAL LIABILITIES									
Trading deposits[6]	$ (985)	$ (24)	$ –	$ (56)	$ 21	$ –	$ 5	$ (1,039)	$ (43)
Derivatives[7]									
Interest rate contracts	(126)	(23)	–	–	12	–	–	(137)	(12)
Foreign exchange contracts	(6)	2	–	–	–	–	3	(1)	(1)
Equity contracts	(21)	(6)	–	–	–	(1)	–	(28)	(5)
Commodity contracts	(1)	10	–	–	(19)	–	–	(10)	(17)
	(154)	(17)	–	–	(7)	(1)	3	(176)	(35)
Financial liabilities designated at fair value through profit or loss	(22)	38	–	(54)	14	–	–	(24)	38

	Fair value as at November 1 2022	Total realized and unrealized gains (losses) Included in income[2]	Included in OCI[4]	Movements[1] Purchases/ Issuances	Sales/ Settlements	Transfers Into Level 3	Out of Level 3	Fair value as at January 31 2023	Change in unrealized gains (losses) on instruments still held[5]
FINANCIAL ASSETS									
Trading loans, securities, and other									
Government and government-related securities	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –	$ –
Other debt securities	49	9	–	14	(15)	35	(7)	85	2
Equity securities	–	–	–	–	–	–	–	–	–
	49	9	–	14	(15)	35	(7)	85	2
Non-trading financial assets at fair value through profit or loss									
Securities	845	43	–	42	(3)	–	–	927	32
	845	43	–	42	(3)	–	–	927	32
Financial assets at fair value through other comprehensive income									
Other debt securities	60	–	7	–	(4)	–	–	63	–
Equity securities	2,477	–	(22)	824	(39)	–	–	3,240	(22)
	$ 2,537	$ –	$ (15)	$ 824	$ (43)	$ –	$ –	$ 3,303	$ (22)
FINANCIAL LIABILITIES									
Trading deposits[6]	$ (416)	$ (12)	$ –	$ (59)	$ 4	$ (3)	$ –	$ (486)	$ (11)
Derivatives[7]									
Interest rate contracts	(156)	(24)	–	–	16	–	–	(164)	(9)
Foreign exchange contracts	4	(3)	–	–	–	–	1	2	(1)
Equity contracts	(59)	29	–	–	2	(2)	(21)	(51)	8
Commodity contracts	27	29	–	–	(51)	–	–	5	(8)
	(184)	31	–	–	(33)	(2)	(20)	(208)	(10)
Financial liabilities designated at fair value through profit or loss	(44)	50	–	(60)	32	–	–	(22)	50

[1] Includes foreign exchange.
[2] Gains/losses on financial assets and liabilities are recognized within Non-interest Income on the Interim Consolidated Statement of Income.
[3] Other comprehensive income.
[4] Includes realized gains/losses transferred to retained earnings on disposal of equities designated at fair value through other comprehensive income (FVOCI). Refer to Note 5 for further details.
[5] Changes in unrealized gains/losses on financial assets at FVOCI are recognized in AOCI.
[6] Issuances and repurchases of trading deposits are reported on a gross basis.
[7] Consists of derivative assets of $10 million (January 31, 2023 – $31 million; October 31, 2023/November 1, 2023 – $22 million; October 31, 2022/November 1, 2022 – $50 million) and derivative liabilities of $186 million (January 31, 2023 – $239 million; October 31, 2023/November 1, 2023 – $176 million; October 31, 2022/November 1, 2022 – $234 million) which have been netted in this table for presentation purposes only.

NOTE 5: SECURITIES

(a) UNREALIZED SECURITIES GAINS (LOSSES)

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

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

(millions of Canadian dollars)								*As at*
	January 31, 2024				October 31, 2023			
	Cost/ amortized cost[1]	**Gross unrealized gains**	**Gross unrealized (losses)**	**Fair value**	Cost/ amortized cost[1]	Gross unrealized gains	Gross unrealized (losses)	Fair value
Government and government-related securities								
Canadian government debt								
Federal	**$ 20,791**	**$ 34**	**$ (102)**	**$ 20,723**	$ 18,335	$ 45	$ (170)	$ 18,210
Provinces	**20,837**	**103**	**(50)**	**20,890**	19,953	105	(118)	19,940
U.S. federal, state, municipal governments, and agencies debt	**11,905**	**19**	**(174)**	**11,750**	11,260	17	(275)	11,002
Other OECD government-guaranteed debt	**1,528**	**3**	**(19)**	**1,512**	1,521	1	(24)	1,498
Mortgage-backed securities	**2,269**	**5**	**(14)**	**2,260**	2,313	–	(36)	2,277
	57,330	**164**	**(359)**	**57,135**	53,382	168	(623)	52,927
Other debt securities								
Asset-backed securities	**3,943**	**1**	**(21)**	**3,923**	4,146	–	(32)	4,114
Corporate and other debt	**9,537**	**61**	**(63)**	**9,535**	8,946	43	(99)	8,890
	13,480	**62**	**(84)**	**13,458**	13,092	43	(131)	13,004
Total debt securities	**70,810**	**226**	**(443)**	**70,593**	66,474	211	(754)	65,931
Equity securities								
Common shares	**2,955**	**204**	**(82)**	**3,077**	3,191	95	(116)	3,170
Preferred shares	**567**	**13**	**(180)**	**400**	566	1	(224)	343
	3,522	**217**	**(262)**	**3,477**	3,757	96	(340)	3,513
Total securities at fair value through other comprehensive income	**$ 74,332**	**$ 443**	**$ (705)**	**$ 74,070**	$ 70,231	$ 307	$ (1,094)	$ 69,444

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

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

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

Equity Securities Designated at Fair Value Through Other Comprehensive Income

(millions of Canadian dollars)		*As at*		*For the three months ended*
	January 31, 2024	October 31, 2023	**January 31, 2024**	January 31, 2023
		Fair value		**Dividend income recognized**
Common shares	**$ 3,077**	$ 3,170	**$ 17**	$ 17
Preferred shares	**400**	343	**38**	31
Total	**$ 3,477**	$ 3,513	**$ 55**	$ 48

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

Equity Securities Net Realized Gains (Losses)

(millions of Canadian dollars)		*For the three months ended*
	January 31, 2024	January 31, 2023
Equity Securities		
Fair value	**$ 42**	$ 45
Cumulative realized gain/(loss)	**–**	(3)
FHLB Stock		
Fair value	**159**	–
Cumulative realized gain/(loss)	**–**	–

(c) DEBT SECURITIES NET REALIZED GAINS (LOSSES)

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

Debt Securities Net Realized Gains (Losses)

(millions of Canadian dollars)		*For the three months ended*
	January 31, 2024	January 31, 2023
Debt securities at fair value through other comprehensive income	**$ 6**	$ (1)

(d) CREDIT QUALITY OF DEBT SECURITIES

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

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

Debt Securities by Risk Rating

(millions of Canadian dollars)								*As at*
	January 31, 2024				October 31, 2023			
	Stage 1	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Debt securities[1]								
Investment grade	**$ 370,182**	**$ –**	**$ n/a**[2]	**$ 370,182**	$ 373,317	$ –	$ n/a	$ 373,317
Non-investment grade	**329**	**26**	**n/a**	**355**	519	–	n/a	519
Watch and classified	**n/a**	**129**	**n/a**	**129**	n/a	113	n/a	113
Default	**n/a**	**n/a**	**–**	**–**	n/a	n/a	–	–
Total debt securities	**370,511**	**155**	**–**	**370,666**	373,836	113	–	373,949
Allowance for credit losses on debt securities at amortized cost	**2**	**–**	**–**	**2**	2	–	–	2
Total debt securities, net of allowance	**$ 370,509**	**$ 155**	**$ –**	**$ 370,664**	$ 373,834	$ 113	$ –	$ 373,947

[1] Includes debt securities backed by government-guaranteed loans of $114 million (October 31, 2023 – $104 million), which are reported in Non-investment grade or a lower risk rating based on the issuer's credit risk.

[2] Not applicable.

As at January 31, 2024, total debt securities, net of allowance, in the table above, include debt securities measured at amortized cost, net of allowance, of $300,071 million (October 31, 2023 – $308,016 million), and debt securities measured at FVOCI of $70,593 million (October 31, 2023 – $65,931 million). The difference between probability-weighted ECLs and base ECLs on debt securities at FVOCI and at amortized cost as at both January 31, 2024 and October 31, 2023, was insignificant.

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

(a) LOANS AND ACCEPTANCES

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

Loans and Acceptances

(millions of Canadian dollars)		*As at*
	January 31, 2024	October 31, 2023
Residential mortgages	**$ 321,670**	$ 320,341
Consumer instalment and other personal	**217,397**	217,554
Credit card	**38,635**	38,660
Business and government	**333,899**	326,528
	911,601	903,083
Customers' liability under acceptances	**13,066**	17,569
Loans at FVOCI **(Note 4)**	**660**	421
Total loans and acceptances	**925,327**	921,073
Total allowance for loan losses	**7,265**	7,136
Total loans and acceptances, net of allowance	**$ 918,062**	$ 913,937

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

Loans and Acceptances – Business and Government

(millions of Canadian dollars)		*As at*
	January 31, 2024	October 31, 2023
Loans at amortized cost	**$ 333,899**	$ 326,528
Customers' liability under acceptances	**13,066**	17,569
Loans at FVOCI **(Note 4)**	**660**	421
Loans and acceptances	**347,625**	344,518
Allowance for loan losses	**2,990**	2,990
Loans and acceptances, net of allowance	**$ 344,635**	$ 341,528

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

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

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

Loans and Acceptances by Risk Ratings

(millions of Canadian dollars)								*As at*
				January 31, 2024				October 31, 2023
	Stage 1	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Residential mortgages[1,2,3]								
Low Risk	**$ 222,767**	**$ 827**	**$ n/a**	**$ 223,594**	$ 225,596	$ 46	$ n/a	$ 225,642
Normal Risk	**70,237**	**13,581**	**n/a**	**83,818**	70,423	11,324	n/a	81,747
Medium Risk	**300**	**10,331**	**n/a**	**10,631**	110	9,581	n/a	9,691
High Risk	**8**	**2,960**	**315**	**3,283**	10	2,573	325	2,908
Default	**n/a**	**n/a**	**344**	**344**	n/a	n/a	353	353
Total loans	**293,312**	**27,699**	**659**	**321,670**	296,139	23,524	678	320,341
Allowance for loan losses	**137**	**212**	**61**	**410**	154	192	57	403
Loans, net of allowance	**293,175**	**27,487**	**598**	**321,260**	295,985	23,332	621	319,938
Consumer instalment and other personal[4]								
Low Risk	**97,963**	**2,599**	**n/a**	**100,562**	100,102	2,278	n/a	102,380
Normal Risk	**61,423**	**12,501**	**n/a**	**73,924**	60,613	13,410	n/a	74,023
Medium Risk	**24,885**	**6,267**	**n/a**	**31,152**	24,705	5,816	n/a	30,521
High Risk	**4,000**	**6,921**	**330**	**11,251**	4,122	5,700	323	10,145
Default	**n/a**	**n/a**	**508**	**508**	n/a	n/a	485	485
Total loans	**188,271**	**28,288**	**838**	**217,397**	189,542	27,204	808	217,554
Allowance for loan losses	**634**	**1,035**	**225**	**1,894**	653	959	197	1,809
Loans, net of allowance	**187,637**	**27,253**	**613**	**215,503**	188,889	26,245	611	215,745
Credit card								
Low Risk	**7,044**	**15**	**n/a**	**7,059**	6,499	12	n/a	6,511
Normal Risk	**10,827**	**168**	**n/a**	**10,995**	11,171	134	n/a	11,305
Medium Risk	**12,030**	**1,128**	**n/a**	**13,158**	12,311	1,163	n/a	13,474
High Risk	**2,520**	**4,348**	**438**	**7,306**	2,567	4,289	401	7,257
Default	**n/a**	**n/a**	**117**	**117**	n/a	n/a	113	113
Total loans	**32,421**	**5,659**	**555**	**38,635**	32,548	5,598	514	38,660
Allowance for loan losses	**640**	**959**	**372**	**1,971**	709	913	312	1,934
Loans, net of allowance	**31,781**	**4,700**	**183**	**36,664**	31,839	4,685	202	36,726
Business and government[1,2,3,5]								
Investment grade or Low/Normal Risk	**161,743**	**169**	**n/a**	**161,912**	159,477	101	n/a	159,578
Non-investment grade or Medium Risk	**160,305**	**10,980**	**n/a**	**171,285**	161,651	10,278	n/a	171,929
Watch and classified or High Risk	**696**	**12,075**	**58**	**12,829**	604	11,017	75	11,696
Default	**n/a**	**n/a**	**1,599**	**1,599**	n/a	n/a	1,315	1,315
Total loans and acceptances	**322,744**	**23,224**	**1,657**	**347,625**	321,732	21,396	1,390	344,518
Allowance for loan and acceptances losses	**985**	**1,480**	**525**	**2,990**	1,157	1,371	462	2,990
Loans and acceptances, net of allowance	**321,759**	**21,744**	**1,132**	**344,635**	320,575	20,025	928	341,528
Total loans and acceptances[6]	**836,748**	**84,870**	**3,709**	**925,327**	839,961	77,722	3,390	921,073
Total allowance for loan losses[6,7]	**2,396**	**3,686**	**1,183**	**7,265**	2,673	3,435	1,028	7,136
Total loans and acceptances, net of allowance[6]	**$ 834,352**	**$ 81,184**	**$ 2,526**	**$ 918,062**	$ 837,288	$ 74,287	$ 2,362	$ 913,937

[1] Includes impaired loans with a balance of $358 million (October 31, 2023 – $271 million) which did not have a related allowance for loan losses as the realizable value of the collateral exceeded the loan amount.
[2] Excludes trading loans and non-trading loans at fair value through profit or loss (FVTPL) with a fair value of $18 billion (October 31, 2023 – $17 billion) and $4 billion (October 31, 2023 – $3 billion), respectively.
[3] Includes insured mortgages of $73 billion (October 31, 2023 – $74 billion).
[4] Includes Canadian government-insured real estate personal loans of $6 billion (October 31, 2023 – $7 billion).
[5] Includes loans guaranteed by government agencies of $25 billion (October 31, 2023 – $26 billion), which are primarily reported in Non-investment grade or a lower risk rating based on the borrowers' credit risk.
[6] Stage 3 includes acquired credit-impaired (ACI) loans of nil (October 31, 2023 – $91 million) and a related allowance for loan losses of nil (October 31, 2023 – $6 million), which have been included in the "Default" risk rating category as they were impaired at acquisition.
[7] Includes allowance for loan losses related to loans that are measured at FVOCI of nil (October 31, 2023 – nil).

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

(millions of Canadian dollars)								*As at*
				January 31, 2024				October 31, 2023
	Stage 1	**Stage 2**	**Stage 3**	**Total**	Stage 1	Stage 2	Stage 3	Total
Retail Exposures[2]								
Low Risk	**$ 252,681**	**$ 1,405**	**$ n/a**	**$ 254,086**	$ 254,231	$ 1,093	$ n/a	$ 255,324
Normal Risk	**89,653**	**1,303**	**n/a**	**90,956**	91,474	1,112	n/a	92,586
Medium Risk	**19,527**	**1,216**	**n/a**	**20,743**	19,774	1,079	n/a	20,853
High Risk	**1,172**	**1,251**	**–**	**2,423**	1,209	1,198	–	2,407
Default	**n/a**	**n/a**	**–**	**–**	n/a	n/a	–	–
Non-Retail Exposures[3]								
Investment grade	**260,753**	**–**	**n/a**	**260,753**	264,029	–	n/a	264,029
Non-investment grade	**99,374**	**5,418**	**n/a**	**104,792**	98,068	4,396	n/a	102,464
Watch and classified	**272**	**4,176**	**–**	**4,448**	218	4,158	–	4,376
Default	**n/a**	**n/a**	**197**	**197**	n/a	n/a	107	107
Total off-balance sheet credit instruments	**723,432**	**14,769**	**197**	**738,398**	729,003	13,036	107	742,146
Allowance for off-balance sheet credit instruments	**424**	**572**	**4**	**1,000**	476	565	8	1,049
Total off-balance sheet credit instruments, net of allowance	**$ 723,008**	**$ 14,197**	**$ 193**	**$ 737,398**	$ 728,527	$ 12,471	$ 99	$ 741,097

[1] Excludes mortgage commitments.
[2] Includes $366 billion (October 31, 2023 – $369 billion) of personal lines of credit and credit card lines, which are unconditionally cancellable at the Bank's discretion at any time.
[3] Includes $62 billion (October 31, 2023 – $62 billion) of the undrawn component of uncommitted credit and liquidity facilities.

(c) ALLOWANCE FOR CREDIT LOSSES

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

Allowance for Credit Losses

(millions of Canadian dollars)	**Balance at beginning of period**	**Provision for credit losses**	**Write-offs, net of recoveries**	**Foreign exchange, disposals, and other adjustments**	**Balance at end of period**	Balance at beginning of period	Provision for credit losses	Write-offs, net of recoveries	Foreign exchange, disposals, and other adjustments	Balance at end of period
										For the three months ended
					January 31, 2024					January 31, 2023
Residential mortgages	**$ 403**	**$ 8**	**$ (2)**	**$ 1**	**$ 410**	$ 323	$ 12	$ (1)	$ (4)	$ 330
Consumer instalment and other personal	**1,895**	**382**	**(275)**	**(23)**	**1,979**	1,704	262	(196)	(17)	1,753
Credit card	**2,577**	**430**	**(369)**	**(61)**	**2,577**	2,352	337	(245)	(37)	2,407
Business and government	**3,310**	**181**	**(113)**	**(79)**	**3,299**	2,984	79	(31)	(45)	2,987
Total allowance for loan losses, including off-balance sheet instruments	**8,185**	**1,001**	**(759)**	**(162)**	**8,265**	7,363	690	(473)	(103)	7,477
Debt securities at amortized cost	**2**	**–**	**–**	**–**	**2**	1	–	–	–	1
Debt securities at FVOCI	**2**	**–**	**–**	**(1)**	**1**	2	–	–	(1)	1
Total allowance for credit losses on debt securities	**4**	**–**	**–**	**(1)**	**3**	3	–	–	(1)	2
Total allowance for credit losses	**$ 8,189**	**$ 1,001**	**$ (759)**	**$ (163)**	**$ 8,268**	$ 7,366	$ 690	$ (473)	$ (104)	$ 7,479
Comprising:										
Allowance for credit losses on loans at amortized cost	**$ 7,136**				**$ 7,265**	$ 6,432				$ 6,492
Allowance for credit losses on loans at FVOCI	**–**				**–**	–				–
Allowance for loan losses	**7,136**				**7,265**	6,432				6,492
Allowance for off-balance sheet instruments	**1,049**				**1,000**	931				985
Allowance for credit losses on debt securities	**4**				**3**	3				2

(d) ALLOWANCE FOR LOAN LOSSES BY STAGE

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

Allowance for Loan Losses by Stage

(millions of Canadian dollars)								*For the three months ended*
				January 31, 2024				January 31, 2023
	Stage 1	**Stage 2**	**Stage 3[1]**	**Total**	Stage 1	Stage 2	Stage 3[1]	Total
Residential Mortgages								
Balance at beginning of period	**$ 154**	**$ 192**	**$ 57**	**$ 403**	$ 127	$ 140	$ 56	$ 323
Provision for credit losses								
Transfer to Stage 1[2]	**36**	**(33)**	**(3)**	**–**	35	(34)	(1)	–
Transfer to Stage 2	**(10)**	**15**	**(5)**	**–**	(6)	11	(5)	–
Transfer to Stage 3	**–**	**(9)**	**9**	**–**	–	(5)	5	–
Net remeasurement due to transfers into stage[3]	**(6)**	**7**	**–**	**1**	(7)	6	–	(1)
New originations or purchases[4]	**8**	**n/a**	**n/a**	**8**	8	n/a	n/a	8
Net repayments[5]	**(1)**	**–**	**–**	**(1)**	(1)	(1)	–	(2)
Derecognition of financial assets (excluding disposals and write-offs)[6]	**(2)**	**(5)**	**(4)**	**(11)**	(1)	(4)	(3)	(8)
Changes to risk, parameters, and models[7]	**(40)**	**45**	**6**	**11**	(24)	38	1	15
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(2)**	**(2)**	–	–	(2)	(2)
Recoveries	**–**	**–**	**–**	**–**	–	–	1	1
Foreign exchange and other adjustments	**(2)**	**–**	**3**	**1**	(2)	(1)	(1)	(4)
Balance at end of period	**$ 137**	**$ 212**	**$ 61**	**$ 410**	$ 129	$ 150	$ 51	$ 330
Consumer Instalment and Other Personal								
Balance, including off-balance sheet instruments, at beginning of period	**$ 688**	**$ 1,010**	**$ 197**	**$ 1,895**	$ 654	$ 896	$ 154	$ 1,704
Provision for credit losses								
Transfer to Stage 1[2]	**131**	**(130)**	**(1)**	**–**	170	(168)	(2)	–
Transfer to Stage 2	**(72)**	**91**	**(19)**	**–**	(52)	70	(18)	–
Transfer to Stage 3	**(3)**	**(60)**	**63**	**–**	(2)	(46)	48	–
Net remeasurement due to transfers into stage[3]	**(54)**	**86**	**2**	**34**	(53)	54	2	3
New originations or purchases[4]	**89**	**n/a**	**n/a**	**89**	99	n/a	n/a	99
Net repayments[5]	**(18)**	**(21)**	**(3)**	**(42)**	(22)	(18)	(3)	(43)
Derecognition of financial assets (excluding disposals and write-offs)[6]	**(17)**	**(20)**	**(10)**	**(47)**	(18)	(24)	(9)	(51)
Changes to risk, parameters, and models[7]	**(71)**	**146**	**273**	**348**	(94)	160	188	254
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(347)**	**(347)**	–	–	(266)	(266)
Recoveries	**–**	**–**	**72**	**72**	–	–	70	70
Foreign exchange and other adjustments	**(9)**	**(12)**	**(2)**	**(23)**	(7)	(8)	(2)	(17)
Balance, including off-balance sheet instruments, at end of period	**664**	**1,090**	**225**	**1,979**	675	916	162	1,753
Less: Allowance for off-balance sheet instruments[8]	**30**	**55**	**–**	**85**	36	52	–	88
Balance at end of period	**$ 634**	**$ 1,035**	**$ 225**	**$ 1,894**	$ 639	$ 864	$ 162	$ 1,665
Credit Card[9]								
Balance, including off-balance sheet instruments, at beginning of period	**$ 988**	**$ 1,277**	**$ 312**	**$ 2,577**	$ 954	$ 1,191	$ 207	$ 2,352
Provision for credit losses								
Transfer to Stage 1[2]	**246**	**(239)**	**(7)**	**–**	299	(294)	(5)	–
Transfer to Stage 2	**(95)**	**111**	**(16)**	**–**	(86)	98	(12)	–
Transfer to Stage 3	**(6)**	**(223)**	**229**	**–**	(5)	(164)	169	–
Net remeasurement due to transfers into stage[3]	**(108)**	**139**	**7**	**38**	(139)	127	5	(7)
New originations or purchases[4]	**39**	**n/a**	**n/a**	**39**	51	n/a	n/a	51
Net repayments[5]	**22**	**5**	**17**	**44**	28	7	13	48
Derecognition of financial assets (excluding disposals and write-offs)[6]	**(10)**	**(16)**	**(84)**	**(110)**	(12)	(18)	(46)	(76)
Changes to risk, parameters, and models[7]	**(175)**	**300**	**294**	**419**	(120)	270	171	321
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(444)**	**(444)**	–	–	(314)	(314)
Recoveries	**–**	**–**	**75**	**75**	–	–	69	69
Foreign exchange and other adjustments	**(21)**	**(29)**	**(11)**	**(61)**	(14)	(19)	(4)	(37)
Balance, including off-balance sheet instruments, at end of period	**880**	**1,325**	**372**	**2,577**	956	1,198	253	2,407
Less: Allowance for off-balance sheet instruments[8]	**240**	**366**	**–**	**606**	274	341	–	615
Balance at end of period	**$ 640**	**$ 959**	**$ 372**	**$ 1,971**	$ 682	$ 857	$ 253	$ 1,792

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

Allowance for Loan Losses by Stage (Continued)

(millions of Canadian dollars)								*For the three months ended*
				January 31, 2024				January 31, 2023
	Stage 1	**Stage 2**	**Stage 3**[1]	**Total**	Stage 1	Stage 2	Stage 3[1]	Total
Business and Government[2]								
Balance, including off-balance sheet instruments, at beginning of period	**$ 1,319**	**$ 1,521**	**$ 470**	**$ 3,310**	$ 1,220	$ 1,417	$ 347	$ 2,984
Provision for credit losses								
Transfer to Stage 1[3]	**62**	**(62)**	**–**	**–**	100	(98)	(2)	–
Transfer to Stage 2	**(117)**	**120**	**(3)**	**–**	(159)	162	(3)	–
Transfer to Stage 3	**(14)**	**(55)**	**69**	**–**	(5)	(21)	26	–
Net remeasurement due to transfers into stage[3]	**(21)**	**42**	**4**	**25**	(28)	24	–	(4)
New originations or purchases[3]	**271**	**n/a**	**n/a**	**271**	332	n/a	n/a	332
Net repayments[3]	**8**	**(8)**	**(26)**	**(26)**	4	(21)	(24)	(41)
Derecognition of financial assets (excluding disposals and write-offs)[3]	**(172)**	**(99)**	**(45)**	**(316)**	(188)	(151)	(133)	(472)
Changes to risk, parameters, and models[3]	**(162)**	**202**	**187**	**227**	9	64	191	264
Disposals	**–**	**–**	**–**	**–**	–	–	–	–
Write-offs	**–**	**–**	**(124)**	**(124)**	–	–	(43)	(43)
Recoveries	**–**	**–**	**11**	**11**	–	–	12	12
Foreign exchange and other adjustments	**(35)**	**(30)**	**(14)**	**(79)**	(20)	(20)	(5)	(45)
Balance, including off-balance sheet instruments, at end of period	**1,139**	**1,631**	**529**	**3,299**	1,265	1,356	366	2,987
Less: Allowance for off-balance sheet instruments[4]	**154**	**151**	**4**	**309**	146	134	2	282
Balance at end of period	**985**	**1,480**	**525**	**2,990**	1,119	1,222	364	2,705
Total Allowance, including off-balance sheet instruments, at end of period	**2,820**	**4,258**	**1,187**	**8,265**	3,025	3,620	832	7,477
Less: Total Allowance for off-balance sheet instruments[4]	**424**	**572**	**4**	**1,000**	456	527	2	985
Total Allowance for Loan Losses at end of period	**$ 2,396**	**$ 3,686**	**$ 1,183**	**$ 7,265**	$ 2,569	$ 3,093	$ 830	$ 6,492

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

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

(e) FORWARD-LOOKING INFORMATION

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

Macroeconomic Variables

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

Macroeconomic Variables

						As at
						January 31, 2024
	Base Forecast		**Upside Scenario**		**Downside Scenario**	
	Average Q1 2024-Q4 2024[1]	**Remaining 4-year period**[1]	**Average Q1 2024-Q4 2024**[1]	**Remaining 4-year period**[1]	**Average Q1 2024-Q4 2024**[1]	**Remaining 4-year period**[1]
Unemployment rate						
Canada	6.5 %	6.1 %	5.8 %	5.8 %	7.3 %	7.2 %
United States	4.2	4.0	3.9	4.0	5.2	5.4
Real GDP						
Canada	0.5	1.9	0.8	1.8	(1.1)	2.1
United States	1.5	1.8	2.2	1.9	(0.2)	2.1
Home prices						
Canada (average existing price)[2]	(3.1)	3.1	(1.0)	2.6	(10.8)	3.1
United States (CoreLogic HPI)[3]	0.6	1.9	2.0	2.3	(8.3)	4.2
Central bank policy interest rate						
Canada	4.25	2.31	4.88	2.41	3.72	1.88
United States	5.13	2.89	5.38	2.91	4.22	2.38
U.S. 10-year treasury yield	3.95	3.22	4.28	3.31	3.82	3.19
U.S. 10-year BBB spread (%-pts)	2.16	1.80	1.91	1.74	2.63	2.09
Exchange rate (U.S. dollar/Canadian dollar)	$ 0.73	$ 0.79	$ 0.77	$ 0.81	$ 0.71	$ 0.74

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

(f) SENSITIVITY OF ALLOWANCE FOR CREDIT LOSSES

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

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

Change from Base to Probability-Weighted ECLs

(millions of Canadian dollars, except as noted)		*As at*
	January 31, 2024	October 31, 2023
Probability-weighted ECLs	**$ 7,078**	$ 7,149
Base ECLs	**6,593**	6,658
Difference – in amount	**$ 485**	$ 491
Difference – in percentage	**7.4 %**	7.4 %

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

Incremental Lifetime ECLs Impact

(millions of Canadian dollars)		*As at*
	January 31, 2024	October 31, 2023
Probability-weighted ECLs	**$ 7,078**	$ 7,149
All performing loans and off-balance sheet instruments using 12-month ECLs	**5,195**	5,295
Incremental lifetime ECLs impact	**$ 1,883**	$ 1,854

(g) FORECLOSED ASSETS

Foreclosed assets are repossessed non-financial assets where the Bank gains title, ownership, or possession of individual properties, such as real estate properties, which are managed for sale in an orderly manner with the proceeds used to reduce or repay any outstanding debt. The Bank does not generally occupy foreclosed properties for its business use. The Bank predominantly relies on third-party appraisals to determine the carrying value of foreclosed assets. Foreclosed assets held for sale were $74 million as at January 31, 2024 (October 31, 2023 – $59 million) and were recorded in Other assets on the Interim Consolidated Balance Sheet.

(h) LOANS PAST DUE BUT NOT IMPAIRED

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

Loans Past Due but not Impaired[1]

(millions of Canadian dollars)						*As at*
	January 31, 2024			October 31, 2023		
	31-60 days	**61-89 days**	**Total**	31-60 days	61-89 days	Total
Residential mortgages	**$ 271**	**$ 126**	**$ 397**	$ 286	$ 81	$ 367
Consumer instalment and other personal	**887**	**328**	**1,215**	870	287	1,157
Credit card	**368**	**248**	**616**	359	242	601
Business and government	**300**	**115**	**415**	264	103	367
Total	**$ 1,826**	**$ 817**	**$ 2,643**	$ 1,779	$ 713	$ 2,492

[1] Includes loans that are measured at FVOCI.

NOTE 7: INVESTMENT IN ASSOCIATES AND JOINT VENTURES

INVESTMENT IN THE CHARLES SCHWAB CORPORATION

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

As at January 31, 2024, the Bank's reported investment in Schwab was approximately 12.3% (October 31, 2023 – 12.4%), consisting of 9.8% of the outstanding voting common shares and the remainder in non-voting common shares of Schwab with an aggregate fair value of $19 billion (US$14 billion) (October 31, 2023 – $16 billion (US$12 billion)) based on the closing price of US$62.92 (October 31, 2023 – US$52.04) on the New York Stock Exchange.

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

The carrying value of the Bank's investment in Schwab of $9.5 billion as at January 31, 2024 (October 31, 2023 – $8.9 billion) represents the Bank's share of Schwab's stockholders' equity, adjusted for goodwill, other intangibles, and cumulative translation adjustment. The Bank's share of net income from its investment in Schwab of $141 million during the three months ended January 31, 2024 (January 31, 2023 – $285 million) reflects net income after adjustments for amortization of certain intangibles net of tax.

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

Summarized Financial Information

(millions of Canadian dollars)		*As at*
	December 31 2023	September 30 2023
Total assets	**$ 651,463**	$ 644,139
Total liabilities	**597,360**	592,923

(millions of Canadian dollars)		*For the three months ended*
	December 31 2023	December 31 2022
Total net revenues	**$ 6,073**	$ 7,465
Total net income available to common stockholders	**1,261**	2,472
Total other comprehensive income (loss)	**3,570**	721
Total comprehensive income (loss)	**4,831**	3,193

Insured Deposit Account ("IDA") Agreement

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

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

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

NOTE 8: SIGNIFICANT TRANSACTION

Acquisition of Cowen Inc.

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

The acquisition was accounted for as a business combination under the purchase method. The purchase price allocation can be adjusted during the measurement period, which shall not exceed one year from the acquisition date, to reflect new information obtained about facts and circumstances. The acquisition contributed $10,800 million (US$7,933 million) of assets and $9,884 million (US$7,261 million) of liabilities. The excess of accounting consideration over the fair value of the tangible net assets acquired is allocated to other intangible assets of $298 million (US$219 million) net of taxes, and goodwill of $744 million (US$546 million). Goodwill is not deductible for tax purposes.

The Bank plans to dispose of certain non-core businesses that were acquired in connection with the Cowen acquisition. These non-core businesses are disposal groups which meet the criteria to be classified as held for sale and are measured at the lower of their carrying amount and fair value less costs to sell. The assets and liabilities of these disposal groups are recorded in Other assets and Other liabilities, respectively, on the Interim Consolidated Balance Sheet. During the three months ended January 31, 2024, the Bank disposed of Cowen's legacy prime brokerage and outsourced trading business that was classified as held for sale. As at January 31, 2024, assets of $699 million (October 31, 2023 – $1,958 million) and liabilities of $235 million (October 31, 2023 – $1,291 million) were classified as held for sale.

NOTE 9: OTHER ASSETS

Other Assets

(millions of Canadian dollars)		*As at*
	January 31 2024	October 31 2023
Accounts receivable and other items[1]	**$ 12,361**	$ 13,893
Accrued interest	**5,487**	5,504
Current income tax receivable	**3,204**	4,814
Defined benefit asset	**1,067**	1,254
Reinsurance contract assets	**708**	702
Prepaid expenses[2]	**1,686**	1,462
Total	**$ 24,513**	$ 27,629

[1] Includes assets related to disposal groups classified as held for sale in connection with the Cowen acquisition. Refer to Note 8 for further details.

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

NOTE 10: DEPOSITS

Demand deposits are those for which the Bank does not have the right to require notice prior to withdrawal and are in general chequing accounts. Notice deposits are those for which the Bank can legally require notice prior to withdrawal and are in general savings accounts. Term deposits are payable on a given date of maturity and are purchased by customers to earn interest over a fixed period, with terms ranging from one day to ten years and generally include fixed term deposits, guaranteed investment certificates, senior debt, and similar instruments. The aggregate amount of term deposits in denominations of $100,000 or more as at January 31, 2024, was $501 billion (October 31, 2023 – $512 billion).

Deposits

(millions of Canadian dollars)								*As at*
							January 31	October 31
			By Type			**By Country**	**2024**	2023
	Demand	**Notice**	**Term**[1]	**Canada**	**United States**	**International**	**Total**	Total
Personal	**$ 16,647**	**$ 475,868**	**$ 130,325**	**$ 329,247**	**$ 293,593**	**$ –**	**$ 622,840**	$ 626,596
Banks	**11,499**	**223**	**14,221**	**15,280**	**8,833**	**1,830**	**25,943**	31,225
Business and government[2]	**128,093**	**187,885**	**216,493**	**374,966**	**154,204**	**3,301**	**532,471**	540,369
	156,239	**663,976**	**361,039**	**719,493**	**456,630**	**5,131**	**1,181,254**	1,198,190
Trading	**–**	**–**	**30,634**	**22,306**	**2,251**	**6,077**	**30,634**	30,980
Designated at fair value through profit or loss[3]	**–**	**–**	**179,962**	**39,955**	**66,245**	**73,762**	**179,962**	191,988
Total	**$ 156,239**	**$ 663,976**	**$ 571,635**	**$ 781,754**	**$ 525,126**	**$ 84,970**	**$ 1,391,850**	$ 1,421,158
Non-interest-bearing deposits included above[4]								
Canada							**$ 58,422**	$ 61,581
United States							**70,234**	76,376
International							**–**	23
Interest-bearing deposits included above[4]								
Canada							**723,332**	712,283
United States[5]							**454,892**	482,247
International							**84,970**	88,648
Total[2,6]							**$ 1,391,850**	$ 1,421,158

[1] Includes $103.2 billion (October 31, 2023 – $103.3 billion) of senior debt which is subject to the bank recapitalization "bail-in" regime. This regime provides certain statutory powers to the Canada Deposit Insurance Corporation, including the ability to convert specified eligible shares and liabilities into common shares in the event that the Bank becomes non-viable.
[2] Includes $61.1 billion relating to covered bondholders (October 31, 2023 – $57.0 billion).
[3] Financial liabilities designated at FVTPL on the Consolidated Balance Sheet also includes $150.3 million (October 31, 2023 – $142.3 million) of loan commitments and financial guarantees designated at FVTPL.
[4] The geographical splits of the deposits are based on the point of origin of the deposits.
[5] Includes $6.9 billion (October 31, 2023 – $13.9 billion) of U.S. federal funds deposited and $8.7 billion (October 31, 2023 – $9.0 billion) of deposits and advances with the FHLB.
[6] Includes deposits of $744.2 billion (October 31, 2023 – $779.9 billion) denominated in U.S. dollars and $117.0 billion (October 31, 2023 – $115.0 billion) denominated in other foreign currencies.

NOTE 11: OTHER LIABILITIES

Other Liabilities

(millions of Canadian dollars)		*As at*
	January 31	October 31
	2024	2023
Accounts payable, accrued expenses, and other items[1,2]	**$ 6,271**	$ 8,314
Accrued interest	**4,568**	4,421
Accrued salaries and employee benefits	**3,447**	4,993
Cheques and other items in transit[2]	**2,517**	2,245
Current income tax payable	**120**	162
Deferred tax liabilities	**191**	204
Defined benefit liability	**1,322**	1,244
Lease liabilities	**5,139**	5,050
Liabilities related to structured entities	**16,938**	17,520
Provisions **(Note 18)**	**3,413**	3,421
Total[2]	**$ 43,926**	$ 47,574

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

NOTE 12: EQUITY

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

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

(millions of shares or other equity instruments and millions of Canadian dollars)	*For the three months ended*			
	January 31, 2024		January 31, 2023	
	Number of shares	**Amount**	Number of shares	Amount
Common Shares				
Balance as at beginning of period	**1,791.4**	**$ 25,434**	1,821.7	$ 24,363
Proceeds from shares issued on exercise of stock options	**0.6**	**42**	0.4	26
Shares issued as a result of dividend reinvestment plan	**1.7**	**137**	7.9	705
Purchase of shares for cancellation and other	**(20.9)**	**(295)**	–	–
Balance as at end of period – common shares	**1,772.8**	**$ 25,318**	1,830.0	$ 25,094
Preferred Shares and Other Equity Instruments				
Preferred Shares – Class A				
Balance as at beginning of period	**143.6**	**$ 5,200**	159.6	$ 5,600
Issue of shares	**–**	**–**	–	–
Redemption of shares	**–**	**–**	–	–
Balance as at end of period	**143.6**	**$ 5,200**	159.6	$ 5,600
Other Equity Instruments[1]				
Balance as at beginning and end of period	**5.0**	**$ 5,653**	5.0	$ 5,653
Balance as at end of period – preferred shares and other equity instruments	**148.6**	**$ 10,853**	164.6	$ 11,253
Treasury – common shares[2]				
Balance as at beginning of period	**0.7**	**$ (64)**	1.0	$ (91)
Purchase of shares	**37.5**	**(3,096)**	20.4	(1,816)
Sale of shares	**(37.5)**	**3,102**	(20.3)	1,804
Balance as at end of period – treasury – common shares	**0.7**	**$ (58)**	1.1	$ (103)
Treasury – preferred shares and other equity instruments[2]				
Balance as at beginning of period	**0.1**	**$ (65)**	0.1	$ (7)
Purchase of shares and other equity instruments	**1.7**	**(98)**	0.9	(141)
Sale of shares and other equity instruments	**(1.7)**	**136**	(0.9)	139
Balance as at end of period – treasury – preferred shares and other equity instruments	**0.1**	**$ (27)**	0.1	$ (9)

[1] For Limited Recourse Capital Notes, the number of shares represents the number of notes issued.
[2] When the Bank purchases its own equity instruments as part of its trading business, they are classified as treasury instruments and the cost of these instruments is recorded as a reduction in equity.

DIVIDENDS

On February 28, 2024, the Board approved a dividend in an amount of one dollar and two cents ($1.02) per fully paid common share in the capital stock of the Bank for the quarter ending April 30, 2024, payable on and after April 30, 2024, to shareholders of record at the close of business on April 9, 2024.

DIVIDEND REINVESTMENT PLAN

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

During the three months ended January 31, 2024, the Bank issued 2.0 million common shares from treasury with no discount. During the three months ended January 31, 2023, the Bank issued 7.9 million common shares from treasury with a 2% discount.

NORMAL COURSE ISSUER BID

On August 28, 2023, the Bank announced that the Toronto Stock Exchange and OSFI approved a normal course issuer bid (NCIB) to repurchase for cancellation up to 90 million of its common shares. The NCIB commenced on August 31, 2023, and during the three months ended January 31, 2024, the Bank repurchased 20.9 million common shares under the NCIB, at an average price of $82.39 per share for a total amount of $1.7 billion.

NOTE 13: INSURANCE

***(a)* INSURANCE SERVICE RESULT**

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

Insurance Service Result

(millions of Canadian dollars)	*For the three months ended*	
	January 31, 2024	January 31, 2023
Insurance revenue	**$ 1,676**	$ 1,542
Insurance service expenses	**1,366**	1,164
Insurance service result before reinsurance contracts held	**310**	378
Net income (expense) from reinsurance contracts held	**12**	(45)
Insurance service result	**$ 322**	$ 333

The Bank recognized insurance finance expenses of $122 million from insurance and reinsurance contracts for the three months ended January 31, 2024 (three months ended January 31, 2023 – $125 million) in other income (loss). The Bank's investment return on securities supporting insurance contracts is comprised of interest income reported in net interest income and fair value changes reported in other income (loss). Investment return on securities supporting insurance contracts was $131 million for the three months ended January 31, 2024 (three months ended January 31, 2023 – $150 million).

***(b)* INSURANCE CONTRACT LIABILITIES**

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

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

Property and casualty insurance contract liabilities by LRC and LIC

(millions of Canadian dollars)										*As at*
	January 31, 2024					January 31, 2023				
	Liability for remaining coverage		**Liability for incurred claims**		**Total**	Liability for remaining coverage		Liability for incurred claims		Total
	Excluding loss component	**Loss component**	**Estimates of the present value of future cash flows**	**Risk adjustment**		Excluding loss component	Loss component	Estimates of the present value of future cash flows	Risk adjustment	
Balance at beginning of period										
Insurance contract liabilities	**$ 630**	**$ 129**	**$ 4,740**	**$ 220**	**$ 5,719**	$ 623	$ 113	$ 4,700	$ 208	$ 5,644
Balance at end of period										
Insurance contract liabilities	**$ 585**	**$ 132**	**$ 4,820**	**$ 224**	**$ 5,761**	$ 546	$ 130	$ 4,755	$ 211	$ 5,642

For property and casualty contracts, during the three months ended January 31, 2024, the Bank recognized insurance revenue of $1,326 million (three months ended January 31, 2023 – $1,188 million), insurance service expenses of $1,171 million (three months ended January 31, 2023 – $979 million) and insurance finance expenses of $121 million (three months ended January 31, 2023 – $121 million).

Other insurance liabilities were $160 million as at January 31, 2024 (October 31, 2023 – $127 million) and include life and health insurance contract liabilities of $110 million (October 31, 2023 – $124 million).

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

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

Insurance contract liabilities are calculated by discounting expected future cash flows. The interest rates used to discount the Bank's insurance balances over a duration of 1 to 10 years range from 5.4% to 4.8% as at January 31, 2024 (October 31, 2023 – 5.7% to 5.5%).

NOTE 14: SHARE-BASED COMPENSATION

For the three months ended January 31, 2024, the Bank recognized compensation expense for stock option awards of $10.1 million (three months ended January 31, 2023 – $11.1 million). During the three months ended January 31, 2024, 2.5 million (three months ended January 31, 2023 – 2.5 million) stock options were granted by the Bank at a weighted-average fair value of $14.36 per option (January 31, 2023 – $14.70 per option).

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

Assumptions Used for Estimating the Fair Value of Options

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

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

NOTE 15: EMPLOYEE BENEFITS

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

Defined Benefit Plan Expenses

(millions of Canadian dollars)	**Principal pension plans**		**Principal post-retirement benefit plan**		**Other pension plans[1]**	
					For the three months ended	
	January 31 2024	January 31 2023	**January 31 2024**	January 31 2023	**January 31 2024**	January 31 2023
Service cost – benefits earned	**$ 54**	$ 62	**$ 1**	$ 1	**$ 4**	$ 4
Net interest cost (income) on net defined benefit liability (asset)	**(20)**	(25)	**5**	5	**6**	6
Interest cost on asset limitation and minimum funding requirement	**3**	5	**–**	–	**1**	1
Defined benefit administrative expenses	**2**	2	**–**	–	**1**	1
Total	**$ 39**	$ 44	**$ 6**	$ 6	**$ 12**	$ 12

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

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

Defined Contribution Plan Expenses

(millions of Canadian dollars)	*For the three months ended*	
	January 31 2024	January 31 2023
Defined contribution pension plans[1]	**$ 85**	$ 64
Government pension plans[2]	**197**	173
Total	**$ 282**	$ 237

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

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

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

(millions of Canadian dollars)	**Principal pension plans**		**Principal post-retirement benefit plan**		**Other pension plans**	
					For the three months ended	
	January 31 2024	January 31 2023	**January 31 2024**	January 31 2023	**January 31 2024**	January 31 2023
Remeasurement gain/(loss) – financial	**$ (1,124)**	$ (382)	**$ (36)**	$ (24)	**$ (43)**	$ –
Remeasurement gain/(loss) – return on plan assets less interest income	**800**	386	**–**	–	**–**	–
Change in asset limitation and minimum funding requirement	**176**	116	**–**	–	**–**	–
Total	**$ (148)**	$ 120	**$ (36)**	$ (24)	**$ (43)**	$ –

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

NOTE 16: INCOME TAXES

International Tax Reform – Pillar Two Global Minimum Tax

The OECD published Pillar Two model rules as part of its efforts toward international tax reform. The Pillar Two model rules provide for the implementation of a 15% global minimum tax for large multinational enterprises, which is to be applied on a jurisdiction-by-jurisdiction basis. Pillar Two legislation has been enacted or substantively enacted in certain jurisdictions in which the Bank operates. The earliest the legislation will be effective for the Bank is the fiscal year beginning on November 1, 2024. On August 4, 2023, draft legislative proposals regarding Canada's implementation of the Pillar Two rules were released for public comment and updated proposals are expected to be issued in early 2024. The Bank is assessing its potential exposure to Pillar Two income taxes.

Other Tax Matters

The Canada Revenue Agency (CRA), Revenu Québec Agency (RQA) and Alberta Tax and Revenue Administration (ATRA) are denying certain dividend and interest deductions claimed by the Bank. As at January 31, 2024, the CRA has reassessed the Bank for $1,661 million for the years 2011 to 2018, the RQA has reassessed the Bank for $51 million for the years 2011 to 2017, and the ATRA has reassessed the Bank for $71 million for the years 2011 to 2018. In total, the Bank has been reassessed for $1,783 million of income tax and interest. The Bank expects to continue to be reassessed for open years. The Bank is of the view that its tax filing positions were appropriate and filed a Notice of Appeal with the Tax Court of Canada on March 21, 2023.

NOTE 17: EARNINGS PER SHARE

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

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

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

Basic and Diluted Earnings Per Share[1]

(millions of Canadian dollars, except as noted)	*For the three months ended*	
	January 31 2024	January 31 2023
Basic earnings per share		
Net income attributable to common shareholders	**$ 2,750**	$ 1,498
Weighted-average number of common shares outstanding (millions)	**1,776.7**	1,820.7
Basic earnings per share (Canadian dollars)	**$ 1.55**	$ 0.82
Diluted earnings per share		
Net income attributable to common shareholders	**$ 2,750**	$ 1,498
Net income available to common shareholders including impact of dilutive securities	**2,750**	1,498
Weighted-average number of common shares outstanding (millions)	**1,776.7**	1,820.7
Effect of dilutive securities		
Stock options potentially exercisable (millions)[2]	**1.5**	2.4
Weighted-average number of common shares outstanding – diluted (millions)	**1,778.2**	1,823.1
Diluted earnings per share (Canadian dollars)[2]	**$ 1.55**	$ 0.82

1 Amounts for the three months ended January 31, 2023 have been restated for the adoption of IFRS 17. Refer to Note 2 for details.
2 For the three months ended January 31, 2024, the computation of diluted earnings per share excluded average options outstanding of 4.9 million, with a weighted-average exercise price of $92.89, as the option price was greater than the average market price of the Bank's common shares. For the three months ended January 31, 2023, the computation of diluted earnings per share excluded average options outstanding of 3.7 million, with a weighted-average exercise price of $93.69, as the option price was greater than the average market price of the Bank's common shares.

NOTE 18: PROVISIONS AND CONTINGENT LIABILITIES

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

(a) RESTRUCTURING

The Bank continued to undertake certain measures in the first quarter of 2024 to reduce its cost base and achieve greater efficiency. In connection with these measures, the Bank incurred $291 million of restructuring charges. The restructuring costs primarily relate to: (i) employee severance and other personnel-related costs recorded as provisions and (ii) real estate optimization mainly recorded as a reduction to land and buildings.

(b) LEGAL AND REGULATORY MATTERS

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

In the ordinary course of business, the Bank and its subsidiaries are involved in various legal and regulatory actions, including but not limited to civil claims and lawsuits, regulatory examinations, investigations, audits, and requests for information by governmental, regulatory and self-regulatory agencies and law enforcement authorities in various jurisdictions, in respect of our businesses and compliance programs. The Bank establishes provisions when it becomes probable that the Bank will incur a loss and the amount can be reliably estimated. The Bank also estimates the aggregate range of reasonably possible losses (RPL) in its legal and regulatory actions (that is, those which are neither probable nor remote), in excess of provisions. As at January 31, 2024, the Bank's RPL is from zero to approximately $1.42 billion (October 31, 2023 – from zero to approximately $1.44 billion). The Bank's provisions and RPL represent the Bank's best estimates based upon currently available information for actions for which estimates can be made, but there are a number of factors that could cause the Bank's provisions and/or RPL to be significantly different from its actual or RPL. For example, the Bank's estimates involve significant judgment due to the varying stages of the proceedings, the existence of multiple defendants in many proceedings whose share of liability has yet to be determined, the numerous yet-unresolved issues in many of the proceedings, some of which are beyond the Bank's control and/or involve novel legal theories and interpretations, the attendant uncertainty of the various potential outcomes of such proceedings, and the fact that the underlying matters will change from time to time. In addition, some actions seek very large or indeterminate damages.

The Bank and certain of its subsidiaries have been responding to inquiries from, and cooperating with, the Securities and Exchange Commission (SEC) and the Commodity Futures Trading Commission (CFTC) concerning compliance with records preservation requirements relating to business communications exchanged on unapproved electronic channels. The Bank is engaged in settlement discussions with the SEC and CFTC and anticipates that resolution will include penalties. The SEC and CFTC have conducted similar investigations at other financial institutions.

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

NOTE 19: SEGMENTED INFORMATION

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

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

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

Results by Business Segment[1,2]
(millions of Canadian dollars)

	Canadian Personal and Commercial Banking		U.S. Retail		Wealth Management and Insurance		Wholesale Banking[3]		Corporate[3]		Total	
											For the three months ended January 31	
	2024	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023	**2024**	2023
Net interest income (loss)	**$ 3,833**	$ 3,539	**$ 2,899**	$ 3,167	**$ 285**	$ 283	**$ 198**	$ 525	**$ 273**	$ 219	**$ 7,488**	$ 7,733
Non-interest income (loss)	**1,051**	1,050	**604**	560	**2,850**	2,632	**1,582**	820	**139**	(594)	**6,226**	4,468
Total revenue	**4,884**	4,589	**3,503**	3,727	**3,135**	2,915	**1,780**	1,345	**412**	(375)	**13,714**	12,201
Provision for (recovery of) credit losses	**423**	327	**385**	200	**–**	–	**10**	32	**183**	131	**1,001**	690
Insurance service expenses	**–**	–	**–**	–	**1,366**	1,164	**–**	–	**–**	–	**1,366**	1,164
Non-interest expenses	**1,984**	1,863	**2,410**	2,040	**1,047**	1,009	**1,500**	883	**1,089**	2,317	**8,030**	8,112
Income (loss) before income taxes and share of net income from investment in Schwab	**2,477**	2,399	**708**	1,487	**722**	742	**270**	430	**(860)**	(2,823)	**3,317**	2,235
Provision for (recovery of) income taxes	**692**	670	**(5)**	204	**167**	188	**65**	99	**(285)**	(222)	**634**	939
Share of net income from investment in Schwab[4,5]	**–**	–	**194**	301	**–**	–	**–**	–	**(53)**	(16)	**141**	285
Net income (loss)	**$ 1,785**	$ 1,729	**$ 907**	$ 1,584	**$ 555**	$ 554	**$ 205**	$ 331	**$ (628)**	$ (2,617)	**$ 2,824**	$ 1,581

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

Total Assets by Business Segment[1]
(millions of Canadian dollars)

	Canadian Personal and Commercial Banking	U.S. Retail	Wealth Management and Insurance	Wholesale Banking	Corporate	Total
						As at January 31, 2024
Total assets	**$ 565,310**	**$ 546,140**	**$ 22,522**	**$ 652,260**	**$ 124,660**	**$ 1,910,892**
						As at October 31, 2023
Total assets	$ 560,303	$ 560,585	$ 22,293	$ 673,398	$ 138,560	$ 1,955,139

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

NOTE 20: INTEREST INCOME AND EXPENSE

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

Interest Income

(millions of Canadian dollars)	*For the three months ended*	
	January 31, 2024	January 31, 2023
Measured at amortized cost[1]	$ **19,566**	$ 15,528
Measured at FVOCI – Debt instruments[1]	**933**	720
	20,499	16,248
Measured or designated at FVTPL	**2,250**	1,756
Measured at FVOCI – Equity instruments	**64**	52
Total	$ **22,813**	$ 18,056

[1] Interest income is calculated using EIRM.

Interest Expense

(millions of Canadian dollars)	*For the three months ended*	
	January 31, 2024	January 31, 2023
Measured at amortized cost[1]	$ **12,192**	$ 8,671
Measured or designated at FVTPL	**3,133**	1,652
Total	$ **15,325**	$ 10,323

[1] Interest expense is calculated using EIRM.

NOTE 21: REGULATORY CAPITAL

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

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

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

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

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

Regulatory Capital Position

(millions of Canadian dollars, except as noted)	*As at*	
	January 31 2024	October 31 2023
Capital		
Common Equity Tier 1 Capital	**$ 80,679**	$ 82,317
Tier 1 Capital	**91,154**	92,752
Total Capital	**101,789**	103,648
Risk-weighted assets used in the calculation of capital ratios	**579,424**	571,161
Capital and leverage ratios		
Common Equity Tier 1 Capital ratio	**13.9 %**	14.4 %
Tier 1 Capital ratio	**15.7**	16.2
Total Capital ratio	**17.6**	18.1
Leverage ratio	**4.4**	4.4
TLAC Ratio	**30.8**	32.7
TLAC Leverage Ratio	**8.6**	8.9

SHAREHOLDER AND INVESTOR INFORMATION

Shareholder Services

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

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

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

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

Quarterly Earnings Conference Call
TD Bank Group will host an earnings conference call in Toronto, Ontario on February 29, 2024. The call will be audio webcast live through TD's website at 8:30 a.m. ET. The call will feature presentations by TD executives on the Bank's financial results for first quarter and discussions of related disclosures, followed by a question-and-answer period with analysts. The presentation material referenced during the call will be available on the TD website at www.td.com/investor on February 29, 2024, in advance of the call. A listen-only telephone line is available at 416-641-6150 or 1-866-696-5894 (toll free) and the passcode is 2727354#.

The audio webcast and presentations will be archived at www.td.com/investor. Replay of the teleconference will be available from 5:00 p.m. ET on February 29, 2024, until 11:59 p.m. ET on March 15, 2024, by calling 905-694-9451 or 1-800-408-3053 (toll free). The passcode is 7300743#.

Annual Meeting
Thursday, April 18, 2024
Toronto, Ontario