

TD Green Bond – Use of Proceeds

In 2014, TD launched the first commercial green bond in Canada. The \$500 million, three-year bond has a maturity date of April 3, 2017, with funds allocated to projects that contribute to the low carbon economy:

1. Renewable and low carbon energy development, such as hydroelectric, wind, solar and geothermal, and related infrastructure projects
2. Energy efficiency projects, with a focus on green buildings
3. Green infrastructure and sustainable land use management projects

The annual environmental benefits of projects allocated to the TD Green Bond in 2015 include:

- 160,000 MWh of energy saved or green energy generated, enough to power over 14,500 homes
- Over 20,000 tonnes CO₂e reduced/avoided, equivalent to removing 4,200 passenger vehicles off the road
- Over \$2 million in natural capital value generated

Three projects funded by TD's Green Bond in 2015 are featured below, as well as a breakdown of benefits and use of proceeds by project category.

Ontrea Inc./ Cadillac Fairview (Calgary City Centre)

Amount Allocated: \$66 million

Project Lifetime: 4 years

Project Description: Construction of the Calgary City Centre, a 36-level, 853,000 square-foot Class AA office tower located in downtown Calgary. The building is designed to achieve LEED Platinum certification (the highest level attainable).

Environmental Benefits: Once fully operational, the project will save approximately 1,554 MWh annually and 964 tonnes CO₂e annually and to generate nearly \$130,000 in natural capital value. Building features include:

- Using 25-45% less energy relative to the Model National Energy Code for Buildings (1997)
- Low-maintenance green surface covering 50% of roof areas
- Meeting LEED-approved standards for enhanced indoor air quality
- Dedicated area for the collection, separation and storage of recyclable materials

Crosslinx Transit Solutions General Partnership

Amount Allocated: \$130 million

Project Lifetime: 8.2 years

Project Description: The largest transit expansion in Toronto's history, the Eglinton Crosstown is expected to be completed by 2021. This light rail transit (LRT) line will be 19.7 kilometres long with up to 25 stations, linking 54 bus routes, three subway stations and various GO Transit lines. At a total cost of \$5.3 billion, the Crosstown is structured as a public-private partnership among the Government of Ontario and various private-sector institutions.

Environmental Benefits: Rapid transit encourages auto users to take transit. This shift results in a decrease in GHG emissions. Once the project is fully operational, the total annual reduction in GHG emissions is estimated to be 500,000 tonnes of CO₂e, of which TD's funding share is responsible for approximately 12,300 tonnes CO₂e. Additionally, TD's portion of funding generated nearly \$1.5 million in natural capital value in fiscal 2015.

Rainy River First Nations Corporation

Amount Allocated: \$12 million

Project Lifetime: 20+ years

Project Description: Long-term financing of one of three solar projects located in Ontario's Rainy River area, about 20 kilometres west of the Rainy River First Nations community. Once fully operational, these projects will generate enough electricity to meet the needs of approximately 3,080 households. Under the terms of the Feed-in Tariff contract, 100% of the electricity generated by the projects will be sold to Hydro One and delivered to homes and businesses across Ontario.

Environmental Benefits: The project is estimated to generate 37,000 MWh of clean electricity and save 319 tonnes of CO₂e. TD's funding share is responsible for 3,700 MWh of this generated electricity, as well as 32 tonnes of CO₂e avoided. Additionally, TD's portion of funding has generated over \$42,000 in natural capital value in fiscal 2015.



TD Green Bond – Use of Proceeds as at October 31, 2015

Category	TD Green Bond criteria	Allocated amount ^{1,2,4} (\$MM)	Annual energy saved or green energy generated (MWh)	Annual GHG emissions reduced/avoided (Tonnes CO ₂ e)	Natural capital value
Hydroelectric	Construction and operation of hydro (run of river hydro < 15 MW)	\$14.6	N/A ⁵	N/A ⁵	N/A ⁵
Solar power	Development, construction and operation of solar energy facility	\$27.3	4,600	40	\$11,694
Wind energy	Development, construction and operation of wind energy facilities	\$54.7	145,543	5,331	\$233,922
Building efficiency	Green buildings new buildings and retrofits to existing buildings to achieve LEED Platinum certification	\$230.9	9,526	2,775	\$ 365,376
Transportation efficiency	Retrofit or replace fleets and invest in public transportation, clean fuel technology, electric vehicles, etc.	\$130.3	N/A ⁶	12,264	\$1,466,801
Sustainable waste management	Improvements in minimization, collection, recycling, storage and disposal, and composting	\$40.9	N/A ⁶	N/A ⁵	N/A ⁵
TOTAL		☑ \$498.8³	159,669	20,410	\$2,077,793

☑ Facts and figures over which Ernst & Young LLP provided reasonable level assurance

¹ Includes financing or refinancing of existing and/or future projects including the committed amount of loans financed or refinanced.

² For more information on the basis of allocating the use of proceeds, see the [TD Green Bond Term Sheet for Investors](#).

³ TD received cash proceeds of \$498.8 million net of agency fees.

⁴ See 2015 Assurance Report from E&Y LLP.

⁵ Impact metrics cannot be quantified at this time due to data limitations.

⁶ Metric not applicable.

