



March 27, 2025

## INDEPENDENT REVIEW COMMITTEE 2024 REPORT TO SECURITYHOLDERS

Dear Investor:

The members of the independent review committee (the “**IRC**”) of the funds listed in Schedule A to this report (collectively, the “**Funds**” and individually, a “**Fund**”) managed by TD Asset Management Inc. (“**TDAM**”) are pleased to provide investors of those Funds, as required under *National Instrument 81-107 - Independent Review Committee for Investment Funds* (“**NI 81-107**”), with this report for the financial year ended December 31, 2024.

The IRC’s mandate is to review conflicts of interest matters that relate to the Funds as identified and referred to the IRC by TDAM and to provide an approval or recommendation, depending on the nature of the conflict of interest matter. The IRC’s focus is on the question of whether TDAM’s proposed actions, in each matter, achieves a fair and reasonable result for the Funds.

At least annually, the IRC reviews and assesses the adequacy and effectiveness of TDAM’s policies and procedures relating to conflict of interest matters in respect of the Funds, and conducts a self-assessment of the IRC’s independence, effectiveness, and compensation. The IRC also reviews, on an annual basis, its written charter that outlines its mandate, responsibilities and functions, and the procedures it will follow to perform its functions.

The IRC looks forward to continuing to serve in the best interests of the Funds and the investors who place their trust in the integrity and professional expertise of TDAM.

An investor in any of the Funds may request a copy of this report, free of charge, by sending an e-mail to [td.mutualfunds@td.com](mailto:td.mutualfunds@td.com). A copy of this report is also available at [www.td.com/ca/en/asset-management/](http://www.td.com/ca/en/asset-management/); or on SEDAR+ (System for Electronic Data Analysis and Retrieval +) at [www.sedarplus.ca](http://www.sedarplus.ca).

### Independent Review Committee

*"Paul Moore"*

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Paul Moore  
Chairman

## IRC Members

### Members of the IRC

Name	Residence	First Appointed
<b>Paul Moore</b> Chairman	Mississauga, Ontario	April, 2007 <sup>1</sup>
<b>Frances Kordyback</b>	Toronto, Ontario	June, 2020 <sup>2</sup>
<b>Margot Naudie</b>	Collingwood, Ontario	June, 2021 <sup>3</sup>
<b>James Turner</b>	Scarborough, Ontario	August, 2023 <sup>4</sup>

Mr. Moore, Ms. Kordyback, Ms. Naudie and Mr. Turner also serve as members of an independent review committee for classes of the TD Mutual Funds Corporate Class Ltd. and non-prospectus investment funds managed by TDAM. None of the members of the IRC serve as a member of an independent review committee for the investment funds managed by another investment fund manager. Having completed its own self-assessment, the IRC has concluded that none of its members have existing relationships that would cause a reasonable person to question the independence of the IRC members.

### Holdings of Securities

#### (a) Funds

As at December 31, 2024, the percentage of units of each series of the Funds (as set out in Schedule A) beneficially owned, directly or indirectly, in aggregate, by all members of the IRC did not exceed 10 per cent.

#### (b) Manager

TDAM is a wholly-owned subsidiary of The Toronto-Dominion Bank (the “**Bank**”). As at December 31, 2024, the percentage of securities of each class of voting or equity securities of the Bank beneficially owned, directly or indirectly, in aggregate, by all members of the IRC was less than 0.01 per cent.

#### (c) Service Providers

The Bank and/or its affiliates and associates are service providers to the Funds and TDAM. As at December 31, 2024, the percentage of securities of each class of voting or equity securities of the Bank and other service providers beneficially owned, directly or indirectly, in aggregate, by all members of the IRC was less than 0.01 per cent.

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<sup>1</sup> Mr. Moore was appointed as a member of a predecessor independent committee on April 26, 2007, which was then reconstituted as the IRC on September 19, 2007. Mr. Moore was elected Chairman of the IRC on September 19, 2007.

<sup>2</sup> Ms. Kordyback was appointed as a member of the IRC on June 30, 2020.

<sup>3</sup> Ms. Naudie was appointed as a member of the IRC on June 30, 2021.

<sup>4</sup> Mr. Turner was appointed as a member of the IRC on August 9, 2023.

## **Compensation and Indemnities**

The aggregate compensation paid to the IRC for the year ended December 31, 2024 was \$356,000. TDAM has advised that, of this amount, approximately \$165,000 was or will be charged to the Funds in a manner, considered by TDAM, to be fair and reasonable. More specifically, costs are allocated proportionately based on the policies that are applicable to a Fund.

No indemnities were paid to the IRC by the Funds during the period.

At least annually, the IRC reviews its compensation in a manner consistent with good governance practices, giving consideration to, among other factors the IRC considers important, the following:

- the best interests of the Funds;
- the number, nature and complexity of the Funds;
- the nature and extent of the workload of each member of the IRC, including the types of conflicts of interest matters referred to the IRC and the commitment of time and energy that is expected from each member;
- compensation paid to independent review committees of comparable fund complexes; and
- the IRC's most recent self-assessment as well as any recommendations concerning the IRC's compensation made by TDAM.

The compensation paid to the IRC during the year ended December 31, 2024 was set by the IRC and was consistent with TDAM's recommendation, as to the appropriate level of compensation for the IRC members.

## **Conflict of Interest Matters**

TDAM is required to refer to the IRC its proposed actions, and its related policies and procedures, for situations in which TDAM or a related party has or could be perceived to have an interest that may conflict with its ability to act in the best interests of a Fund. For example, the manager may have to forgo what might otherwise be a benefit to itself or a related party, or incur a cost, in order to act in accordance with its responsibilities to the Funds.

The IRC is not aware of any instance in the period in which TDAM acted in a conflict of interest matter referred to the IRC for which the IRC did not provide a positive recommendation.

As of the date of this report, there were no exceptions reported to the IRC by TDAM.

### *Approvals Pursuant to Standing Instructions*

TDAM relied on approvals and standing instructions of the IRC in the period in relation to the following activities. In each case, the standing instructions required TDAM to comply with its related policy and procedures and to report periodically to the IRC.

1. Approval to allow the Funds to invest in or hold securities of related issuers (including the Bank, its affiliates and associates).

2. Approval to allow the Funds to invest in the securities of an issuer where an affiliate of TDAM (a “**Related Dealer**”) acts as an underwriter during the offering of the securities or at any time during the 60-day period following the completion of the offering of such securities.
3. Approval to allow the Funds to purchase equity or debt securities from or sell equity or debt securities to a Related Dealer, where it is acting as principal.
4. Approval to allow the Funds to purchase securities from or sell securities to another investment fund or discretionary account managed by TDAM or an affiliate of TDAM (referred to as an inter-fund trade), and to allow TDAM as portfolio adviser to the Funds to manage or advise on both sides of the trade and provides a direction to cross the buy and sell transaction (referred to as a cross-trade).
5. Approval to permit, in certain circumstances, the Funds to purchase and redeem Fund securities in consideration for securities rather than cash.
6. Approval to permit the Funds to invest, directly or indirectly, a portion of its assets in one or more underlying entities, which are investment vehicles managed by TDAM or an affiliate.

*Positive Recommendations Pursuant to Standing Instructions*

TDAM has received positive recommendations and relied on standing instructions with respect to the conflict of interest matters addressed by the following policies. In each case, the standing instructions required TDAM to comply with its related policy and procedures and to report periodically to the IRC.

1. **Asset Valuation:** TDAM has a duty and obligation to use fair pricing procedures. In valuing assets of a Fund, there is a potential conflict of interest in that a higher net asset value (“NAV”) increases the management fees earned by TDAM. Also, overstating the NAV would improve a Fund’s performance which could result in greater sales which, in turn, would result in TDAM earning greater revenue.
2. **Client Brokerage Commissions:** A portfolio adviser such as TDAM is permitted to use client brokerage commissions, on behalf of its clients, to obtain products or services (most notably, research) from a broker-dealer in exchange for the direction of client brokerage transactions to that same broker-dealer. The use of client brokerage commissions creates a potential conflict of interest with a portfolio adviser's ability to direct brokerage transactions involving client commissions to a broker dealer in return for the provision of goods or services, other than order execution.
3. **Custody:** The Bank acts as custodian for securities of underlying funds and certain Funds and holds cash of several Funds which creates a potential conflict of interest as to its selection, and continued retention, as a custodian. The Bank also acts as a sub-custodian for the Funds and holds cash of the Funds.
4. **Error Corrections (NAV Errors):** TDAM identifies and fixes incorrect calculations of the Funds’ NAVs in specified circumstances. There is a potential for conflict of interest in that correcting NAV errors may adversely effect TDAM’s management fee revenue and/or necessitate TDAM incurring costs to correct such errors.
5. **Gifts and Business Entertainment:** There is a potential conflict of interest in that TDAM personnel may have an incentive to direct trades to brokers or other business to other service

providers, or give preferential treatment to clients, if they were permitted to accept excessive and extravagant gifts or entertainment from such entities.

6. **Launching, Merging or Closing Funds:** These actions have the potential to place TDAM in a conflict of interest position.
7. **Mutual Fund Fees and Expenses:** There is a potential conflict of interest in charging Fund expenses because TDAM could charge expenses inappropriately to a Fund or series units in a manner that would result in a benefit to TDAM or an entity related to TDAM.
8. **Mutual Fund Trust Accounting:** TDAM, as trustee, holds legal title of the assets in the Funds so it could intermingle the Funds' assets with its own for TDAM's own use or benefit.
9. **Personal Trading:** TDAM personnel who have access to non-public information regarding the Funds and their investment decisions are in a potential conflict of interest in respect of their own trading.
10. **Portfolio Management and Investment Decisions:** There is the potential for a conflict of interest if TDAM were to make investment decisions which favour certain Funds over others.
11. **Proxy Voting:** In voting securities held by the Funds, a conflict of interest exists in that TDAM or the sub-advisers selected by TDAM may have to choose between decisions that would be advantageous to TDAM or its affiliates, its sub-advisers or certain of their clients and voting in the best interest of the Funds.
12. **Purchases by Funds that are Reporting Issuers of Private Fixed Income Securities Sourced by TDAM or a Related Entity:** There is the potential for perceived conflicts of interest concerning the Funds due to the nature of private fixed income securities and the origination of and investment in such securities.
13. **Sales Practices:** A potential conflict of interest exists because certain sales practices and compensation arrangements to promote the sale of Funds could undermine, compromise or conflict with TDAM's obligation to act in the best interest of the Funds.
14. **Trade Aggregation and Allocation:** Trade aggregation and allocation creates a potential conflict of interest because a portfolio adviser could aggregate and/or allocate trades in a manner that favours itself instead of the Funds or in a manner that favours one or more particular Fund(s) to the detriment of others.
15. **Trading with or through a Related Broker-Dealer:** Placing trades on behalf of Funds by a portfolio adviser with or through its related broker-dealers creates a potential conflict of interest, as the Funds absorb the spread or commission costs, while the related broker-dealer receives the income from the spread or commissions paid.
16. **Related Designated Broker:** TDAM has entered into a designated broker agreement with a related dealer, pursuant to which the related dealer performs certain duties related to the TD exchange-traded funds.
17. **Underlying Fund Investment:** There is a potential for conflict of interest when a Fund invests in a TDAM-managed investment fund rather than an investment fund managed by an unrelated third party. TDAM could potentially be influenced to use the TDAM-managed fund by considerations

related to the financial benefits to accrue to TDAM or its affiliates rather than considerations relating to the best interests of the affected Fund(s).

18. **Unitholder Activity:** A conflict could arise if investors were permitted to engage in trading practices that result in TDAM, or an entity related to TDAM, receiving a benefit as a result of TDAM permitting or being complicit in such activities.
19. **Seed Capital Hedging:** A conflict could arise where TDAM buys or sells its Funds, specifically, its exchange traded funds, for seed capital hedging purposes on the same day that those Funds are traded for Client Proprietary Accounts (as defined below), Pooled Proprietary Accounts (as defined below), and Client Accounts (as defined below). A conflict may also arise if TDAM trades in foreign exchange contracts or options, on the same day related trades are made for Client Proprietary Accounts, Pooled Proprietary Accounts, and Client Accounts. In all instances, when TDAM is conducting side by side management, there is a potential for a conflict of interest in that TDAM may favour Seed Capital Accounts (as defined below) over Client Accounts, Client Proprietary Accounts and Pooled Proprietary Accounts.

**Client Account** means client segregated portfolios and model portfolios managed or advised by TDAM.

**Proprietary Account** refers to those investment mandates under the discretionary management of TDAM wherein the Bank, its affiliates, any of the Bank's or its affiliates' directors, officers or its employees (collectively, the "**TD Investors**") have a direct or indirect proprietary interest other than non-material interests acquired through normal course purchases. Proprietary Accounts are classified into the following applicable categories:

- (i) **Client Proprietary Accounts:** These are Funds (launched by TDAM with a good faith intention of selling units to third-party clients) that contain seed capital provided by or investments made by TD Investors, wherein one or more third-party client has also invested at the time.
- (ii) **Pooled Proprietary Accounts:** These are Funds (launched by TDAM with a good faith intention of selling units to third-party clients) that contain seed capital provided by or investments made by TD Investors, in which no third-party client has invested at the time. The good faith intention of selling units of the Funds to third-party clients will be backed by documentary evidence such as prospectuses and/or other offering documents.

**Seed Capital Account** means a type of Firm Proprietary Account used to conduct trades on behalf of TD Investors, to hedge against both investment risk and broad market risks to TD Investors' underlying seed capital investments held in Client Proprietary Accounts and Pooled Proprietary Accounts managed by TDAM.

#### *Specific Recommendations*

Acting in accordance with NI 81-107, the IRC has a duty to provide specific recommendations to TDAM for any conflict of interest matters specifically referred to the IRC by TDAM. In such cases, after reviewing the course of action proposed by TDAM, the duty of the IRC is to consider whether a proposed transaction would achieve a fair and reasonable result for the applicable Fund(s).

For the period from January 1, 2024 to December 31, 2024, TDAM referred the following conflict of interest matter to the IRC:

**Proposed Seeding of a Non-Prospectus TD Fund:** On August 14, 2024, TDAM sought the IRC's positive recommendation to seed a non-prospectus TD fund entirely with money from certain investment funds managed by TDAM, which may include certain Funds, prior to third-party client investments. After reasonable inquiry and review of information provided by TDAM, the IRC determined that the proposal achieved a fair and reasonable result for the Funds.



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## SCHEDULE A

### THE FUNDS as at December 31, 2024

#### TD MUTUAL FUNDS

##### **Money Market Funds**

TD Canadian Money Market Fund

TD Premium Money Market Fund

TD U.S. Money Market Fund

##### **Target Maturity Bond Funds**

TD Target 2025 Investment Grade Bond Fund

TD Target 2026 Investment Grade Bond Fund

TD Target 2027 Investment Grade Bond Fund

TD Target 2025 U.S. Investment Grade Bond Fund

TD Target 2026 U.S. Investment Grade Bond Fund

TD Target 2027 U.S. Investment Grade Bond Fund

##### **Fixed Income Funds**

TD Ultra Short Term Bond Fund

TD Short Term Bond Fund

TD Canadian Bond Fund

TD Income Advantage Portfolio

TD Canadian Core Plus Bond Fund

TD Canadian Corporate Bond Fund

TD U.S. Corporate Bond Fund

TD Canadian Long Term Federal Bond Fund

TD U.S. Long Term Treasury Bond Fund

TD North American Sustainability Bond Fund

TD Global Income Fund

TD Global Core Plus Bond Fund

TD Global Unconstrained Bond Fund

TD High Yield Bond Fund

TD Preferred Share Fund

##### **Balanced Funds**

TD Global Conservative Opportunities Fund

TD Global Balanced Opportunities Fund

TD Monthly Income Fund

TD Tactical Monthly Income Fund

TD North American Sustainability Balanced Fund

TD U.S. Monthly Income Fund

TD U.S. Monthly Income Fund – C\$

TD Diversified Monthly Income Fund

TD Global Tactical Monthly Income Fund

TD Balanced Growth Fund

TD Dividend Income Fund

TD Canadian Diversified Yield Fund

##### **Canadian Equity Funds**

TD Canadian Low Volatility Fund

TD Dividend Growth Fund

TD Canadian Blue Chip Dividend Fund

TD Canadian Large-Cap Equity Fund

TD Canadian Equity Fund

TD Canadian Small-Cap Equity Fund

##### **U.S. Equity Funds**

TD U.S. Low Volatility Fund

TD North American Dividend Fund

TD North American Sustainability Equity Fund

TD U.S. Dividend Growth Fund

TD U.S. Shareholder Yield Fund

TD U.S. Equity Focused Fund

TD U.S. Equity Focused Currency Neutral Fund

TD U.S. Large-Cap Value Fund

TD U.S. Capital Reinvestment Fund  
(formerly, TD U.S. Blue Chip Equity Fund)

TD U.S. Disciplined Equity Alpha Fund <sup>TM</sup>  
(formerly, TD U.S. Quantitative Equity Fund)

TD U.S. Equity Pool

TD U.S. Mid-Cap Growth Fund

TD U.S. Mid-Cap Growth Currency Neutral Fund

TD U.S. Small-Cap Equity Fund

##### **Global Equity Funds**

TD Global Low Volatility Fund

TD Global Shareholder Yield Fund

TD Global Disciplined Equity Alpha Fund <sup>TM</sup>

TD Global Equity Focused Fund

TD Global Capital Reinvestment Fund (formerly, TD  
Global Equity Growth Fund)

TD International Equity Focused Fund

TD International Equity Fund

TD China Income & Growth Fund

TD Emerging Markets Fund



### **Sector Funds**

TD Resource Fund  
TD Precious Metals Fund  
TD Global Entertainment & Communications Fund  
TD Science & Technology Fund  
TD Health Sciences Fund

### **Index Funds**

TD Canadian Bond Index Fund  
TD Balanced Index Fund  
TD Canadian Index Fund  
TD Dow Jones Industrial Average Index Fund  
TD U.S. Index Fund  
TD U.S. Index Currency Neutral Fund  
TD Nasdaq<sup>®</sup> Index Fund  
TD International Index Fund  
TD International Index Currency Neutral Fund  
TD European Index Fund  
TD Global Technology Leaders Index Fund

### **Retirement Portfolios**

TD US\$ Retirement Portfolio  
TD Retirement Conservative Portfolio  
TD Retirement Balanced Portfolio

### **Comfort Portfolios**

TD Comfort Conservative Income Portfolio  
TD Comfort Balanced Income Portfolio  
TD Comfort Balanced Portfolio  
TD Comfort Balanced Growth Portfolio  
TD Comfort Growth Portfolio  
TD Comfort Aggressive Growth Portfolio

### **TD Managed Pools**

TD Fixed Income Pool  
TD Risk Management Pool  
TD Canadian Equity Pool  
TD Global Equity Pool  
TD Tactical Pool

### **Alternative Funds**

TD Alternative Risk Focused Pool  
TD Alternative Commodities Pool  
TD Alternative Long/Short Commodities Pool

## **TD MANAGED ASSETS PROGRAM**

### **TD Managed Portfolios**

TD Managed Income Portfolio  
TD Managed Income & Moderate Growth Portfolio  
TD Managed Balanced Growth Portfolio  
TD Managed Aggressive Growth Portfolio  
TD Managed Maximum Equity Growth Portfolio

### **TD FundSmart Managed Portfolios**

TD FundSmart Managed Income & Moderate Growth Portfolio<sup>1</sup>  
TD FundSmart Managed Balanced Growth Portfolio<sup>2</sup>  
TD FundSmart Managed Aggressive Growth Portfolio<sup>3</sup>

### **TD Managed ETF Portfolios**

TD Managed Income ETF Portfolio  
TD Managed Income & Moderate Growth ETF Portfolio  
TD Managed Balanced Growth ETF Portfolio  
TD Managed Aggressive Growth ETF Portfolio  
TD Managed Maximum Equity Growth ETF Portfolio

## **TD POOLS**

TD Income Opportunities Pool  
TD Opportunities Pool  
TD Risk Reduction Pool  
TD Risk Reduction Pool – US\$  
TD Canadian Low Volatility Pool

## **TD EMERALD FUNDS**

TD *Emerald* Canadian Treasury Management Fund  
TD *Emerald* Canadian Treasury Management – Government of Canada Fund  
TD *Emerald* Canadian Short Term Investment Fund  
TD *Emerald* Canadian Bond Index Fund  
TD *Emerald* Balanced Fund

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<sup>1</sup> TD FundSmart Managed Income & Moderate Growth Portfolio was closed to all purchases by investors on November 1, 2019.

<sup>2</sup> TD FundSmart Managed Balanced Growth Portfolio was closed to all purchases by investors on November 1, 2019.

<sup>3</sup> TD FundSmart Managed Aggressive Growth Portfolio was closed to all purchases by investors on November 1, 2019.

TD *Emerald* Canadian Equity Index Fund  
TD *Emerald* U.S. Market Index Fund  
TD *Emerald* International Equity Index Fund

#### **TD EXCHANGE-TRADED FUNDS**

##### **TD ETF Portfolios**

TD Conservative ETF Portfolio  
TD Balanced ETF Portfolio  
TD Growth ETF Portfolio

##### **TD Target Maturity Bond ETFs**

TD Target 2025 Investment Grade Bond ETF  
TD Target 2026 Investment Grade Bond ETF  
TD Target 2027 Investment Grade Bond ETF  
TD Target 2028 Investment Grade Bond ETF  
TD Target 2029 Investment Grade Bond ETF  
TD Target 2030 Investment Grade Bond ETF  
TD Target 2025 U.S. Investment Grade Bond ETF  
TD Target 2026 U.S. Investment Grade Bond ETF  
TD Target 2027 U.S. Investment Grade Bond ETF

##### **TD Index ETFs**

TD Canadian Aggregate Bond Index ETF  
TD Canadian Equity Index ETF  
TD Canadian Bank Dividend Index ETF  
TD U.S. Equity Index ETF  
TD U.S. Equity CAD Hedged Index ETF  
TD International Equity Index ETF  
TD International Equity CAD Hedged Index ETF  
TD Global Healthcare Leaders Index ETF  
TD Global Technology Leaders Index ETF  
TD Global Technology Leaders CAD Hedged  
Index ETF  
TD Global Carbon Credit Index ETF  
TD Global Technology Innovators Index ETF

##### **TD Non-Index ETFs**

TD Select Short Term Corporate Bond Ladder ETF  
TD Select U.S. Short Term Corporate Bond Ladder  
ETF  
TD Active Preferred Share ETF  
TD Q Canadian Low Volatility ETF  
TD Q U.S. Low Volatility ETF  
TD Q International Low Volatility ETF  
TD Active U.S. Enhanced Dividend ETF  
TD Active U.S. Enhanced Dividend CAD Hedged  
ETF  
TD Active Global Enhanced Dividend ETF  
TD Active Global Equity Growth ETF  
TD Active Global Infrastructure Equity ETF  
TD Active Global Income ETF

TD Active Global Real Estate Equity ETF  
TD Active U.S. High Yield Bond ETF  
TD Canadian Long Term Federal Bond ETF  
TD Cash Management ETF  
TD Q Canadian Dividend ETF  
TD Q Global Dividend ETF  
TD Q Global Multifactor ETF  
TD Q U.S. Small-Mid-Cap Equity ETF  
TD U.S. Cash Management ETF  
TD U.S. Long Term Treasury Bond ETF