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## Environmental Governance

The Chief Environment Officer is responsible for developing environmental strategy and policy, setting environmental performance standards and targets, and reporting on performance. The environment function reports to the Risk Committee of the Board of Directors on TD's significant environmental risks and opportunities and on performance on an annual basis, or more frequently as required. The Executive Vice President and Chief Marketing Officer (CMO) holds senior executive accountability for environmental management.

A member of the bank's Senior Executive Team is designated as TD's Senior Executive Environmental Champion. This champion chairs an enterprise-wide Environmental Steering Committee (ESC) composed of four subcommittees, which represent each of TD's strategic environmental pillars: reducing our operational footprint, responsible finance and environmental risk, green products and services, and engaging employees and communities in the environment. Each of these subcommittees is chaired by a senior executive from TD's business segments and corporate functions. The ESC meets twice per year and is responsible for approving environmental strategy and performance standards and communicating these throughout the business. TD's business segments are responsible for implementing the environmental strategy and managing associated risks within their units.

Environmental management at TD is governed by TD's Environmental Management System (EMS). TD's EMS sets out the processes and procedures for identifying environmental risks to ensure that environmental issues are managed in a manner commensurate with their value, risk, and legal and statutory requirements. Corporate Environment Affairs is responsible for communicating the specific requirements of the EMS, and to report publicly on TD's environmental performance, primarily through the Environment section of the Corporate Responsibility Report. TD's EMS is based on ISO 14001 and an internal audit of the EMS is conducted as part of TD's rotational audit plan. Select environmental aspects and impacts (e.g. greenhouse gas emissions, TD Green Bond use of proceeds) are also independently assured by Ernst & Young, LLP.

In line with TD's approach of embedding the environment in our business strategy, more than 40 executives within the bank participate in environmental working groups aimed at moving forward initiatives relating to:

- Reducing our operational footprint
- Responsible finance and environmental risk
- Green products and services
- Engaging our employees and communities in the environment

All executives who are directly responsible for environmental management have environment related performance objectives that are linked to annual compensation.

## Environmental Governance and Management Approach

### Enterprise Environmental Policy

- **Aligned to international management system standards (ISO14001)**
- **Supported by operational policies and procedures**
- **Reviewed every three years**

### Environmental Management System (EMS)

- Aligned to international management system standards (ISO14001)
- Framework for identifying and managing relevant environmental aspects and impacts
- Internally audited every three to five years

### Corporate Environment Affairs

- Maintain the EMS
- Develop environmental strategy, set environmental performance standards and targets, and report on performance

### Executive Oversight

- Environmental Steering Committee provides strategic oversight; risk management provides second line of defense oversight
- Executive advisory group for each managed pillar; meets quarterly

### Scope

- Environmental Policy, EMS and four program pillars encompass all businesses

### Reporting

- Corporate Responsibility Report; aligned to Global Reporting Initiative
- TD's response to CDP's (formerly Carbon Disclosure Project) investor questionnaire
- Annual Report

### Commitments to External Initiatives

- Equator Principles
- United Nations Principles for Responsible Investment
- UNEP-FI Principles for Sustainable Insurance
- RE100
- Carbon Pricing Leadership Coalition
- Green Bond Principles
- Corporate Buyers Renewable Energy Principles

