Annual Meeting of
Common Shareholders
April 20, 2023

To the Shareholders of The Toronto-Dominion Bank

Welcome to the Annual Meeting of Common Shareholders of The Toronto-Dominion Bank. The directors and officers of the bank appreciate your interest and participation.

In order not to disturb the flow of the meeting, we request that you turn off your phones and other personal communication devices.

The meeting will be conducted in English and French with simultaneous translation available by means of headsets that were available as you entered the meeting room. English and French transcription will be available on the screens in the room.

Only common shareholders of The Toronto-Dominion Bank or their duly appointed proxyholders may vote at the meeting.

Shareholders who have returned completed proxies do not need to vote again at the meeting. Their proxies will be exercised in accordance with their instructions. If you have any questions, please speak to one of the scrutineers at the registration desk.

Guidelines for Shareholder Participation

To ensure that all shareholders and their proxyholders have an opportunity to speak, we ask each speaker to observe the following guidelines:

- Please keep your questions and comments brief and to the subject under discussion during that portion of the meeting.
- Please ask only one question each time that you are recognized.
- If you have additional questions or comments and there is sufficient time, you will be recognized again after we have heard from others who are waiting to speak.
- During the period for shareholders' questions (Item 11 on the Agenda), you may ask questions or make comments of general interest to all present concerning the bank's business.

Shareholders may ask questions or pose comments in either English or French. If you would like to ask a question or pose a comment, please go to the microphone nearest to you. Attendants will provide any assistance that you need. Please observe the same guidelines in making motions. Finally, please note that the Board Chair is responsible for the orderly conduct of the meeting and we ask that everyone please be respectful of the proceedings.

Agenda

1. **Land Acknowledgement**
2. **Call to Order, Chair's Welcome, and Other Preliminary Matters**
3. **Remarks from Brian Levitt, Board Chair**
4. **Remarks from Bharat Masrani, Group President and Chief Executive Officer**
5. **Annual Financial Statements and Auditors' Report**
6. **Election of Directors**
7. **Appointment of Auditor**
8. **Advisory Vote on Approach to Executive Compensation**
9. **Shareholder Proposals**
10. **Announcement of Voting Results and Conclusion of Formal Business**
11. **Shareholders' Questions**
12. **Closing Comments and Termination of Meeting**

Simultaneous Translation

The headsets that were available as you entered the meeting room will allow you to monitor English or French simultaneous translation during the meeting. You can access English on Channel 10 and French on Channel 02.

The headsets will not work outside of these premises. Please leave them on your seat or in one of the designated bins when you exit the meeting room.

SHAREHOLDER PROPOSALS

The following six proposals have been made by holders of common shares of the bank for consideration at the meeting. The board of directors opposes these proposals for the reasons set out after each of them.

Proposals 1 and 2 were submitted by the British Columbia General Employees' Union (BCGEU), of 4911 Canada Way, Burnaby, British Columbia V5G 3W3.

Proposal 3 was submitted by Mouvement d'éducation et de défense des actionnaires (MÉDAC) of 82 Sherbrooke Street West, Montreal, Quebec H2X 1X3. This proposal was submitted in French and translated into English by the bank.

Proposal 4 was submitted by InvestNow Inc., on behalf of Gina Pappano, Executive Director of InvestNow and a shareholder of the bank, of 7 Shannon Street, Toronto, Ontario.

Proposal 5 was submitted by Vancity Investment Management Ltd. (Vancity), of 700 815 West Hastings Street, Vancouver, BC V6C 1B4, on behalf of the IA Clarington Inhance Canadian Equity SRI Class fund and the IA Clarington Inhance Monthly Income SRI Fund.

Proposal 6 was submitted jointly by Vancity, of 700 815 West Hastings Street, Vancouver, BC V6C 1B4, on behalf of the IA Clarington Inhance Canadian Equity SRI Class fund and the IA Clarington Inhance Monthly Income SRI Fund, and by Investors for Paris Compliance, of 185-911 Yates St., Suite 561, Victoria, British Columbia V8V 4Y9.

Proposal 1:

Financialization of Housing

As part of the Canadian federal government's National Housing Strategy and its recognition of housing as a fundamental human right, in February 2022 the federal government appointed a Federal Housing Advocate (FHA), whose role is to promote and protect housing rights in Canada by independently conducting research on systemic housing issues.[1]

The FHA commissioned a series of reports on the financialization of housing, which is described as the growing dominance of financial actors in the housing sector, transforming the primary function of housing into a for-profit financial asset.

According to the summary report to the FHA, 20-30% of Canada's purpose-built rental housing stock is owned by real estate investment trusts (REITs). The report outlines certain controversies[2]*:*

Financial firms strategically pursue unit "turnovers" to capitalize on allowable rent increases between tenancies. Researchers in the US have found that financial operators use eviction as a revenue-generating tool, and that they evict tenants at higher rates than other types of owners.

This concentration is higher in Canada's north. A series of CBC News reports from 2021 highlighted tenant complaints against a publicly traded REIT that owns approximately 80% of the multi-unit private residential housing stock in Yellowknife and Iqaluit.[3]

A recent CTV News article highlighted the results of a survey indicating that "large, publicly-traded corporations, were more likely to face poor living conditions compared to those in housing owned by families or private companies."[4]

The report for the FHA on the financialization of multi-family rental housing in Canada describes the negative effects of cost-cutting and under-maintenance strategies of financialized landlords, which result in worsened living conditions, as well as the displacement of lower income and racialized renters.[5]

Human Rights Due Diligence in Commercial Real Estate

In October 2022, BOMA Canada released its 2022 Human Rights Guide for Commercial Real Estate, which draws upon the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises (OECD Guidelines). The guide outlines how commercial property owners can incorporate business and human rights due diligence concepts into their operations.[6]

Human Rights Due Diligence in Multi-Family Rental Real Estate

Without an equivalent set of human rights due diligence practices for REITs operating in the multi- family residential space, banks must ensure that they are complying with their own obligations under the UNGPs and OECD Guidelines. Specifically, banks must ensure they are seeking to prevent and mitigate adverse human rights impacts linked to their business relationships with these REITS, even if the banks themselves have not contributed to those impacts.

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(1) https ://w ww. canada.ca/en/canadian-heritage/news/2022/02/statement-by-the-minister-of-housing-and-diversity-and- inclusion-on-the-appointment-of-canadas-federal-housing-advocate.html
(2) https ://w ww. homelesshub.ca/resource/financialization-housing-canada-project-summary-report
(3) https ://newsinteractives. cbc.ca/longform/the-landlords-game
(4) https ://w ww. ctvnews.ca/business/tenants-with-large-corporate-landlords-more-likely-to-face-poor-living-conditions-survey-suggests-1.5992030
(5) https ://w ww. homelesshub.ca/resource/financialization-multi-family-rental-housing-canada
(6) https ://bomacanada.ca/wp-content/uploads/2022/09/BOMACANADA_HumanRightsGuide_2022_EN.pdf

TD Involvement with Canadian Multi-Family Rental REITs

TD is the lead or administrative agent and lender for significant credit facilities for two leading Canadian REITs, and TD Securities Inc. has provided capital markets services to at least one leading Canadian REIT.

***RESOLVED THAT** TD disclose how it assesses and mitigates human rights risk in connection with its business relationships with clients which own multi-family residential rental properties in Canada.*

THE BOARD OF DIRECTORS RECOMMENDS VOTING AGAINST THE PROPOSAL FOR THE FOLLOWING REASONS:

For the reasons set forth below, the board of directors recommends that shareholders vote against this proposal. It would require public disclosure of proprietary information with negative competitive implications for the bank and is unduly prescriptive in purporting to dictate how the business of the bank should be conducted. The board believes that the bank's existing risk management policies and procedures are dealing effectively with the risks cited in the proposal.

The proposal cites a number of sources and authorities for the proposition that the business of multi-unit residential real estate rental properties should deal with tenants in a manner which addresses human rights. The bank agrees with this sentiment. To manage risks arising from its financing activities, the bank's non-retail risk management policies and assessment procedures require that new customers and new transactions with existing customers be assessed for various risks, including the reputational risk to the bank of being associated with a customer or transaction involving behaviour that infringes on human rights. The bank is not aware of any evidence that its risk management processes are not dealing effectively with this risk in connection with multi-unit residential real estate rental properties and the proposal cites no such evidence.

For the foregoing reasons, the board of directors recommends that shareholders vote against the proposal.

Proposal 2:

Privatization of Pollution Assets

Public companies with pollution-intensive assets such as coal, oil, and gas projects (polluting assets) are coming under increasing pressure from institutional investors with ESG concerns. Certain issuers have sold or are contemplating selling these pollution-intensive assets. When these assets are sold to private enterprises, investors are concerned about the lack of disclosure that results.

The challenge of facilitating the movement of polluting assets from public companies to private enterprises was outlined by the UN Principles for Responsible Investment (PRI) in a recent publication discussing divestment of polluting assets by public companies(7):

While a listed company spinning off a polluting asset may eliminate emissions from its balance sheet, it is unlikely to translate to a reduction in real-world emissions. In fact, it may reduce transparency and accountability over how the asset is managed, result in higher absolute emissions from more intensive exploitation of the asset, and shift risk onto governments and taxpayers.

A March 2022 paper by the European Corporate Governance Institute (ECGI) labels this phenomenon as "brown-spinning"(8):

[T]here has been a concerning recent phenomenon known as brown-spinning whereby public companies sell their carbon-intensive assets to players in private markets (including private equity firms and hedge funds). This helps divesting companies to reduce their own emissions but does not result in any overall emission reduction in the atmosphere. [H]aving carbon-intensive assets going dark where they are not subject to the usual strict scrutiny of public markets is worrisome from the perspective of lowering emissions.

TD's Environmental and Social Risk Process for Non-Retail Lending Business Lines describes heightened due diligence for transactions with higher environmental and social risk and includes a list of prohibited transactions, including mining of conflict minerals and activities within sensitive cultural/ecological sites.[9] A similar approach is needed for the bank's involvement in brown-spinning transactions to bridge the disclosure gap between public and private enterprises.

TD's Thermal Coal Position states TD will not lend to, facilitate capital markets transactions for, or advise on M&A for new mining company clients with a certain level of involvement in thermal coal operations.[10]

ECGI describes the benefits of improved disclosure from private entities, stating: "the uneven playing field between public and private companies would be levelled, thus eliminating the classical problem of avoiding regulatory obligations tied to being public by staying private (i.e, removing incentives to remain private longer to avoid sustainability disclosures)."

(7) https ://w ww. unpri.org/download?ac=16109
(8) https ://ecgi. global/sites/default/files/working_papers/documents/gozlugolringefinal.pdf
(9) https ://w ww.td.com/document/PDF/ESG/2021-TD-Environmental-and-Social-Credit-Risk-Process.pdf
(10) https ://w ww.td.com/document/PDF/ESG/2021-Climate-Action-Report.pdf

RESOLVED THAT *TD amend its Environmental and Social Risk Process for Non-Retail Lending Business Lines to provide that when TD provides new project-specific financial services, including advisory services, on brown-spinning transactions, TD will take reasonable steps to have parties to such transactions take steps and make disclosures consistent with TCFD, including:*

- *ensuring acquiring board oversight of climate-related risks,*
- *annual acquiring entity disclosure of Scope 1 and 2 GHG emissions from the acquired assets, and*
- *regarding such acquired assets, having the acquiring entity set targets for reducing GHG emissions within a reasonable time after completing the transaction*

THE BOARD OF DIRECTORS RECOMMENDS VOTING AGAINST THE PROPOSAL FOR THE FOLLOWING REASONS:

For the reasons set forth below, the board of directors recommends that shareholders vote against this proposal. The proposal is unduly prescriptive in purporting to dictate how the business of the bank should be conducted and the bank believes that its existing risk management policies and assessment procedures, together with its Climate Action Plan, substantially achieve the thrust of the proposal.

The proposal cites a number of general authorities which highlight the potential for undesirable aspects to what the proposal calls "brown spinning" transactions. As the proposal acknowledges, the bank has in place a set of non-retail risk management policies and assessment procedures to manage the risks, including reputational risk, of involvement with customers or transactions that are inconsistent with the bank's purpose, risk appetite and public climate commitments. The bank is not aware of any evidence that these policies and procedures are not effective and the proposal cites no such evidence.

As disclosed in the bank's 2021 ESG Report and 2021 Climate Action Plan Report, the bank has set targets for the reduction of greenhouse gas emissions associated with its operating and financing activities in certain sectors; will expand the coverage of its Climate Action Plan as quickly as practicable; and will report annually on its progress. The bank's first annual progress report was provided in March 2022. In assessing business opportunities, the bank must make a determination as to the suitability of the customer or transaction under its non-retail risk management policies and assessment procedures, including assessing the reputational risk to the bank of being associated with a customer or transaction that does not align with the bank's purpose, risk appetite and public climate commitments. Accordingly, the thrust of the proposal is already met by the bank's existing risk management framework and Climate Action Plan.

For the foregoing reasons, the board of directors recommends that shareholders vote against the proposal.

Proposal 3:

Advisory Vote on Environmental Policies

It is proposed that the bank adopt a policy on an annual advisory vote on its environmental and climate action plan and objectives.

At the 2022 annual meetings, we tabled this proposal, which received significant support at the TD (25.4%), CIBC (22.7%), National Bank (22%), Royal (20.2%), Scotia (19.3%) and BMO (15%) meetings. In addition, Laurentian Bank committed to implementing the non-binding advisory vote on the environment once it has established the baseline for its funded emissions.

According to the most recent report published by Rainforest[(11)], the five major banks provided more than $131 billion to oil companies during 2021 and these financings are up from 2020:

Global Positioning

Ranking among institutions	Name of Bank	Financing
5	*RBC*	*38.757 B*
9	*Scotia*	*30.402*
11	*TD*	*21.154*
15	*BMO*	*18.781*
20	*CIBC*	*22.218*

Note that these five major banks have lent or underwritten almost $700B to fossil fuel companies since the Paris Agreement was signed in December 2015.

Questions arise as to the extent of their plans to honor their commitment to join the Net Zero Banking Alliance (NZBA) launched by former Bank of Canada Governor Mark Carney in 2015 and to play a leading role in financing the climate transition to achieve net zero emissions by 2050.

(11) Banking on Climate Chaos — Fossil Fuel Finance Report 2022 https ://w ww.bankingonclimatechaos.org//wp-content/themes/bocc-2021/inc/bcc-data-2022/BOCC_2022_vSPREAD.pdf

We therefore reiterate our proposal to adopt a non-binding advisory vote so that shareholders can express their satisfaction or dissatisfaction with the Bank's environmental policy.

THE BOARD OF DIRECTORS RECOMMENDS VOTING AGAINST THE PROPOSAL FOR THE FOLLOWING REASONS:

For the reasons set forth below, the board of directors recommends that shareholders vote against this proposal. Following last year's meeting of shareholders, at which this same proposal was presented, the bank reached out to a number of shareholders that had voted in favour of the proposal to understand their perspectives. Having considered the feedback from shareholders, for the same reasons as given last year, the board continues to be of the view that shareholders should vote against this proposal.

Environmental policy is one of a number of significant inputs to corporate strategy. In approving the bank's strategy, the board considers a broad range of inputs from a full range of stakeholders, which includes shareholders, customers, analysts, regulators, rating agencies and NGOs with a particular interest in various aspects of the bank's ESG strategies and performance. In the course of this process, the board is exposed to relevant information pertaining to the bank's financial and competitive position and prospects. The volume, complexity and competitive sensitivity of this information is such that it is not practical to make public disclosure of all of it. Accordingly, the board believes that it would not be possible, as a practical matter, to provide shareholders with sufficient information to enable them to make an informed decision on an advisory resolution as suggested in the proposal. Even if such information could be made available to shareholders, absent a menu of choices to be considered, such a vote would not result in an actionable consensus on the part of shareholders for consideration by the board.

Potential drawbacks associated with advisory votes on climate transition plans have also been recognized by the United Nations-supported Principles for Responsible Investment which, in its February 2022 briefing entitled "Climate Transition Plan Votes: Investor Briefing", concluded that the benefits of climate transition plan votes as a mechanism to drive comprehensive climate action seem to be outweighed by the risks and potential unintended consequences of such votes.

The foregoing considerations are particularly relevant to the bank, with its hundreds of thousands of domestic and foreign, institutional and individual shareholders. It is no doubt in recognition of these complexities that the legal framework for the governance of the bank vests in the board of directors the exclusive power and full accountability for the approval of the bank's corporate strategy. The framework also recognizes the necessary dynamism of strategy setting and execution, which is not a once-a-year exercise. Under this framework, recourse for shareholders who are dissatisfied with the bank's overall strategy or performance is provided through shareholders' annual vote on the election of directors.

For the foregoing reasons, the board of directors recommends that shareholders vote against the proposal.

Proposal 4:

Commitment to Oil and Gas Industry

RESOLVED: *That Toronto-Dominion Bank ("TD") make clear its commitment to continue to invest in and finance the Canadian oil and gas sector. And further that TD conduct a review of any and all of its policies to ensure that there are none that have the effect of encouraging divestment from the sector.*

Supporting statement

Canadians are facing a cost-of-living crisis with escalating inflation threatening serious recession and the prospect of durable stagflation. A major cause of this is rising energy costs. Energy costs are being driven up by a public policy framework and a public conversation that are both directed against investment in the oil and gas sector. The result is chronic underinvestment in that sector.

It's time for TD to explicitly state its commitment to Canada's oil and gas sector. In addition, TD should end or temporarily suspend support for policies like net zero targets. The embrace of such policies — which have the effect of suggesting that oil and gas extraction, development, and use are not of essential value — sends a negative signal about investment in the sector. Instead, TD should focus on investment in, lending to, and financing of the oil and gas industry to create more supply and reduce energy costs for Canadians and the world.

Support for the sector is important because:

- *its wellbeing is essential to the wellbeing of Canadians, ensuring energy affordability and with it the affordability of everything else necessary to a reasonable standard of living for all in Canada;*
- *its environmental performance is world-leading and steadily improving;*
- *its expansion is increasingly important to addressing global concerns such as energy security and energy poverty; and*
- *the lack of investment in Canada means more investment in oil and gas sector development in other parts of the world with poorer environmental performance, poorer corporate governance, and serious human rights infringements.*

The oil and gas sector is the biggest exporting industry in Canada, is in the top three industries for contribution to Canada's GDP, provides 500,000 jobs across the country and contributes billions every year to government's coffers in taxes and royalties — paying for countless public services for Canadians.

Additionally, Canadian oil and gas producers are making major environmental gains: their Green House Gas emissions (GHG) were reduced by 22 per cent between 2011 and 2019, then another 12 per cent from 2019 to 2020[12]. They invested $3.1 billion in better environmental performance in 2019 alone, two-thirds of all environmental protection spending in the country that year[13].

Adopting a pro-investment stance in Canada's oil and gas sector is good for the economy, the environment, innovation, shareholders, and everyday Canadians.

THE BOARD OF DIRECTORS RECOMMENDS VOTING AGAINST THE PROPOSAL FOR THE FOLLOWING REASONS:

For the reasons set forth below, the board of directors recommends that shareholders vote against this proposal. The proposal is based on an incorrect premise, namely that the steps taken by the bank to respond to climate change and support its clients through the transition to a low carbon economy are inconsistent with continuing support for the oil and gas industry and have the effect of encouraging divestment from the sector. Moreover, the proposal is overly prescriptive in that it purports to dictate how the bank should conduct its business.

The bank recognizes both the importance of the energy industry to the Canadian economy and that a practicable, just and orderly transition to a low carbon economy is critical to the present and future prosperity and energy security of Canada. With this in mind, the bank has adopted and made public its Climate Action Plan, which supports the financing of responsible conventional energy programs and projects as well as responsible client initiatives in furtherance of the transition to a low carbon economy. Moreover, since 2020, the bank has been providing its clients with trusted advice, financing and affiliated products through TD Securities' ESG Solutions group, which was created to advise clients, including those in the oil and gas sector, as they work to achieve their transition goals.

For the foregoing reasons, the board of directors recommends that shareholders vote against this proposal.

Proposal 5:

CEO to Median Employee Pay Ratio

Be it resolved

The Board of Directors undertake a review of executive compensation levels in relation to the entire workforce and, at reasonable cost and omitting proprietary information, publicly disclose the CEO compensation to median worker pay ratio on an annual basis.

Supporting Statement

CEO realized compensation in the US has risen 1460% since 1978 compared to just 18.1% for the average worker. The CEO to worker compensation ratio in the US has increased from 31 times in 1978 to 399 times in 2021.[14]

Canada has seen similar issues with a report finding that CEO compensation at the top 100 companies on the TSX was estimated at 191 times the pay of the average Canadian worker in 2020.[15]

Wage gaps within workforces are important because they are indicative of, and contribute to, the growing inequality seen in North America.[16] According to the US Federal Reserve, since 1989, the top 1% by wealth have increased their share of total wealth by 8.6% largely at the expense of the lowest 90% who saw their proportion decrease by 8%.[17] The top 1% have also increased their share of total national income in the US from 8.3% to 20.8% over 1978-2019.[18] Canada has seen similar inequality with the top 1% increasing their share of total national income over 1978-2019 from 8.4% to 14%.[19]

This growing inequality leads to negative outcomes for all individuals as more unequal societies have been shown to be associated with poorer health, more violence, a lack of community life and increased rates of mental illness across

(12) https ://w ww.canadianenergycentre.ca/canadas-oil-and-gas-emissions-went-down-in-2020-national-inventory-report/
(13) https ://energynow. ca/2022/07/five-ways-canadas-oil-and-gas-industry-is-improving-environmental-performance/
(14) https ://w ww.epi.org/publication/ceo-pay-in-2021/
(15) https ://policyalternatives. ca/sites/default/files/uploads/publications/National%20Office/2022/01/Another%20year%20in%20paradise.pdf
(16) https ://publications. gc.ca/site/eng/9.575693/publication.html
(17) https ://w ww.federalreserve.gov/releases/z1/dataviz/dfa/distribute/chart/#quarter:131;series:Assets;demographic:networth;population:1,3,5, 7,9;units:shares
(18) https ://wid. world/country/usa/
(19) https ://wid. world/country/canada/

socioeconomic classes.[20] Research has shown that this inequality harms economic productivity to the tune of 2-4% lost GDP growth annually and often leads to prolonged and more severe recessions.[21][22]

Beyond the negative societal impacts, compensation gaps within an organization can lead to lower employee morale and higher employee turnover[23]. This can erode company value as unmotivated employees are less productive and higher turnover directly increases staffing costs. These costs are especially material for human capital-intensive companies such as Toronto-Dominion Bank.

In Canada, the financial sector is particularly exposed to this issue with the top 1% in finance earning approx. 16% of the sector's income while the top 1% in most other sectors earn 6-10%.[24]

Unlike the US, it is not mandatory for publicly listed companies in Canada to provide CEO to median worker pay ratio disclosures. This is not a big ask as the Global Reporting Institute reporting standards, which TD Bank already utilizes, provide a well-recognized framework for computing this ratio. It is critical to recognize that the focus is about the trend of the ratio over time. Disclosing and tracking the ratio allows TD Bank to ensure the wage gap is not widening and can help it make corrections to ensure employee sentiment stays positive, thereby lowering turnover and lost productivity costs.

THE BOARD OF DIRECTORS RECOMMENDS VOTING AGAINST THE PROPOSAL FOR THE FOLLOWING REASONS:

For the reasons set forth below, the board of directors recommends that shareholders vote against this proposal. Undertaking the review suggested by the proposal would be of little or no material benefit to the board or to the Human Resources Committee (HRC) in compensation decision-making, nor would it improve the bank's existing compensation disclosure.

The Human Resources Committee (HRC) of the board has previously considered vertical pay comparisons and the utility of incorporating a vertical pay ratio into its compensation decision-making. The HRC has concluded — and continues to believe — that ratio results can vary significantly based on the business mix, employee base and geographies of operations of a particular organization, making it a problematic measure that would not be appropriate or meaningful for compensation decision-making. Furthermore, disclosure of the ratio would not contribute to a shareholder's ability to assess the bank's approach to compensation and would not improve the bank's existing disclosure about compensation and the HRC's practices.

The HRC is responsible for supporting the board in ensuring that the bank's compensation policies at all levels of the organization are designed and administered to provide market-competitive compensation aligned with shareholder interests, incorporating business and individual performance as well as incenting behaviour consistent with the bank's risk appetite and Code of Conduct and Ethics. As part of this mandate, the HRC sets the bank's executive compensation strategy with a view to attracting, retaining and motivating high performing executives to create sustainable value for shareholders over the long term.

The HRC is also accountable for certain aspects of employee total rewards, including overseeing material employee incentive plans, and pension and benefits related programs, both of which are important parts of the total rewards offering for all employees. The board and senior management recognize that the performance and engagement of all the bank's employees, whether in customer-facing or support roles, will continue to be a key determinant of the bank's competitive position. In addition, as part of its mandate, the HRC receives regular updates on key total rewards initiatives for front-line employees, and the key processes and practices that have been established to deliver on the bank's total rewards philosophy, which includes providing programs for all employees and executives that are competitive within the market and are aligned with business and individual performance. The HRC also monitors compensation outcomes to achieve alignment in approach between executives and non-executive employees, as described more fully under the "Approach to Employee Total Rewards" section of this circular.

For the foregoing reasons, the board of directors recommends that shareholders vote against the proposal.

Proposal 6:

Disclosure of Transition Plan

Resolved*: Shareholders request that TD disclose a transition plan that describes how it intends to align its financing activities with its 2030 sectoral emissions reduction targets, including the specific measures and policies to be implemented, reductions to be achieved by such planned measures and policies, and timelines for implementation and associated emission reductions.*

(20) https ://equalitytrust. org.uk/resources/the-spirit-level
(21) https ://w ww. frbsf.org/wp-content/uploads/sites/4/wp2017-23.pdf
(22) https ://w ww. epi.org/publication/secular-stagnation/
(23) https ://w ww.nber.org/papers/w22491
(24) https ://wid. world/news-article/worker-power-and-inequality-in-canada-a-sector-level-analysis/

Supporting Statement:

In 2022 TD released an updated Climate Action Plan in response to its commitment to achieve net zero financed emissions by 2050.

While TD's updated Plan provides more clarity on the measurement of financed emissions, its intensity-based 2030 targets don't align with the absolute 2050 target TD has committed to and the Plan lacks clarity as to the specific measures and policies that TD will implement to achieve progress.

For example, TD discusses the existence of its "Climate Target Operating Model" with "sequences and actions," but does not disclose what those are. Similarly, TD says that it continues to embed climate risk into its enterprise risk framework, but does not disclose whether and how this is related to meeting its targets.

TD says that it is making good progress towards its $100 billion "low carbon" lending, financing, and asset management target, but it's unclear whether and how this relates to its emission reduction targets as TD does not systematically quantify and disclose the impact of this activity on emissions.

TD's need for a credible transition plan is acute considering the bank is particularly exposed to transition risk. A recent study concluded that TD has the highest financed emissions — at 447 million tonnes CO2 equivalent — of any Canadian bank.(25)

TD is yet to adopt any policy to phase down its exposure to fossil fuels, including in its updated 2022 coal policy. On the contrary, it is still involved with financing fossil fuel expansion projects such as the Trans Mountain pipeline and Coastal GasLink project.

This uncertainty about whether and how TD will meet its climate targets represents a material business risk given the shifting regulatory environment. The Office of the Superintendent of Financial Institutions is developing climate risk management guidance that will require TD to have a Climate Transition Plan to manage "increasing physical risks from climate change, and the transition towards a low-GHG economy."(26)

Similarly, the Glasgow Financial Alliance for Net Zero, of which TD is a member, recommends that financial institutions have a transition plan that contains "a set of goals, actions, and accountability mechanisms to align an organization's business activities with a pathway to net-zero."(27) *TD is yet to meet this bar.*

TD's peers disclose greater specificity regarding how they will reach net zero, including absolute 2030 targets (BMO, Citi, Wells Fargo), fossil fuel financing reductions (Lloyds, BNP Paribas, ING, Societe General), and public disclosure regarding client net zero evaluation and progress (Credit Suisse, ANZ Group). This proposal is consistent with one filed and withdrawn by MÉDAC last year.(28)

To address uncertainty and increase transparency, we urge shareholders to vote FOR this proposal.

THE BOARD OF DIRECTORS RECOMMENDS VOTING AGAINST THE PROPOSAL FOR THE FOLLOWING REASONS:

For the reasons set forth below, the board of directors recommends that shareholders vote against this proposal. The proposal is based on a number of incorrect premises; calls for certainty which is not achievable in light of macro uncertainties and the time frame for the bank's climate goals; and requests that the bank act in a manner which is inconsistent with its purpose. Moreover, the proposal is overly prescriptive in that it purports to dictate how the bank should conduct its business.

The board of directors rejects the proposal's assertions that the bank lacks a "credible transition plan" and is not in compliance with its GFANZ obligations. In fact, the bank has publicly disclosed a Climate Action Plan that outlines transition activities and is in compliance with its GFANZ obligations. As part of its Climate Action Plan, the bank has announced a target to achieve net-zero greenhouse gas (GHG) emissions associated with its operations and financing activities by 2050 in alignment with the principles of the Paris Agreement. The bank has also announced an interim target for its Scope 1 and Scope 2 (operational) emissions of 25% reduction by 2025 and has announced interim 2030 Scope 3 financed emissions targets for the energy and power generation sectors. The bank released both sets of interim targets well in advance of the NZBA's deadline for its members to do so, and intends to release additional interim targets in March 2023.

It is widely accepted by informed observers that the transition to 2050 depends on numerous factors beyond the control or knowledge of the bank including, among other things, development of technology, models and methodologies; the evolution of public policy, laws and regulations; the rate and pace of engagement by market participants; and the rate and nature of change in consumer behaviour. The bank's Climate Action Plan is based on what is currently known and reasonably foreseeable. The bank has been transparent in its approach and disclosure of its plans. The bank has also

(25) https ://oxfam.qc. ca/wp-content/uploads/2022-canada-banks-carbon-footprint-report.pdf
(26) https ://w ww.osfi-bsif.gc.ca/Eng/fi-if/rg-ro/gdn-ort/gl-ld/Pages/b15-dft.aspx#toc1
(27) https ://assets. bbhub.i o/company/sites/63/2022/09/Recommendations-and-Guidance-on-Financial-Institution-Net-zero-Transition-Plans-November-2022.pdf
(28) https ://w ww.td. com/ document/PDF/investor/2022/E-2022-Proxy-Circular.pdf

committed to report on its progress and update its plans regularly as the macro environment evolves and will provide its next update in March 2023 when it publishes its 2022 ESG and Climate Action Plan Reports.

The proposal implies that it would be preferable for the bank to set absolute interim GHG emission targets rather than intensity-based interim targets. The board of directors does not agree with that view. While the bank's 2050 net-zero target is an absolute emissions goal, the bank believes that intensity-based targets are more appropriate for the first stages of the bank's low-carbon transition, as it allows the bank to support the clients that are working on scaling up low-carbon activities that will most impact the bank's and the real economy's total emissions in the long-term. The board believes that it is important to allow capital to be deployed quickly towards lower carbon and transitional initiatives, especially in support of clients that are themselves working to transition their products and services to a low-carbon future. In the short-term, under an absolute emissions metric, the bank's analysis showed that the lever to drastically reduce emissions is divestment, which the bank does not believe is an effective way to drive emissions reductions in the real economy; would prevent the bank from supporting responsible activity by clients as part of their transition plans; and would be inconsistent with the bank's purpose.

By using an intensity-based interim metric, the bank is better able to support projects and clients that are focused on implementing sustainable practices or decarbonizing their operations. This also allows the bank to monitor progress with a meaningful, comparable metric. The bank's goal is that these initiatives and their associated decarbonization projects in the shorter-term will flow through its footprint and positively impact its absolute financed emissions footprint in the medium to long term. Notwithstanding the bank's view that short-term intensity-based interim targets are preferable for the initial stage of the bank's Climate Action Plan, it recognizes the importance of monitoring both absolute and intensity-based emissions. Accordingly, the bank tracks both metrics, and, as was done in the bank's 2021 Climate Action Plan Report, the bank will publicly disclose its progress under both metrics in the 2022 Climate Action Plan Report that is scheduled to be published in March 2023.

The board of directors rejects the proposal's call for the bank to adopt a "policy to phase down its exposure to fossil fuels". This is a call for the bank to withdraw from involvement with the fossil fuel industry and to do so in a manner which ignores the bank's purpose and the social and economic considerations which must be taken into account in managing the transition to a low carbon economy in a manner which is practicable, just and orderly and consistent with the bank's purpose.

The proposal refers to anticipated regulatory guidance from OSFI with regard to the management of the risks of climate change. The bank is in regular communication with OSFI and the Bank of Canada with regard to the development of such guidance and believes that it is, and will continue to be, able to meet regulatory expectations in this regard.

For the foregoing reasons, the board of directors recommends that shareholders vote against the proposal.

Withdrawn Shareholder Proposals

MÉDAC submitted three additional proposals (Proposals A, B and C below) that it withdrew after discussions with the bank. These proposals were submitted in French and translated into English by the bank. BCGEU submitted an additional proposal (Proposal D below) with support from the Union of British Columbia Indian Chiefs (UBCIC), that it withdrew after discussions with the bank. The bank agreed to include these proposals and the bank's response thereto in the circular.

Proposal A:

Disclosure of Languages Spoken by Directors

It is proposed that the languages spoken by directors be disclosed in the skills and expertise matrix in the circular.

In recent years, a number of public controversies over language have tarnished the reputation of major public companies with respect to their social responsibility and their interpretation of their duties and obligations regarding diversity, inherent in our societies. Language is in the heart of our democratic institutions and is a fundamental attribute of the community.

Such situations, harmful in every respect, must be avoided. To this end — and for several other reasons — it is appropriate for all interested parties (stakeholders) to know, through formal and official disclosure, the languages spoken by the company's directors. Obviously, "spoken" means a level of language sufficient to permit its widespread use in all spheres of activity of persons, both legal and natural; a level of language sufficient to enable each director to fulfill his or her duties and functions fully and completely.

THE BANK'S RESPONSE TO THIS PROPOSAL:

When considering the composition of the Board of Directors, the corporate governance committee considers the skills and experience listed in the skills/experience matrix (set out on page 21 of the circular) and, on an annual basis, reviews the matrix to confirm that it continues to reflect the most relevant skills and experience competencies that the board needs to address its many responsibilities and long-term strategy of the bank. Each director nominee's key competencies are listed in the charts under the "Director nominees" section of this circular, and the Board does not believe that it is necessary to also disclose the language proficiency of each individual director nominee. The bank also notes that there are no disclosure requirements with respect to language proficiency of directors under applicable law. Notwithstanding the foregoing, following discussions with the proponent about this proposal, the bank has agreed to include information about the languages spoken by its director nominees, as a whole, in the "Director Nominees" section of this circular on page 12. The bank thanks MÉDAC for its engagement on this matter.

Proposal B:

Artificial Intelligence

It is proposed that the Board of directors review the mandate of the Governance Committee and the Risk Management Committee to include an ethics component on the use of artificial intelligence.

Artificial intelligence (AI) is becoming the key technology of the future. This technology refers to the possibility for a machine to simulate human behaviors, such as reasoning, planning and creativity, in particular through learning algorithms. Corporations are increasingly using it to develop more automated, personalized and customer-oriented services. AI also offers new opportunities to strengthen and facilitate the detection and reduction of risks and fraud and to promote better regulatory compliance.

However, its use is risky, as illustrated by Deloitte in one of its research[29]:

- *Quality, quantity and relevance of the data used. The results of the AI systems are dependent on the quality and quantity of the data. If the data sets used to construct the algorithms contain biases, the algorithm generated is likely to also reflect such biases, or even amplify them.*
- *Opacity of operation (black box when talking about AI). Unlike the older generations of AI, where systems made very clear decisions set by humans, the new generations will rely on very complex statistical methods, based on thousands of parameters. All these factors will make the final decision difficult to interpret or even impossible to explain by humans.*
- *Possible malfunctions. Algorithms do not have the capacity for conceptual understanding and common sense that humans have and that are necessary to evaluate radically new situations.*

As the latest reports of the World Economic Forum point out, the subject of artificial intelligence comes at a turning point. In the short term, it seems important that the development of artificial intelligence meets the minimum standards of governance, ethics and risk management. Also according to Deloitte[30], this reflection should focus on proof of the reliability of the algorithms used (from the point of view of their internal and external verification), the comprehensibility of models and the interactions between humans and intelligent algorithms.

It is therefore crucial that the mandate of the Governance Committee be reviewed in order to incorporate this reflection and to develop a code for the use of artificial intelligence in order to assure shareholders and interested parties (stakeholders) that its development and use are carried out by placing the human being at the heart of the machine and by guaranteeing the veracity, security and confidentiality of the data that feed it and by regulating the algorithms so that they integrate diversity and overcome biases in decision-making, among other things.

THE BANK'S RESPONSE TO THIS PROPOSAL:

The core of the bank's management of the risks associated with artificial intelligence ("AI") is the bank's Enterprise Model Risk Management Framework ("Model Risk Framework") and associated practices and procedures. The bank's Model Risk Framework requires that, before any AI and machine-learning ("ML") models are used, the bank must assess the risks that may arise from the use of AI /ML models and, as part of this assessment, the bank must consider the potential for adverse consequences arising from decisions based on incorrect or misused models and their outputs. In addition, under the Model Risk Framework, AI/ML models that would have a direct impact on the bank's customers (i.e., because they relate to decisioning or market practices, or to credit, account management or collection activities) must undergo additional governance procedures.

The board's oversight of the risks associated with AI with which the proposal is concerned is conducted primarily through the Risk Committee in accordance with its charter. The board receives regular updates on the use of AI models and data governance issues related to data quality. Following discussions with the proponent about this proposal, the bank has agreed to amend the charter of the Risk Committee to more specifically reference the activities that the Risk Committee currently undertakes with respect to the oversight of AI and the use of models.

The Corporate Governance Committee is responsible for fostering a healthy governance culture at the bank and for developing and enhancing the bank's corporate governance practices and standards. This involves keeping abreast of the latest regulatory requirements, global emerging trends and guidance in corporate governance and making updates to

(29) https ://www2. deloitte.com/fr/fr/pages/risque-compliance-et-controle-interne/articles/intelligence-artificielle-quelles-evolutions-pour-profils-de-risques-des-entreprises.html

(30) https ://www2. deloitte.com/fr/fr/pages/risque-compliance-et-controle-interne/articles/intelligence-artificielle-dans-risque-de-credit.html
https ://corpgov. law.harvard.edu/2020/06/25/artificial-intelligence-and-ethics-an-emerging-area-of-board-oversight-responsibility/

the board on corporate governance issues, as necessary. Furthermore, the Corporate Governance Committee is responsible for overseeing the establishment and maintenance of policies in respect of ethical personal, business and market conduct at the bank, and to monitor compliance in respect of such policies and procedures to maintain a strong ethical culture throughout the bank.

The bank thanks MÉDAC for its engagement on this matter.

Proposal C:

Increase Energy and Environmental Transition Efforts

It is proposed that the bank adhere to the UNEP-FI Principles for Responsible Banking (PRB).

A recent report by the Institut de recherche en économie contemporaine (IREC) and OXFAM Québec[31] *shows that the carbon weight of the country's eight largest banks is 1.9 billion tons, or 2.6 times the GHG emissions in the country, and that, if they joined together to form a new state, it would be the fifth emitter of greenhouse gases in the world.*

While acknowledging that the Bank is making efforts to support and accelerate the green transition, it could do much better and be a model for other businesses. As mentioned in the IREC report, we would like to draw attention to two observations from the report:

«First, not only have none of Canada's major DTIs committed to withdrawing from the fossil fuel sector in the short or medium term, but they all persist in presenting themselves as participants in the energy transition and sustainable financing aimed at either decarbonizing the processes of extraction, transformation and/or use of fossil fuels or supporting diversification of the "green" asset portfolios of companies in the sector, particularly in the areas of green technologies and renewable energy.

Second, even in terms of their financial commitments to the energy and environmental transition, Canadian DTIs have set their sights relatively low: For example, the total C$850 billion pledged by BMO, RBC, Scotiabank, CIBC and TD for 2020-2030, while not inconsiderable, will ultimately represent only two-thirds of their previously committed fossil fuel assets between 2016 and 2020 alone, which were in excess of C$1.3 trillion. In addition, many of the mutual funds and exchange-traded funds of the eight Canadian DTIs, including ESG or "green" funds, are still not aligned with the Paris Agreement targets, exceeding the maximum exposure to carbon sectors that would limit global warming to less than two degrees."

Specifically targeted by the report in question (which also makes recommendations …), the bank has considerable financial strength and joining this international initiative — an initiative already joined by other major banks and other major financial institutions in the country — would, among other necessary measures, concretely support the achievement of the carbon neutrality goal set by the Paris Agreement.

THE BANK'S RESPONSE TO THIS PROPOSAL:

The bank has assessed whether joining the UN Principles for Responsible Banking ("UN PRB") would help the bank meet its sustainability goals and has concluded that the incremental benefits of adhering to the UN PRB would not meaningfully enhance the Bank's progress in meeting these goals.

As part of the bank's commitment to supporting a practicable, just and orderly transition to a low-carbon economy, the bank has been marshalling resources and evolving its policies and practices to align with the development of new technologies, evolving public policy and applicable laws and regulations. As part of this work, the bank has undertaken activities that enhance its sustainability journey, including joining organizations or signing on to principles that would support the bank's low-carbon strategy. For example, the bank is a participant in the Government of Canada's Sustainable Finance Action Council and is a member of the UN-convened Net-Zero Banking Alliance (NZBA). The bank is focused on advancing its sustainability goals and objectives, and is confident that its current industry memberships enable it to continue to make meaningful progress on those goals and objectives. Further, as disclosed in the bank's 2021 ESG Report and 2021 Climate Action Plan Report, the bank has announced a target to achieve net-zero greenhouse gas (GHG) emissions associated with its operations and financing activities by 2050 in alignment with the principles of the Paris Agreement. The bank has also announced an interim target for its Scope 1 and Scope 2 (operational) emissions of 25% reduction by 2025 and has announced interim 2030 Scope 3 financed emissions targets for the energy and power generation sectors. The bank released both sets of interim targets well in advance of the NZBA's deadline for its members to do so, and intends to release additional interim targets in March 2023.

The bank's 2021 ESG Report and 2021 Climate Action Plan Report are available on the bank's website, and the bank's 2022 ESG Report and 2022 Climate Action Plan Report will be available on the bank's website in March 2023. The bank notes that there is currently no regulatory requirement that these reports be filed on SEDAR.

The bank thanks MÉDAC for its engagement on this matter.

(31) https ://oxfam. qc. ca/wp-content/uploads/2022-canada-banks-carbon-footprint-report.pdf

Proposal D:

Operationalize Free Prior Informed Consent

The United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) stipulates that States shall consult in good faith with Indigenous peoples in order to obtain their free, prior and informed consent (FPIC) before implementing measures that may affect them. The federal UNDRIP Act affirms that UNDRIP has legal effect in Canada.[32]

The Truth and Reconciliation Commission's Call to Action #92, calls upon the corporate sector to adopt and implement UNDRIP "as a reconciliation framework and to apply its principles, norms, and standards to corporate policy and core operational activities involving Indigenous peoples and their lands and resources."[33]

Foley Hoag LLP's report to banks which funded the controversial Dakota Access Pipeline Project recommended that international industry good practices on FPIC means going beyond the minimum standards set by domestic law.[34]

Failing to consider FPIC also overlooks a material risk. Companies which only seek domestic legal minimums or fail to obtain FPIC routinely see project delays, conflict, and other significant legal, political, reputational, and operational risks.

The Government of Canada has stated that FPIC is contextual and there is no "one size fits all" approach, and operationalizing FPIC may require different processes or new creative ways of working together.[35]

A 2019 paper prepared for the Union of BC Indian Chiefs entitled Consent[36] *(Consent Paper) attempts to clear up misconceptions about FPIC, including:*

- *"consent" and "veto" are not the same; they have different meaning and uses; and*
- *FPIC is not an extension of consultation and accommodation, which are procedural in nature.*

The Consent Paper outlines ways in which Canadian businesses can operationalize FPIC, including:

- *seeking and confirming Indigenous consent prior to making decisions*
- *outlining the conditions necessary for obtaining and maintaining a Nation's consent, as opposed to legal devices such as releases that are intended to limit Indigenous rights;*
- *using collaborative dispute resolution mechanisms and not limiting a Nation's ability to take legal action; and*
- *building a process for future decision-making and obtaining consent before any approvals are sought from the Crown.*

TD outlines a mechanism for evaluating FPIC within its Environmental and Social Credit Risk assessments. A good first step, but the process is not transparent and relies on the Equator Principles which are not aligned with the Consent Paper. The material risks related to the failure to obtain FPIC are not captured in current policies and have not been reflected in financing decisions.

Further action is required to operationalize FPIC and Call to Action #92 into TD's corporate policies and activities. An explicit reference to operationalizing FPIC will help mitigate human rights risk while giving TD additional leverage to effect meaningful and necessary change on the path towards reconciliation.

RESOLVED THAT: TD align its policies and practices with international industry good practice as outlined by Foley Hoag, and take further steps to operationalize FPIC by revising its Environmental and Social Credit Risk Process to be consistent with the Consent Paper.

THE BANK'S RESPONSE TO THIS PROPOSAL:

The bank has a longstanding commitment to the rights of Indigenous Peoples within North America and is a supporter of FPIC. The bank's Environmental and Social Lending Risk Process sets out how environmental and social risks are reflected in the bank's lending decisions. The bank's current commitments with respect to FPIC are: (i) to identify transactions where Indigenous Peoples' lands, resources and/or way of life may be negatively impacted, in accordance with the Equator Principles; (ii) to incorporate assessments of its clients' policies, practices and performance relating to FPIC when relevant; and (iii) to support development and dissemination of good practices for the practical implementation of FPIC, by working with diverse multi-stakeholder groups.

TD has a dedicated Indigenous Banking team that is consulted as appropriate and works closely with business segments across the bank to provide a comprehensive approach to serving clients from Indigenous communities. Further, TD's Indigenous Peoples Committee, an executive-level governance structure, is focused on creating and supporting opportunities for Indigenous Peoples, employees, customers and communities.

In its discussions with the bank, UBCIC and BCGEU have provided their views to the Bank on having Canadian banks move toward: (i) a rights recognition approach to relations with Indigenous Peoples, consistent with the Canadian federal

(32) https :// daccess-ods.un.org/access.nsf/Get?OpenAgent&DS=A/RES/61/295&Lang=E
(33) https ://w ww.rcaanc-cirnac.gc.ca/eng/1524506030545/1557513309443
(34) https ://w ww.foleyhoag.com/news-and-insights/publications/ebooks-and-white-papers/2017/may/good_practices_social_impacts_oil_pipelines_united_states/
(35) https ://w ww.justice.gc.ca/eng/declaration/bgnrcan-bgrncan.html
(36) https ://w ww.ubcic.bc.ca/consent_paper

government's position, and (ii) an understanding of FPIC as a standard or right, as opposed to merely a principle. TD recognizes that its relations with Indigenous Peoples must be based on respect for their constitutionally protected rights and title, including in respect of the bank's approach to FPIC, and for their institutions of self-government. Furthermore, TD recognizes that the implementation of FPIC within the corporate sector is an ongoing, context-specific process involving diverse Indigenous communities and stakeholders, with no "one-size-fits-all" solution for meaningful engagement and consent. Accordingly, the bank has agreed that, in connection with its ongoing review of its policies and procedures relating to Indigenous Peoples and FPIC, including its Statement on Human Rights, it will assess their current alignment with its commitments to advance reconciliation and to respect the rights of Indigenous Peoples, including in respect of the Bank's approach to FPIC (the "Policy Review").

As part of its discussions with the bank, BCGEU and UBCIC also requested that the bank develop a formal training program on FPIC matters for relevant business colleagues, which would be developed in line with TRC Call to Action #92, would focus on how the FPIC of Indigenous Peoples can be operationalized and obtained by bank clients, and would form part of the tools the bank employs in connection with its Environmental and Social Risk Policy for Non-Retail Lending Business Lines. TD actively supports the TRC's call to action for corporate Canada, including #1 of Section 92, by investing in employment, environment and economic development initiatives for Indigenous Peoples, as well as education, arts and culture. Accordingly, in connection with its ongoing review of its policies and procedures relating to Indigenous Peoples and FPIC, the bank has agreed to review its training programs regarding FPIC to consider whether they appropriately reflect TD's support of TRC Call to Action #92 and, if not, then TD will update its training programs as appropriate (the "Training Program Review").

The bank agrees that, by June 30, 2024, it will publicly disclose either: (i) key insights of its Policy Review and Training Program Review, or (ii) an update on the progression of its Policy Review and Training Program Review.

Finally, UBCIC and BCGEU have expressed concerns with the practical implications of the Equator Principles, as they view the EP4 as falling short of the minimum standards set out in UNDRIP, and a limited number of Canadian transactions become subject to the Equator Principles each year. The bank considers its alignment to the Equator Principles to be appropriate and preferable to those suggested in the proposal for the following reasons: (i) the Equator Principles are a transparent risk management framework and a widely-recognized benchmark for global financial institutions; (ii) since 2007, the bank has embedded the Equator Principles into its risk processes; (iii) the Equator Principles are updated periodically to reflect evolving practices, understanding and other developments. For example, the current iteration of the Equator Principles (EP4) were updated from their previous version to reflect a greater focus on human rights, and incorporate certain elements of the good practice guidance highlighted in the Foley Hoag report referenced in the proposal; (iv) the Equator Principles require, at a minimum, that all projects affecting Indigenous Peoples comply with relevant national laws, including laws implementing host-country obligations under international law; (v) the bank's Environmental and Social Lending Risk Process and the Equator Principles are compatible with a variety of models and approaches to implementing FPIC depending on the circumstances; and (vi) the bank has mechanisms in place that regularly consider how to address the implementation of FPIC in the Bank's operations, including the bank's Environmental and Social Risk Management group which establishes, maintains, and updates risk frameworks, policies and processes for the management of environmental and social risks, including as they relate to projects affecting Indigenous Peoples.

BCGEU and UBCIC have stated that they view TD's commitments to be an important step in a meaningful, long-term engagement with the bank on the rights of Indigenous Peoples, including with respect to the operationalization of FPIC. On the basis of the foregoing, BCGEU and UBCIC have agreed to withdraw this proposal.

The bank thanks BCGEU and UBCIC for their engagement on this matter.