



Independent practitioner's assurance report

To the Management of Toronto-Dominion Bank

Scope

We have been engaged by Toronto-Dominion Bank (the "Bank") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, over selected performance indicators as reported in the Bank's 2020 Environmental, Social and Governance (ESG) Report (the "Report"). The scope of our engagement, as agreed with management, included the following performance indicators:

- ▶ **Subject Matter 1:** The following social performance indicators as at October 31, 2020.
 - Workforce diversity - Global and Canadian operations:
 - Percentage of women in senior management positions
 - Percentage of women in middle management positions
 - Percentage of women employed, overall
 - Workforce diversity - Canadian operations only:
 - Percentage of visible minorities in senior management positions
 - Percentage of visible minorities in middle and other management positions
 - Percentage of visible minorities employed, overall
 - Percentage of persons with disabilities employed, overall
 - Percentage of aboriginal peoples employed, overall
 - Legendary Experience Index (TD Canada Trust and TD Bank business segments)
 - Employee engagement (TD Bank Group)

The following social and economic performance indicators for the year ended October 31, 2020:

- Employee retention (turnover) (Canadian and United States operations)
 - Economic Value Retained (TD Bank Group)
- ▶ **Subject Matter 2:** The Bank's carbon neutral schedule (the "Schedule"), in particular the statement of carbon neutrality for its Canadian, United States and international operations for the year ended July 31, 2020.
 - ▶ **Subject Matter 3:** The Bank's greenhouse gas emissions arising from real estate, in particular location-based and market-based scopes 1 and 2 emissions and scope 3 emissions arising from downstream leases for the year ended July 31, 2020, and scope 3 emissions arising from business travel for the year ended October 31, 2020, for its Canadian, United States and international operations.
 - ▶ **Subject Matter 4:** The Bank's energy usage for its Canadian, United States and international operations for the year ended July 31, 2020.



The selected performance indicators are collectively referred to as the “Subject Matters” and are identified in Schedule 1.

Other than as described in the preceding paragraphs, which set out the scope of the engagement, our assurance engagement does not extend to any other information included in, or linked to from, the Report and accordingly, we do not express a conclusion on this other information.

Criteria applied by TD

In preparing the Subject Matters, the Bank applied relevant guidance contained within certain third-party standards and guidelines as well as internally developed criteria (together, the “Criteria”) as identified below:

- ▶ **Subject Matter 1:** Relevant guidance contained within the Global Reporting Initiative (“GRI”) Standards, including the Financial Services Sector Supplement, as well as internally developed criteria as described on pages 63 (Legendary Customer Experience) and 98 (Employee Engagement Index) of the Report.
- ▶ **Subject Matters 2, 3 and 4:** ISO 14064:1-06 Greenhouse Gases - Part1: Specification with Guidance at the Organization Level for Quantification and Reporting of Greenhouse Gas Emissions and Removals Standard (“ISO 14064-1 Standard”), and the WBCSD/WRI standard Greenhouse Gas Protocol Corporate Accounting and Reporting Standard (“GHG Protocol”).

The internally developed Criteria were specifically designed for the preparation of the Report. As a result, the identified performance indicators within Subject Matter 1 may not be suitable for another purpose.

TD’s responsibilities

TD’s management is responsible for selecting the Criteria and for presenting the Subject Matters in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matters, such that they are free from material misstatement, whether due to fraud or error.

EY’s responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matters based on evidence we have obtained.

We conducted our engagement in accordance with the *International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* (‘ISAE 3000’) and the *International Standard for Assurance Engagements on Greenhouse Gas Statements*



('ISAE 3410'). These Standards requires that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matters are presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

Our independence and quality control

We have complied with the relevant rules of professional conduct / code of ethics applicable to the practice of public accounting and related to assurance engagements, issued by various professional accounting bodies, which are founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies *Canadian Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements*, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent, than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems. A limited assurance engagement consists of making inquiries, primarily of persons responsible for preparing the Subject Matters and related information, and applying analytical and other appropriate procedures.

Our procedures included:

- ▶ Inquiries of a selection of management to gain an understanding of TD's processes, policies and controls in place related to the Subject Matters;



- ▶ Inquiries of relevant staff who are responsible for the Subject Matters including, where relevant, observing and inspecting systems and processes for data aggregation and reporting;
- ▶ Inspecting, on a limited sample basis, underlying evidence such as invoices for the purposes of reconciling relevant information to that used in the calculation of the Subject Matters;
- ▶ Evaluating the accuracy of calculations performed, on a sample basis, through analytical procedures and limited reperformance; and,
- ▶ Evaluating the presentation of the Subject Matters in the Report.

We also performed such other procedures as we considered necessary in the circumstances.

Inherent limitations

Non-financial information, such as the Subject Matters, is subject to more inherent limitations than financial information, given the more qualitative characteristics of the Subject Matters and the methods used for determining such information. The absence of a significant body of established practice on which to draw allows for the selection of different but acceptable evaluation techniques which can result in materially different evaluation and can impact comparability between entities and over time.

Conclusion

Based on our procedures and the evidence obtained, nothing has come to our attention that causes us to believe that Subject Matters 1, 2, 3 and 4 as reported in the Report are not prepared, in all material respects, in accordance with the Criteria.

Ernst & Young LLP

Chartered Accountants
Licensed Public Accountants

March 1, 2021
Toronto, Canada



Schedule 1

Our limited assurance engagement was performed on the following selected performance indicators:

| Performance indicator | Indicator value | Report page(s) |
|---|----------------------------|----------------|
| Subject Matter 1 | | |
| – Workforce diversity - Global operations: | | |
| – Percentage of women in senior management positions | 38.4% | 22, 95, 96 |
| – Percentage of women in middle management positions | 45.3% | 95, 96 |
| – Percentage of women employed, overall | 57.0% | 22, 95, 96 |
| – Workforce diversity - Canadian operations: | | |
| – Percentage of women in senior management positions | 40.0% | 95, 96 |
| – Percentage of women in middle management positions | 45.1% | 95, 96 |
| – Percentage of women employed, overall | 55.4% | 95, 96 |
| – Percentage of visible minorities in senior management positions | 19.6% | 22, 96 |
| – Percentage of visible minorities in middle and other management positions | 40.0% | 96 |
| – Percentage of visible minorities employed, overall | 39.2% | 96 |
| – Percentage of persons with disabilities employed, overall | 8.0% | 22, 96 |
| – Percentage of aboriginal peoples employed, overall | 1.5% | 22, 96 |
| Legendary Experience Index (TD Canada Trust and TD Bank business segments) | 67.57 | 21, 63, 94 |
| Employee engagement (TD Bank Group) | 85% | 22, 73, 98 |
| Employee turnover (Canadian and United States operations) | 14.5% | 22, 74, 99 |
| Economic Value Retained (TD Bank Group) | \$19.4 billion | 57 |
| Subject Matter 2 | | |
| Carbon neutral schedule | | |
| – Net GHG emissions from energy & business travel | (tonnes CO ₂ e) | 83 |
| o Canada | 0 | |
| o U.S. | 0 | |
| o International | 0 | |
| – Net electricity | | |
| o Canada | 0 | |
| o U.S. | 0 | |
| o International | 0 | |
| – Carbon footprint | | |
| o Canada | 0 | |
| o U.S. | 0 | |
| o International | 0 | |

| Subject Matter 3 | | |
|--------------------------------------|----------------------------|-------|
| Greenhouse gas emissions | (tonnes CO ₂ e) | 81-82 |
| – Total scope 1 & 2 (location based) | 136,511 | |
| ○ Canada (Total) | 57,681 | |
| ○ U.S. (Total) | 77,761 | |
| ○ International (Total) | 1,069 | |
| – Total scope 1 & 2 (market based) | 49,346 | |
| – Scope 3 | | |
| ○ Business travel | 8,593 | |
| ○ Downstream leased assets | 1,121 | |
| Subject Matter 4 | | |
| Energy usage data | | |
| – Total Energy consumption | 2,524,052 GJ | 87 |
| ○ Canada (Total) | 1,568,799 GJ | |
| ○ U.S. (Total) | 942,302 GJ | |
| ○ International (Total) | 12,951 GJ | |