

TD Bank Group Statement on Anti-Money Laundering, Anti-Terrorist Financing and Sanctions

The Toronto-Dominion Bank and its subsidiaries (collectively known as TD Bank Group or TD) are committed to detecting, deterring and preventing persons engaged in money laundering, terrorist financing, or prohibited sanctions activities from using TD products or services.

This commitment is formalized through the enterprise-wide Anti-Money Laundering/Anti-Terrorist Financing (AML/ATF) and Sanctions risk and compliance management program (Financial Crime Risk Management (FCRM) Program)) that is designed to detect and report suspected money laundering, terrorist financing and activity prohibited by sanctions.

TD is subject to AML/ATF and sanctions laws and regulations in each of the jurisdictions in which it operates and is committed to adhering to all applicable requirements.

TD has an appointed Chief Anti-Money Laundering Officer who is responsible to Senior Management and the Board of Directors for the FCRM Program, which establishes requirements and minimum standards across all TD businesses worldwide. The FCRM Program employs a three lines of defence model that emphasizes and balances strong, independent oversight with clear accountabilities for, and ownership of, money laundering, terrorist financing and sanctions risk within TD. The first line of defence is the risk owner, the second line provides risk oversight and the third is internal audit.

In accordance with legislative, regulatory and policy requirements, TD's FCRM Program and supporting policies, standards and processes set out requirements that include:

1. Board and Senior Management oversight of the FCRM Program;
2. Documented policies and procedures that address applicable AML/ATF and sanctions legislative and regulatory requirements;
3. Identification and verification of customers and customer due diligence measures by referring to documents, data or information in accordance with AML, ATF and sanctions requirements. In addition, enhanced due diligence measures are applied for customers that are assessed as presenting a higher risk of money laundering, terrorist financing, or sanctions. In the case of Politically Exposed Persons and Heads of International Organizations, enhanced measures, including senior management approval, are also taken;

4. Customer and transaction record-keeping;
5. Ongoing monitoring to detect and report to applicable authorities, instances of suspicious activity, terrorist financing, transactions or activities prohibited by sanctions;
6. Satisfaction of specific requirements promulgated by Global Affairs Canada, the Office of Foreign Assets Control (OFAC) of the U.S. Department of the Treasury and support for sanctions compliance in all jurisdictions where TD operates;
7. Customer and transaction screening against terrorist and sanctions watch lists;
8. Regulatory reporting of prescribed transactions, including large cash transactions, international electronic funds transfers, as well as terrorist and other frozen property and rejected transactions;
9. Ongoing training for employees, directors and those who act on behalf of TD;
10. Assessment of money laundering, terrorist financing and sanctions risks; and
11. Independent testing of AML, ATF and sanctions control effectiveness.

The FCRM Program is currently being strengthened and enhanced in order to reflect changes to TD's business activities, as well as applicable legal and regulatory requirements. As fully described in TD's 2024 Annual Report, a remediation plan is in place to address U.S. BSA/AML regulatory requirements and deliver on enhancements to strengthen TD's AML program, with the goal of enabling TD's compliance with regulatory expectations, including how TD identifies, measures, monitors and mitigates AML-related risks. We have identified the issues and significant effort is underway to strengthen our risk and control environment and meet our obligations. We are committed to this critical work and have mobilized the necessary resources to deliver.¹

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¹ TD is undertaking a remediation of its U.S. Bank Secrecy Act (BSA) / AML Program and undertaking several improvements to its enterprise-wide AML/ATF and Sanctions Programs. Refer to the [TD Bank Group 2024 Annual Report](#) for further information.

