

TD Canadian Bond Fund

525432
(03/25)

TD Mutual Funds Annual Management Report of Fund Performance

for the period ended December 31, 2024

This annual management report of fund performance contains financial highlights, but does not contain the complete annual financial statements of the investment fund. You can get a copy of the annual financial statements at your request, at no cost, by calling 1-800-386-3757, by writing to us at TD Asset Management Inc., P.O. Box 100, 66 Wellington Street West, TD Bank Tower, Toronto-Dominion Centre, Toronto, Ontario, M5K 1G8, or by visiting our website at www.td.com/ca/en/asset-management or the SEDAR+ website at www.sedarplus.ca.



Securityholders may also contact us or visit our website to get a copy of the investment fund's interim financial report, proxy voting policies and procedures, proxy voting disclosure record, or quarterly portfolio disclosure at no cost.

Management Discussion of Fund Performance

Investment Objectives and Strategies

The investment objective of TD Canadian Bond Fund (the "Fund") is to seek to earn a high rate of interest income through investments in high-quality bonds and debentures issued principally by Canadian governments and corporations. In seeking to achieve this objective, the Fund employs rigorous bottom-up security selection focusing on the Canadian corporate debt market as well as global macroeconomic trends. Generally, the Fund employs a "buy-and-hold" strategy.

Risk

The risks of investing in the Fund remain as outlined in the simplified prospectus.

Results of Operations

The Investor Series units of the Fund returned 4.7% for the year ended December 31, 2024 (the "Reporting Period"), versus 4.2% for the Fund's product benchmark and general market index, the FTSE Canada Universe Bond Index. Unlike the product benchmark and general market index, the Fund's return is quoted after the deduction of fees and expenses. Returns for other series of the Fund may vary, largely due to differences in fees and expenses. Refer to the Past Performance section for returns of various series of the Fund.

Market Update

Canada's economy came under pressure over the Reporting Period, largely as a result of tight financial conditions. Consumer spending, real estate activity and the labour market weakened. At the same time, inflationary pressures softened, moving closer to the Bank of Canada's ("BoC") 2% target. In response, the BoC began lowering interest rates in June 2024 and continued to lower rates over the remainder of the year. Overall, the BoC lowered its benchmark overnight interest rate by 1.75% to 3.25%. The BoC also suggested it would gradually lower interest rates further in 2025, hoping that looser financial conditions could ease the burden on Canadian households and help reignite consumer spending. There was also some expectation that rising demand could kickstart business activity, potentially resulting in improved job growth.

Canadian bond prices increased over the Reporting Period, with yields moving lower. The BoC's interest rate decreases helped push down Canadian bond yields, particularly those at the shorter end of the yield curve. The benchmark 10-year Government of Canada bond yield rose from 3.11% to 3.22%, with much of the gains coming early in the Reporting Period before the BoC lowered interest rates. Short-term bond prices outperformed their mid- and long-term counterparts. Corporate bond prices rose and outperformed government bonds, which also increased. Credit spreads (the difference in yields between corporate and government bonds with similar maturities) narrowed.

Key Contributors/Detractors

During the Reporting Period, the Fund generated a positive return and outperformed its product benchmark.

- The Fund's income advantage relative to the product benchmark contributed to performance.

- The Fund's sector allocation and security selection contributed to performance.
- The Fund's yield curve positioning (allocation to bonds with different maturities) detracted from performance.

Recent Developments

The Portfolio Adviser expects slightly below or around-trend global economic growth for 2025 as the effects of tighter financial conditions continue to filter through the global economy, offset by decreasing interest rates. While most central banks have begun easing their monetary policies, the current financial conditions are still restrictive relative to those of the past decade, and higher borrowing costs may continue to weigh on business activity. While interest rates are moving lower, the Portfolio Adviser believes the paths that central banks take regarding monetary policy will largely be determined by inflation's "stickiness" and labour market conditions, with the former playing an increasing role in policy decisions.

While the Portfolio Adviser has a favourable outlook for fixed income, market volatility and a slowing global economy calls for caution and selectivity. Data suggests corporations are still doing well despite the slowing economy, and thus the Portfolio Adviser remains positive toward corporate credit overall. The Fund maintains an overweight allocation to corporate bonds as exposure to high-quality corporate credit is expected to add value over time relative to government bonds. However, considering the backdrop of potentially slower quarters ahead, the Fund is positioned defensively with a bias to bonds with higher-quality credits.

Related Party Transactions

Affiliates of TD Asset Management Inc. ("TDAM") may earn fees and spreads in connection with various services provided to, or transactions with, the Fund, such as in connection with banking (including deposit taking), custody, securityholder account maintenance and reporting, brokerage and derivatives transactions.

Manager, Trustee and Portfolio Adviser:

TDAM, a wholly-owned subsidiary of The Toronto-Dominion Bank ("TD"), is the manager, trustee and portfolio adviser of the Fund. The Fund pays TDAM an annual management fee, which may vary for each series of the Fund.

Distributor:

TD Investment Services Inc. is the principal distributor of the Investor Series units of the Fund, for which it is paid a trailer commission by TDAM. Units of the Fund are also distributed through brokers and dealers including TD Waterhouse Canada Inc. ("TDWCI"), a wholly-owned subsidiary of TD. TDWCI, like other dealers, is paid a trailer commission by TDAM for distributing certain series of units of the Fund. Trailer commissions are paid by TDAM out of the management fees it receives from the Fund and are based on the average value of assets held by each dealer.

Registrar and Transfer Agent:

TD is the registrar and transfer agent of the Fund, and as such maintains all unitholder records, processes purchase, switch, conversion and redemption orders, issues investor statements and prepares annual tax reporting information on behalf of the Fund.

TD earns a foreign exchange spread when unitholders switch between units of funds denominated in different currencies. The Fund also maintains bank accounts and overdraft provisions with TD for which TD earns a fee.

Administration and Securityholder Services:

TDWCI, in addition to acting as a dealer, also provides administration and securityholder services to the Private Series units of the Fund for which such costs are reflected in the operating expenses for the Private Series units of the Fund. These services include securityholder account maintenance and reporting.

Custodian:

TD is the sub-custodian of the Fund and may hold a portion of the assets (including cash and investments) of the Fund.

Buying and Selling Securities:

TDAM has established an independent review committee ("IRC") which acts as an impartial and independent committee to review and provide recommendations or, if appropriate, approvals respecting any conflict of interest matters referred to it by TDAM. The IRC prepares, at least annually, a report of its activities for securityholders of the Fund. The report is available on the TDAM website at www.td.com/ca/en/asset-management or at the securityholder's request at no cost by contacting TDAM (see front cover).

The Fund relied on standing instructions from the IRC in respect of one or more of the following transactions:

- (a) trades in securities of TD or any affiliate or associate thereof;
- (b) investments in the securities of an issuer where TD Securities Inc., TDWCI, or any other affiliate of TDAM (a "Related Dealer") acted as an underwriter during the distribution of such securities and the 60-day period following the completion of the distribution of the underwritten securities;
- (c) purchases or sales of securities of an issuer from or to another investment fund or discretionary managed account managed by TDAM; and
- (d) purchases of securities from or sales of securities to a Related Dealer, where it acted as principal.

The relevant standing instructions require that securities transactions with related parties conducted by TDAM (i) are free from any influence by an entity related to TDAM and without taking into account any consideration relevant to an entity related to TDAM; (ii) represent the business judgment of TDAM uninfluenced by considerations other than the best interests of the Fund; (iii) comply with the applicable policies and procedures of TDAM; and (iv) achieve a fair and reasonable result for the Fund.

Financial Highlights

The following tables show selected key financial information about the Fund and are intended to help you understand the Fund's financial performance for the past five fiscal years, as applicable. For series that commenced operations during any of the periods presented, the data reported for that period represents results from the commencement of operations (as disclosed in the Past Performance section) to the end of that reporting period.

Net Assets per Unit (\$)¹

	INVESTOR SERIES					INSTITUTIONAL SERIES				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Net Assets, Beginning of Year	12.45	12.05	14.12	14.89	14.12	9.73	9.53	11.18	11.77	11.20
Increase (Decrease) from Operations:										
Total Revenue	0.50	0.45	0.36	0.39	0.41	0.39	0.35	0.29	0.30	0.32
Total Expenses (excluding distributions)	(0.14)	(0.13)	(0.14)	(0.16)	(0.16)	(0.04)	(0.04)	(0.05)	(0.05)	(0.05)
Realized Gains (Losses) for the Period	(0.14)	(1.01)	(0.83)	0.02	0.45	(0.12)	(0.93)	(0.71)	0.01	0.35
Unrealized Gains (Losses) for the Period	0.33	1.36	(1.62)	(0.80)	0.57	0.25	0.95	(0.96)	(0.58)	0.50
Total Increase (Decrease) from Operations²	0.55	0.67	(2.23)	(0.55)	1.27	0.48	0.33	(1.43)	(0.32)	1.12
Distributions:										
From Net Investment Income (excluding dividends)	(0.35)	(0.31)	(0.24)	(0.23)	(0.25)	(0.35)	(0.42)	(0.25)	(0.25)	(0.29)
From Dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From Capital Gains	0.00	0.00	0.00	(0.04)	(0.27)	0.00	0.00	0.00	(0.03)	(0.23)
Return of Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Annual Distributions³	(0.35)	(0.31)	(0.24)	(0.27)	(0.52)	(0.35)	(0.42)	(0.25)	(0.28)	(0.52)
Net Assets at December 31	12.66	12.45	12.05	14.12	14.89	9.89	9.73	9.53	11.18	11.77

	PREMIUM SERIES					ADVISOR SERIES				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Net Assets, Beginning of Year	9.11	8.83	10.35	10.91	10.37	10.85	10.51	12.33	12.99	12.34
Increase (Decrease) from Operations:										
Total Revenue	0.36	0.33	0.26	0.28	0.30	0.43	0.39	0.32	0.34	0.36
Total Expenses (excluding distributions)	(0.09)	(0.09)	(0.09)	(0.10)	(0.11)	(0.12)	(0.12)	(0.12)	(0.14)	(0.14)
Realized Gains (Losses) for the Period	(0.10)	(0.75)	(0.65)	0.02	0.33	(0.13)	(0.89)	(0.77)	0.01	0.39
Unrealized Gains (Losses) for the Period	0.24	0.99	(0.98)	(0.62)	0.45	0.28	1.20	(1.16)	(0.70)	0.50
Total Increase (Decrease) from Operations²	0.41	0.48	(1.46)	(0.42)	0.97	0.46	0.58	(1.73)	(0.49)	1.11
Distributions:										
From Net Investment Income (excluding dividends)	(0.27)	(0.24)	(0.19)	(0.18)	(0.20)	(0.31)	(0.27)	(0.21)	(0.21)	(0.22)
From Dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From Capital Gains	0.00	0.00	0.00	(0.03)	(0.21)	0.00	0.00	0.00	(0.03)	(0.25)
Return of Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Annual Distributions³	(0.27)	(0.24)	(0.19)	(0.21)	(0.41)	(0.31)	(0.27)	(0.21)	(0.24)	(0.47)
Net Assets at December 31	9.26	9.11	8.83	10.35	10.91	11.03	10.85	10.51	12.33	12.99

	F-SERIES					PREMIUM F-SERIES				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Net Assets, Beginning of Year	11.10	10.75	12.60	13.28	12.59	9.44	9.15	10.73	11.30	10.74
Increase (Decrease) from Operations:										
Total Revenue	0.44	0.40	0.32	0.35	0.37	0.38	0.34	0.28	0.29	0.31
Total Expenses (excluding distributions)	(0.06)	(0.06)	(0.07)	(0.08)	(0.08)	(0.05)	(0.04)	(0.05)	(0.05)	(0.06)
Realized Gains (Losses) for the Period	(0.12)	(0.88)	(0.80)	0.01	0.40	(0.11)	(0.77)	(0.68)	0.01	0.34
Unrealized Gains (Losses) for the Period	0.32	1.20	(1.08)	(0.69)	0.47	0.25	1.05	(0.93)	(0.57)	0.46
Total Increase (Decrease) from Operations²	0.58	0.66	(1.63)	(0.41)	1.16	0.47	0.58	(1.38)	(0.32)	1.05
Distributions:										
From Net Investment Income (excluding dividends)	(0.37)	(0.32)	(0.27)	(0.27)	(0.28)	(0.33)	(0.29)	(0.24)	(0.24)	(0.26)
From Dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From Capital Gains	0.00	0.00	0.00	(0.04)	(0.24)	0.00	0.00	0.00	(0.03)	(0.22)
Return of Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Annual Distributions³	(0.37)	(0.32)	(0.27)	(0.31)	(0.52)	(0.33)	(0.29)	(0.24)	(0.27)	(0.48)
Net Assets at December 31	11.30	11.10	10.75	12.60	13.28	9.61	9.44	9.15	10.73	11.30

Footnotes for the above table(s) can be found at the end of the Net Assets per Unit section.

Net Assets per Unit (\$)¹ (continued)

	D-SERIES					PRIVATE SERIES				
	2024	2023	2022	2021	2020	2024	2023	2022	2021	2020
Net Assets, Beginning of Year	9.08	8.79	10.30	10.85	10.29	8.88	8.58	10.06	10.60	10.06
Increase (Decrease) from Operations:										
Total Revenue	0.36	0.33	0.27	0.28	0.30	0.35	0.32	0.26	0.28	0.29
Total Expenses (excluding distributions)	(0.05)	(0.05)	(0.06)	(0.09)	(0.10)	0.00	0.00	0.00	0.00	0.00
Realized Gains (Losses) for the Period	(0.10)	(0.74)	(0.80)	0.01	0.33	(0.09)	(0.67)	(0.64)	0.01	0.32
Unrealized Gains (Losses) for the Period	0.25	1.00	(0.02)	(0.54)	0.40	0.23	1.05	(0.86)	(0.55)	0.36
Total Increase (Decrease) from Operations²	0.46	0.54	(0.61)	(0.34)	0.93	0.49	0.70	(1.24)	(0.26)	0.97
Distributions:										
From Net Investment Income (excluding dividends)	(0.31)	(0.27)	(0.20)	(0.19)	(0.20)	(0.34)	(0.30)	(0.26)	(0.28)	(0.29)
From Dividends	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
From Capital Gains	0.00	0.00	0.00	(0.03)	(0.20)	0.00	0.00	0.00	(0.03)	(0.20)
Return of Capital	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Annual Distributions³	(0.31)	(0.27)	(0.20)	(0.22)	(0.40)	(0.34)	(0.30)	(0.26)	(0.31)	(0.49)
Net Assets at December 31	9.24	9.08	8.79	10.30	10.85	9.04	8.88	8.58	10.06	10.60

	O-SERIES				
	2024	2023	2022	2021	2020
Net Assets, Beginning of Year	9.64	9.37	11.01	11.60	11.02
Increase (Decrease) from Operations:					
Total Revenue	0.38	0.35	0.28	0.30	0.32
Total Expenses (excluding distributions)	0.00	0.00	0.00	0.00	0.00
Realized Gains (Losses) for the Period	(0.10)	(0.89)	(0.66)	0.01	0.35
Unrealized Gains (Losses) for the Period	0.27	1.26	(1.12)	(0.58)	0.47
Total Increase (Decrease) from Operations²	0.55	0.72	(1.50)	(0.27)	1.14
Distributions:					
From Net Investment Income (excluding dividends)	(0.38)	(0.38)	(0.31)	(0.30)	(0.33)
From Dividends	0.00	0.00	0.00	0.00	0.00
From Capital Gains	0.00	0.00	0.00	(0.03)	(0.22)
Return of Capital	0.00	0.00	0.00	0.00	0.00
Total Annual Distributions³	(0.38)	(0.38)	(0.31)	(0.33)	(0.55)
Net Assets at December 31	9.81	9.64	9.37	11.01	11.60

¹ This information is derived from the Fund's audited annual financial statements prepared in accordance with International Financial Reporting Standards. The Fund measures fair value of its investments based on close market prices, where the close market price falls within the bid-ask spread or based on quotations from recognized dealers. As such, the Fund's accounting policies for measuring the fair value of investments in the financial statements are substantively consistent with those used in measuring the net asset value ("NAV") for transactions with unitholders.

² Net assets and distributions are based on the actual number of units outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of units outstanding over the financial periods. These tables are not intended to be a reconciliation of the net assets per unit.

³ Distributions were paid in cash or reinvested in additional units of the Fund, or both.

Ratios and Supplemental Data

INVESTOR SERIES					
	2024	2023	2022	2021	2020
Total Net Asset Value (\$000s) ¹	299,857	318,966	326,345	603,208	756,840
Number of Units Outstanding (000s) ¹	23,688	25,630	27,079	42,707	50,840
Management Expense Ratio (%) ²	1.10	1.10	1.10	1.10	1.10
Management Expense Ratio Before					
Waivers or Absorptions (%)	1.10	1.10	1.10	1.10	1.10
Trading Expense Ratio (%) ³	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%) ⁴	60.54	84.76	75.74	75.08	47.21
Net Asset Value per Unit (\$)	12.66	12.45	12.05	14.12	14.89
PREMIUM SERIES					
	2024	2023	2022	2021	2020
Total Net Asset Value (\$000s) ¹	19,624	21,658	26,050	42,185	56,979
Number of Units Outstanding (000s) ¹	2,119	2,378	2,952	4,075	5,222
Management Expense Ratio (%) ²	0.98	0.98	0.98	0.98	0.98
Management Expense Ratio Before					
Waivers or Absorptions (%)	0.98	0.98	0.98	0.98	0.98
Trading Expense Ratio (%) ³	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%) ⁴	60.54	84.76	75.74	75.08	47.21
Net Asset Value per Unit (\$)	9.26	9.11	8.83	10.35	10.91
F-SERIES					
	2024	2023	2022	2021	2020
Total Net Asset Value (\$000s) ¹	161,766	144,582	125,617	166,616	193,987
Number of Units Outstanding (000s) ¹	14,311	13,021	11,689	13,222	14,606
Management Expense Ratio (%) ²	0.55	0.58	0.61	0.61	0.60
Management Expense Ratio Before					
Waivers or Absorptions (%)	0.55	0.58	0.61	0.61	0.60
Trading Expense Ratio (%) ³	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%) ⁴	60.54	84.76	75.74	75.08	47.21
Net Asset Value per Unit (\$)	11.30	11.10	10.75	12.60	13.28
D-SERIES					
	2024	2023	2022	2021	2020
Total Net Asset Value (\$000s) ¹	150,333	151,602	157,146	42,117	44,796
Number of Units Outstanding (000s) ¹	16,271	16,693	17,868	4,089	4,129
Management Expense Ratio (%) ²	0.55	0.58	0.67	0.88	0.88
Management Expense Ratio Before					
Waivers or Absorptions (%)	0.55	0.58	0.73	0.88	0.88
Trading Expense Ratio (%) ³	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%) ⁴	60.54	84.76	75.74	75.08	47.21
Net Asset Value per Unit (\$)	9.24	9.08	8.79	10.30	10.85
O-SERIES					
	2024	2023	2022	2021	2020
Total Net Asset Value (\$000s) ¹	3,079,051	2,927,586	6,062,109	11,919,300	12,808,456
Number of Units Outstanding (000s) ¹	313,867	303,703	646,720	1,082,739	1,104,321
Management Expense Ratio (%) ^{2,5}	0.00	0.00	0.00	0.00	0.00
Management Expense Ratio Before					
Waivers or Absorptions (%)	0.00	0.00	0.00	0.00	0.00
Trading Expense Ratio (%) ³	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%) ⁴	60.54	84.76	75.74	75.08	47.21
Net Asset Value per Unit (\$)	9.81	9.64	9.37	11.01	11.60
INSTITUTIONAL SERIES					
	2024	2023	2022	2021	2020
Total Net Asset Value (\$000s) ¹	3,712	4,434	14,092	18,182	19,726
Number of Units Outstanding (000s) ¹	375	456	1,478	1,627	1,676
Management Expense Ratio (%) ²	0.45	0.45	0.45	0.45	0.45
Management Expense Ratio Before					
Waivers or Absorptions (%)	0.45	0.45	0.45	0.45	0.45
Trading Expense Ratio (%) ³	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%) ⁴	60.54	84.76	75.74	75.08	47.21
Net Asset Value per Unit (\$)	9.89	9.73	9.53	11.18	11.77
ADVISOR SERIES					
	2024	2023	2022	2021	2020
Total Net Asset Value (\$000s) ¹	112,773	130,413	151,849	225,709	293,520
Number of Units Outstanding (000s) ¹	10,220	12,018	14,444	18,313	22,592
Management Expense Ratio (%) ²	1.11	1.11	1.11	1.11	1.10
Management Expense Ratio Before					
Waivers or Absorptions (%)	1.11	1.11	1.11	1.11	1.10
Trading Expense Ratio (%) ³	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%) ⁴	60.54	84.76	75.74	75.08	47.21
Net Asset Value per Unit (\$)	11.03	10.85	10.51	12.33	12.99
PREMIUM F-SERIES					
	2024	2023	2022	2021	2020
Total Net Asset Value (\$000s) ¹	13,089	13,861	14,895	20,405	23,121
Number of Units Outstanding (000s) ¹	1,363	1,468	1,628	1,903	2,046
Management Expense Ratio (%) ²	0.49	0.49	0.49	0.49	0.49
Management Expense Ratio Before					
Waivers or Absorptions (%)	0.49	0.49	0.49	0.49	0.49
Trading Expense Ratio (%) ³	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%) ⁴	60.54	84.76	75.74	75.08	47.21
Net Asset Value per Unit (\$)	9.61	9.44	9.15	10.73	11.30
PRIVATE SERIES					
	2024	2023	2022	2021	2020
Total Net Asset Value (\$000s) ¹	1,917,303	1,845,537	1,367,174	1,313,476	1,524,049
Number of Units Outstanding (000s) ¹	212,143	207,830	159,260	130,607	143,773
Management Expense Ratio (%) ²	0.01	0.02	0.01	0.01	0.01
Management Expense Ratio Before					
Waivers or Absorptions (%)	0.01	0.02	0.01	0.01	0.01
Trading Expense Ratio (%) ³	0.00	0.00	0.00	0.00	0.00
Portfolio Turnover Rate (%) ⁴	60.54	84.76	75.74	75.08	47.21
Net Asset Value per Unit (\$)	9.04	8.88	8.58	10.06	10.60

¹ This information is provided as at December 31 of the past five fiscal years, as applicable.

² Management Expense Ratio ("MER") is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) net of any waivers or absorptions for the stated period, including the Fund's proportionate share of the MER, if any, of the underlying fund(s) in which the Fund has invested in, and is expressed as an annualized percentage of daily average NAV during the period. Management Expense Ratio Before Waivers or Absorptions is based on total expenses and excludes the management fees on the portion of the NAV the Fund invests in the underlying funds that are managed by TDAM or its affiliates. There will be no duplication of management fees paid to TDAM or its affiliates. Any waivers or absorptions may be discontinued at any time by TDAM at its discretion without notice.

³ The trading expense ratio ("TER") represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average NAV during the stated period. Where a Fund invests in units of any underlying fund, the TER presented for the Fund includes the portion of TERs, if available, of the underlying fund(s) attributable to this investment.

⁴ The Fund's portfolio turnover rate ("PTR") indicates how actively the Fund's portfolio adviser manages its investments. A PTR of 100% is equivalent to the Fund buying and selling all of the securities in its portfolio once in the course of the stated period. The higher a fund's PTR, the greater the trading costs payable, directly or indirectly, by the fund in the period, and the greater the chance of an investor receiving taxable capital gains in the fiscal year. There is not necessarily a relationship between a high turnover rate and the performance of a fund.

⁵ The Fund does not pay any management fees or operating expenses with respect to the O-Series units of the Fund, but may have a MER as a result of its holdings in underlying fund(s), representing the weighted average MER of those underlying fund(s) for the reporting period.

Management Fees

As manager and trustee of the Fund, TDAM is responsible for the overall business and affairs of the Fund, including activities related to making units of the Fund available to investors, and providing, or arranging for the provision of, investment advisory services and marketing services to the Fund. In consideration for the provision of such services, each series of the Fund, other than Private Series units and O-Series units, pays TDAM a management fee.

Management fees are calculated and accrued on a daily basis for each applicable series based on the net asset value of that series and paid monthly to TDAM.

The simplified prospectus discloses a specified annual management fee rate that TDAM can charge for each series of the Fund. Where TDAM chooses to charge a management fee rate below the specified annual management fee rate, the difference represents a waiver of management fees. TDAM may waive all or a portion of the management fees being charged to the Fund, which may be discontinued at any time by TDAM at its discretion without notice to unitholders.

The annual management fees and a breakdown of the major services rendered for each series, as a percentage of the management fees paid, are as follows:

(expressed as a %)	Annual Mgmt. Fees*	Dealer Compensation	Waived Operating Expenses	Other†
Investor Series	1.00	34.76	0.02	65.22
Institutional Series	0.40	0.00	0.05	99.95
Premium Series	0.90†	55.57	0.02	44.41
Advisor Series	1.00	45.70	0.02	54.28
F-Series	0.50	0.00	0.04	99.96
Premium F-Series	0.45†	0.00	0.05	99.95
D-Series	0.50	0.00	0.04	99.96
Private Series	0.00	N/A	N/A	N/A
O-Series	0.00	N/A	N/A	N/A

There are no management fees paid by the Fund in respect of Private Series and O-Series units of the Fund. Unitholders in the Private Series pay a negotiated fee directly to TDAM, their dealer or TD Waterhouse Private Investment Counsel Inc. Unitholders in the O-Series pay a negotiated fee directly to TDAM.

* Includes management fees paid by the Fund and the proportionate management fees, if any, of the underlying fund(s) managed by TDAM held by the Fund. However, no management fees are payable by the Fund that, to a reasonable person, would duplicate a fee payable by the underlying fund(s) for the same services.

† The management fee rate disclosed represents the maximum annual rate per the simplified prospectus dated July 28, 2016. The series is no longer being offered under the most recent simplified prospectus.

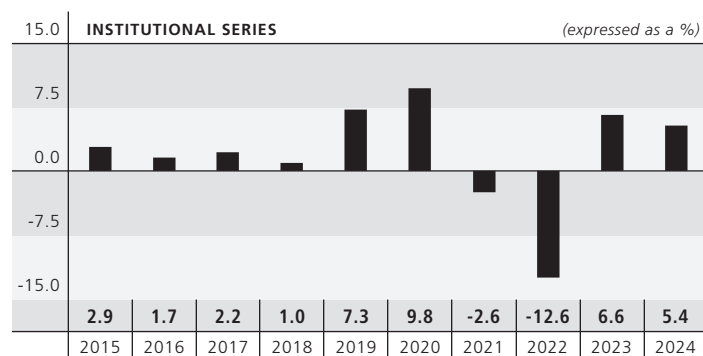
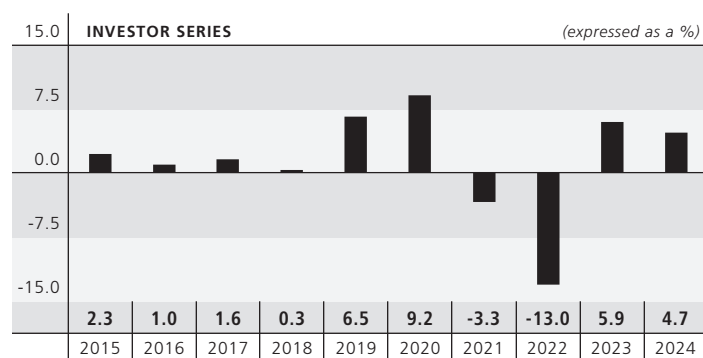
‡ Investment advisory, trustee, marketing services and other.

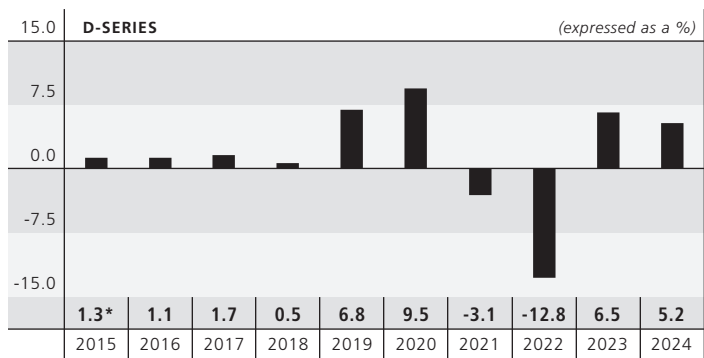
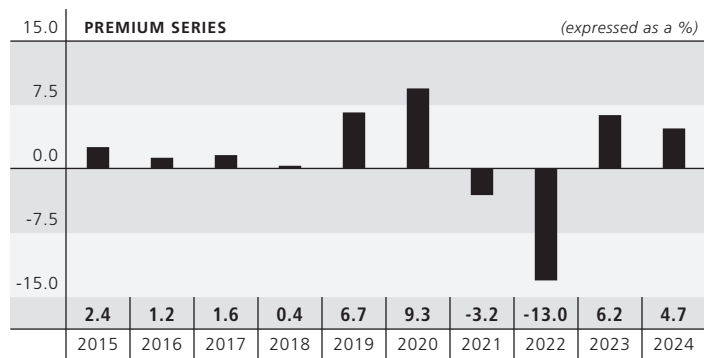
Past Performance

The following charts show how the Fund has performed in the past, and can help you understand the risks of investing in the Fund. These returns include the reinvestment of all distributions. They do not include deduction of sales, switch, redemption, or other optional charges (which dealers may charge) or income taxes payable, and these returns would be lower if they did. The Fund's past performance does not necessarily indicate how it will perform in the future.

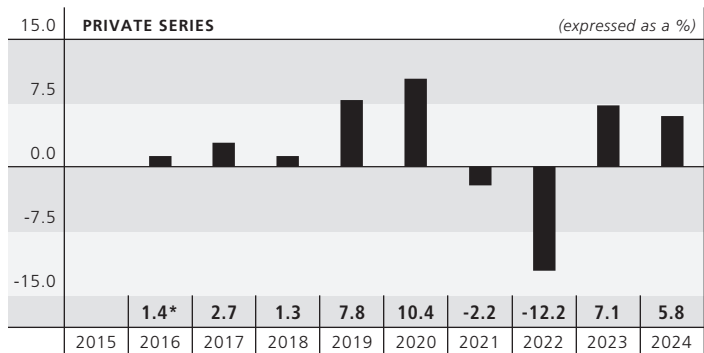
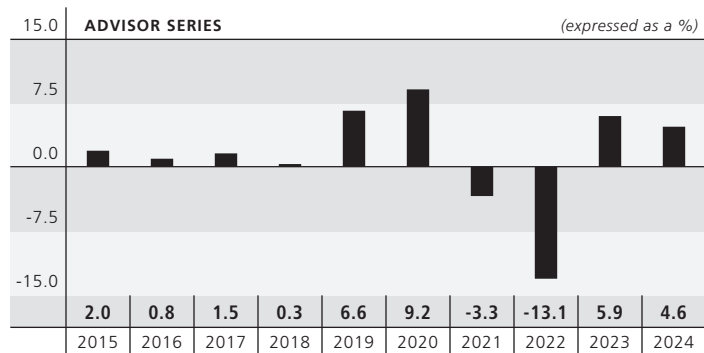
Year-by-year returns

The bar charts show how the Fund's performance has varied from year to year for each of the years shown. They show in percentage terms how an investment made on January 1 would have increased or decreased by December 31.

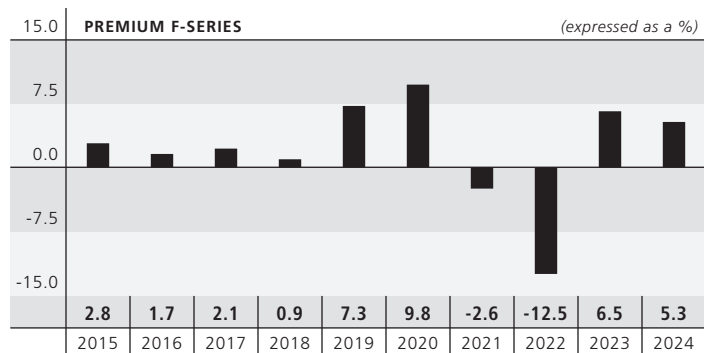
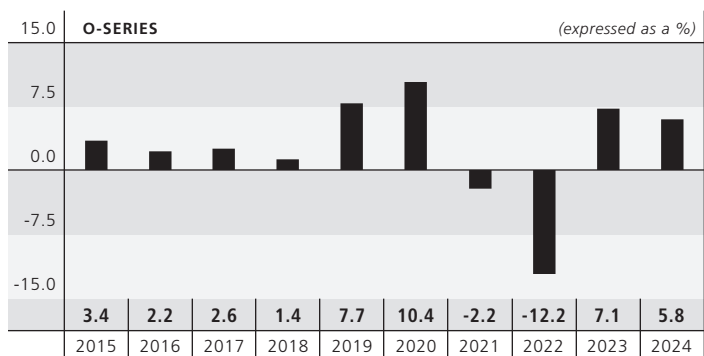
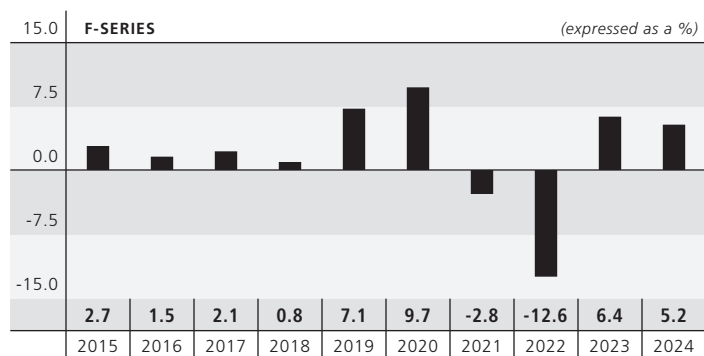




* From October 20, 2015 (commencement of operations) to December 31, 2015



* From February 4, 2016 (commencement of operations) to December 31, 2016



Annual Compound Returns

The following table shows the annual compound total returns for each series of units of the Fund for each of the periods indicated ended on December 31, 2024, compared with the following benchmarks:

- Product Benchmark:
 - FTSE Canada Universe Bond Index – This index is comprised of Canadian investment-grade bonds which mature in more than one year.
- General Market Index:
 - FTSE Canada Universe Bond Index.

(expressed as a %)	Past year	Past 3 years	Past 5 years	Past 10 years	Since inception
Investor Series	4.7	-1.2	0.4	1.3	N/A
Institutional Series	5.4	-0.6	1.0	2.0	N/A
Premium Series	4.7	-1.1	0.5	1.4	N/A
Advisor Series	4.6	-1.2	0.3	1.3	N/A
F-Series	5.2	-0.7	0.9	1.8	N/A
Premium F-Series	5.3	-0.6	1.0	1.9	N/A
D-Series	5.2	-0.8	0.7	N/A	1.6
Private Series	5.8	-0.2	1.5	N/A	2.3
O-Series	5.8	-0.2	1.5	2.4	N/A
Product Benchmark	4.2	-0.6	0.8	2.0	♦
General Market Index	4.2	-0.6	0.8	2.0	♦

♦ Please refer to the following table for product benchmark and general market index returns relative to each series' inception date, where applicable.

(expressed as a %)	Product Benchmark	General Market Index
D-Series (Oct. 20, 2015)	1.9	1.9
Private Series (Feb. 4, 2016)	1.7	1.7

A discussion of the Fund's performance compared to the product benchmark and general market index can be found in the Results of Operations section.

Summary of Investment Portfolio

as at December 31, 2024

	% of Net Asset Value
ASSET ALLOCATION	
Canadian Bonds	91.7
U.S. Bonds	4.6
Cash (Bank Overdraft)	2.2
Global Bonds	0.7
Derivatives	0.1
Other Net Assets (Liabilities)	0.7
PORTFOLIO ALLOCATION	
Corporate Bonds	56.4
Federal Bonds & Guarantees	29.6
Provincial Bonds & Guarantees	11.0
Cash (Bank Overdraft)	2.2
Short Futures Contracts	0.1
Long Futures Contracts	0.0
Foreign Exchange Forward Contracts	0.0
Other Net Assets (Liabilities)	0.7
CREDIT RATINGS[§]	
AAA	30.4
AA	6.7
A	22.8
BBB	33.3
BB	3.8

[§] Credit Ratings are obtained from S&PGR, Moody's or DBRS Ltd. rating agencies.

TOTAL NET ASSET VALUE (000s)	\$	5,757,508
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Cash held with The Toronto-Dominion Bank, a related party to the Fund, was 2.2% of net asset value of the Fund.

	% of Net Asset Value
TOP 25 INVESTMENTS	
Government of Canada 3.250% Dec 1, 2033	4.4
Government of Canada 2.500% Dec 1, 2032	4.1
Government of Canada 1.750% Dec 1, 2053	3.1
Government of Canada 2.750% Jun 1, 2033	2.8
Government of Canada 2.750% Dec 1, 2055	2.5
Government of Canada 3.250% Dec 1, 2034	2.4
Government of Canada 2.000% Jun 1, 2032	2.3
Cash (Bank Overdraft)	2.2
Government of Canada 2.000% Dec 1, 2051	1.8
Province of Ontario 4.150% Dec 2, 2054	1.7
Government of Canada 4.000% Aug 1, 2026	1.6
Province of Ontario 3.750% Dec 2, 2053	1.5
Canada Housing Trust No. 1 3.500% Dec 15, 2034	1.5
Government of Canada 3.000% Jun 1, 2034	1.1
Province of Quebec 4.450% Sep 1, 2034	0.9
Province of Quebec 4.400% Dec 1, 2055	0.9
Air Lease Corporation Callable 5.400% Jun 1, 2028	0.8
Government of Canada 3.500% Sep 1, 2029	0.8
Province of Alberta 2.950% Jun 1, 2052	0.7
Province of New Brunswick 4.800% Jun 3, 2041	0.7
Federation des caisses Desjardins du Quebec Callable 5.467% Nov 17, 2028	0.7
The Toronto-Dominion Bank [†] Variable Rate, Callable 4.859% Mar 4, 2031	0.7
TransCanada PipeLines Limited Callable 5.277% Jul 15, 2030	0.7
Province of Manitoba 4.250% Mar 5, 2039	0.7
Federation des caisses Desjardins du Quebec 5.475% Aug 16, 2028	0.7
Total % of Net Asset Value represented by these holdings	41.3

[†] Related party to the Fund as an affiliated entity of TD Asset Management Inc.

Note: Totals may not add due to rounding to one decimal place of individual figures.

The Summary of Investment Portfolio may change due to ongoing portfolio transactions of the Fund. Updates are available quarterly. You may obtain the most current quarterly information by contacting 1-800-386-3757, by writing to us at TD Asset Management Inc., P.O. Box 100, 66 Wellington Street West, TD Bank Tower, Toronto, Ontario, M5K 1G8, or by visiting our website at www.td.com/ca/en/asset-management.

Caution regarding forward-looking statements

Certain portions of this report, including, but not limited to, “Results of Operations” and “Recent Developments”, may contain forward-looking statements including, but not limited to, statements about the Fund, its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Fund action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future general economic, political and relevant market factors, such as interest rates, foreign exchange rates, equity and capital markets, and the general business environment, in each case assuming no changes to applicable tax or other laws or government regulation. Expectations and projections about future events are inherently subject to, among other things, risks and uncertainties, some of which may be unforeseeable. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events could differ materially from those expressed or implied in any forward-looking statements made by the Fund. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and relevant market factors in North America and internationally, interest and foreign exchange rates, equity and capital markets, business competition, technological change, changes in government relations, unexpected judicial or regulatory proceedings and catastrophic events.

The above mentioned list of important factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing any undue reliance on forward-looking statements. Further, there is no specific intention of updating any forward-looking statements contained herein whether as a result of new information, future events or otherwise.

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