SCHEDULE A

CORPORATE GOVERNANCE

POLICIES AND PRACTICES

Our board and management believe that sound corporate governance practices contribute to the effective management of the bank and to achieving the bank's strategic and operational plans, goals and objectives.

The board's corporate governance policies, principles and practices focus on the board's responsibilities to the bank's shareholders and other relevant stakeholders and on creating long-term shareholder value. The corporate governance committee reviews them at least annually and recommends amendments to the board for consideration and approval. The board's governance framework includes the charters and key practices of the board and its committees and a set of Corporate Governance Guidelines (*www.td.com/governance*). The bank's corporate governance policies and practices comply with the Canadian Securities Administrators' National Policy 58-201 *Corporate Governance Guidelines* (CSA Guidelines), the rules of the TSX, and OSFI's Corporate Governance Guideline.

Although they do not all directly apply to the bank, these policies, principles and practices take into account rules of the New York Stock Exchange (NYSE) and the U.S. Securities and Exchange Commission.

Visit the bank's website for additional governance information, including:

- Code of Conduct and Ethics (the Code)
- Disclosure Policy
- Director Independence Policy
- Proxy Access Policy
- Position Description for Directors
- Position Description for the Group President and CEO
- Charters of the board and its committees, the chairman of the board, and the chairs of the committees.

BOARD OF DIRECTORS

Our board is independent. Of the 14 nominees proposed for election, 13 (93%) are "independent" under the bank's Director Independence Policy (*www.td.com/governance/other_policies.jsp*) and the CSA Guidelines and are not "affiliated" under the Bank Act.

Director Independence

To be effective the board must operate independently of management. To that end, all but one of the bank's directors and all committee members are independent — they are not part of management and do not have relationships with the bank that would make them personally beholden to the bank or that would otherwise interfere with the exercise of their independent judgment. Each audit committee member meets additional independence criteria under the Director Independence Policy and applicable law. Because of his position, Bharat B. Masrani, Group President and CEO, TD Bank Group, is not considered to be "independent" under the policy or the CSA Guidelines and is "affiliated" under the Bank Act.

The board has adopted a Director Independence Policy and delegated responsibility to the corporate governance committee for recommending director independence criteria and evaluating director independence at least annually and as needed for director appointments during the year.

Detailed information on director nominees proposed for election this year is provided in the "Director Nominees" section of this circular.

How the Board Determines Independence

The board has a robust process annually to evaluate director independence and to meet its goal of having a large majority of the board comprised of independent directors. Directors must complete detailed annual questionnaires about, and provide information relevant to, their individual circumstances in order for the corporate governance committee to determine their independence and, in particular, whether they have a "material relationship" with the bank that would compromise their independence. To determine if a director has a material relationship with the bank, the corporate governance committee considers all relevant facts and circumstances, including the relationship a director may have with the bank, and any relationships that their spouses, children, principal business affiliations and any other relevant individuals may have, and considers whether the director could reasonably be expected to be objective about management's recommendations and performance. The corporate governance committee particularly scrutinizes any outsourcing, consulting, legal, accounting or financial services relationships.

While not required to do so, the corporate governance committee also considers the director independence standards that apply only to NYSE-listed U.S. domestic issuers. Except for Mr. Masrani, all director nominees would be considered independent under these NYSE standards if they applied to the bank.

In addition to the Director Independence Policy, the board has implemented the following policies and practices:

- the board and each committee can meet independently of management at any time. Time to do so is provided on each board and committee meeting agenda. During fiscal 2017, 42 in-camera sessions were held;
- the board and each committee can engage their own independent advisors to provide expert advice at the expense of the bank;
- the non-management directors must annually appoint a strong, independent chairman of the board with a clear mandate to provide leadership for the independent directors; and
- the non-management directors must acquire, within five years of first being elected or appointed to the board, equity ownership in the bank with a value equivalent to at least six times their respective annual cash retainers.

Other Directorships and Board Interlocks Policy

In addition to maintaining their independence, directors must be able to devote sufficient time to their responsibilities to TD. Board members are required to notify the Chair of the corporate governance committee of any opportunity to join another public company board prior to accepting such opportunity. Other than as members of the board of the bank or as designees of the bank on the board of directors of TD Ameritrade Holding Corporation (TD Ameritrade), no more than two board members may sit on the same public company board without the consent of the corporate governance committee. In addition, no member of the audit committee may serve on more than three public company audit committees without the consent of the corporate governance committee and the board. The only board interlock is between Mary Jo Haddad and Claude Mongeau, who are both directors of Telus Corporation as set out below:

Company Name	Director
Telus Corporation	Mary Jo Haddad
	Claude Mongeau

Four of the nominees proposed for election, Mses. Karen Maidment and Irene Miller and Messrs. Brian Levitt and Bharat Masrani, are members of the board of directors of TD Ameritrade. As at December 31, 2017, the bank owns approximately 41.25% of TD Ameritrade**.** TD Ameritrade and the bank are party to a stockholders agreement, under which the bank has the right to designate up to five of TD Ameritrade's twelve-member board of directors depending on its ownership position in TD Ameritrade.

Chairman of the Board

The chairman of the board is Brian Levitt. Mr. Levitt has been the chairman since January 1, 2011. Shareholders may communicate directly with the chairman by email c/o TD Shareholder Relations at *tdshinfo@td.com*.

The chairman is responsible for facilitating the functioning of the board independently of management and for maintaining and enhancing the quality of the bank's corporate governance. The chairman's key responsibilities are set out in the bank's Charter of the Chairman of the Board (*www.td.com/governance/charters.jsp*). The chairman:

- must be independent and appointed annually by the non-management directors;
- chairs meetings of the board (including in-camera sessions) and all annual and special meetings of shareholders;
- consistent with the Bank's shareholder engagement practices, meets with shareholders, regulators and other interested parties on matters core to the board's mandate, and attends public events on behalf of the bank;
- is also the chair of the corporate governance committee and a member of the HRC;
- meets regularly with other directors and senior management to monitor the health of relationships among directors and between the board and senior management; and

- maintains a channel of open communication with the bank's regulators, independent of management, to engender trust and confidence in the quality of the board's governance and oversight of the bank. In 2017, the chairman met, both alone and with the committee chairs, six times with representatives of the bank's regulators. The chairman's and committee chairs' involvement in these meetings includes preparation as well as attendance and spans all of the bank's various businesses and the jurisdictions in which they are carried out.

For more information about the bank's chairman, Mr. Levitt, see the "Director Nominees" section of this circular or the bank's website at *www.td.com/governance/chair.jsp*.

Shareholders' Meetings

The chairman of the board is responsible for chairing and is available to answer questions at the bank's annual shareholders' meetings. Directors are expected to attend annual shareholders' meetings. Last year, all of the director nominees then standing for election attended the annual shareholders' meeting in Toronto.

BOARD MANDATE

Shareholders elect the board to oversee management and assure that the long-term interests of shareholders are advanced responsibly, including addressing, where appropriate, the concerns of the bank's other stakeholders and interested parties, including the bank's employees, customers, regulators, communities and the public.

The board's responsibilities are set out in its charter and include the following:

- Supervision of the management of the business and affairs of the bank
- Approval of the bank's strategy and major policy decisions — the board must understand and approve the bank's strategy, business objectives, be kept current on progress towards those objectives and be part of and approve any major strategy and policy decisions
- Approval of the bank's enterprise risk appetite statement — the board must be satisfied that there is a framework in place so that the bank only takes risks in accordance with its risk appetite and that a risk appetite statement is in place to inform and assess performance relative to its risk appetite
- Evaluation, compensation and succession for key management roles — the board must be satisfied that the bank has the right people in the key roles, and the board must monitor and evaluate them and be satisfied that they are appropriately compensated for contribution to the bank's long-term success
- Oversight of the management of capital, liquidity, risks, and internal controls — the board must be satisfied that policies are in place to enable the bank to maintain sufficient capital and liquidity and to protect the bank's assets; and the board must also be satisfied that the bank's risk culture, compensation policies and practices and control functions enable the bank to operate within the confines of its board-approved risk appetite
- Disclosure of reliable and timely information to shareholders — the board must be satisfied that it is providing shareholders with the right information
- Effective board governance — the directors must function effectively as a board in order to meet its responsibilities; the board needs to be comprised of strong members with the right skills and the right information

The board's charter is incorporated by reference into this circular and has been filed with securities regulators on *www.sedar.com* and *www.sec.gov* and is available at *www.td.com/governance/charters.jsp*. In addition, shareholders may promptly obtain a free copy of the board's charter by contacting TD Shareholder Relations (contact information is provided on page 85 of this circular).

Our employees and officers execute the bank's strategy under the direction of the CEO and the oversight of the board. The Bank Act requires certain important matters to be brought before the board. The board has also reserved certain other key decisions to itself. Under its charter, the board is responsible for the establishment and maintenance of policies and procedures which are effective in supporting its oversight of management and internal controls. The board has also put in place formal policies for approving material capital allocation decisions, including material business acquisitions, investments and divestitures and major outsourcing projects. In addition, the board has complete authority over the approval of certain other transactions out of the ordinary course of business and for approving the bank's financial statements prior to release to shareholders.

Strategic Planning

The board approves the strategy and business objectives of the bank and oversees their execution. This oversight includes reviewing and approving all major strategy and policy recommendations, including the bank's annual strategic plan, annual financial plan (including the capital, liquidity and funding plans), major capital expenditures, and monitoring adequate levels of capital and liquidity. The board assesses the bank's major opportunities and the risk impact of strategic decisions being contemplated, including considering whether they are within the board-approved enterprise risk appetite established for the bank and its individual business units. The board also oversees the strategic planning process and the implementation of strategic plans, and monitors performance against such plans. In addition to reviewing and discussing the bank's strategy at regular board meetings, the board annually participates in a two-day board strategy meeting.

Risk Management

The board oversees the bank's risk culture and approves and oversees frameworks and policies designed to protect the assets of the bank and its continuing viability. The board also oversees the identification and monitoring of the principal risks affecting the bank's businesses, and satisfies itself that appropriate policies, procedures and practices are in place for the effective and independent management of these risks in accordance with the bank's enterprise risk framework. The board is aided in this responsibility by the risk committee which, among other responsibilities, reviews and recommends to the board for approval the bank's enterprise risk appetite statement and related measures and satisfies itself that the bank has appropriate frameworks and policies in place to manage its key risks. In addition, the risk committee has been delegated authority to oversee the bank's crisis management recovery and resolution plans as required by applicable regulatory requirements. See the "Managing Risk" section of the bank's 2017 MD&A for a list of the major risk types identified and the structures and processes in place to manage them.

Capital and Liquidity Oversight

The board oversees the bank's capital adequacy and management, including by annually reviewing and approving the bank's Global Capital Management Policy and the capital limits and thresholds therein. As part of this responsibility, the board is responsible for declaring dividends and approving the issuances, redemptions or repurchases of all capital, if appropriate and permitted by applicable law regulations. The board is also responsible for overseeing appropriate liquidity and funding frameworks and policies.

Corporate Responsibility

The corporate governance committee reviews and assesses the bank's corporate responsibility strategy and reporting. For a description of the bank's approach to corporate responsibility, read the most recent Corporate Responsibility Report (*www.td.com/corporateresponsibility*).

Succession Planning

The board and the HRC are responsible for succession planning for the senior leadership of the bank and for overseeing the bank's talent management strategy. This includes identifying potential succession candidates for the role of CEO, reviewing and approving the succession plans for senior executive positions and the heads of control functions, at least annually being satisfied that the senior leadership team is identifying potential succession candidates for other key executive roles, and monitoring development plans for those identified, as well as fostering management depth by rigorously assessing candidates for other senior positions.

Communication

The corporate governance committee must satisfy itself that the bank communicates effectively, both proactively and responsively, with shareholders, other stakeholders (such as employees, customers, regulators, and communities), and the public. The bank's Disclosure Policy (*www.td.com/governance/other_policies.jsp*) describes the bank's commitment and obligations regarding the timely, accurate and balanced disclosure of all material information to a broad audience. The corporate governance committee periodically reviews the Disclosure Policy and annually receives a report from management, including members of the disclosure committee, on the policy, the design and operation of related disclosure controls, and procedures and any disclosure issues that may have arisen in the past year.

The board or appropriate committees also review and/or approve key disclosure documents, such as the bank's quarterly and annual MD&A and financial statements, annual report, annual information form, and management proxy circular. The corporate governance committee receives an annual report on shareholder feedback on an enterprise-wide basis from management, with a primary focus on retail shareholders.

Measures for Receiving Stakeholder Feedback

Shareholders may provide feedback to the bank through a number of avenues, including via email, telephone, mail and at events (such as the annual shareholders' meeting, quarterly earnings conference calls and TD investor relations' investor events). The Chief Financial Officer, the Head of Investor Relations and other officers meet regularly with investment analysts and institutional investors, in Canada and internationally. The bank also receives feedback through meetings with shareholders, including with those shareholders that are interested in the bank's approach to executive compensation, corporate governance, long-term strategic positioning and corporate social responsibility. Shareholders may contact TD Shareholders Relations and may also communicate directly with the bank's independent directors through the chairman of the board (contact information is provided on page 85 of this circular or visit *www.td.com/investor-relations/ir-homepage/contact.jsp*).

The bank is committed to proactive, open and responsive communications with shareholders, other interested parties and the public. The bank recognizes the importance of engagement of directors with shareholders on areas core to the board's mandate and has developed an internal guideline to support such engagement. As part of that commitment to shareholder engagement, the bank's directors periodically extend invitations to, and respond to invitations from, certain shareholders and governance stakeholders to meet to discuss the bank's approach to executive compensation, corporate governance, long-term strategic positioning and other areas of interest to shareholders core to the board's mandate. In addition, shareholders are annually provided with an opportunity to vote for or against an advisory resolution on the bank's approach to executive compensation disclosed in the "Report of the Human Resources Committee" and "Approach to Executive Compensation" sections of this circular. The HRC and the board will take the results of this advisory vote into account, as they consider appropriate, when considering future compensation policies, procedures and decisions. Management and the corporate governance committee also carefully consider shareholder proposals received by the bank, as well as feedback and communications from recognized governance groups in Canada and provide regular opportunities for shareholders to communicate with management and the board. All of these inputs help the board understand how it is doing and guide future governance innovations.

Internal Controls and Management Information Systems

The board oversees, and monitors the integrity and effectiveness of, the bank's internal controls and management information systems. The board also oversees adherence to applicable legal, audit, compliance, regulatory, accounting and reporting requirements. Through this process the board satisfies itself that the bank's financial reporting and financial control systems are operating appropriately. Management's report on internal control over financial reporting and related information is available under the heading "Accounting Standards and Policies — Controls and Procedures" in the bank's 2017 MD&A.

The bank maintains a whistleblower program, which provides employees and members of the public worldwide with an open and effective communication channel to report complaints regarding questionable accounting, internal accounting controls or auditing matters and other ethical, legal or regulatory matters. The audit committee monitors reports regarding questionable accounting, internal accounting controls and auditing matters. A description of the program is available at *www.td.com/governance/whistleblower.jsp*.

Developing the Bank's Approach to Corporate Governance

The board believes the bank's success is based on a culture of integrity which starts with the "tone at the top". As set out in its charter, the board is responsible for setting the tone for the risk, integrity and compliance culture throughout the bank. The board expects the highest level of personal and professional integrity from the CEO, other executive officers and all employees. The corporate governance committee keeps abreast of the latest regulatory requirements, emerging trends and guidance in corporate governance and updates the board on corporate governance issues, as necessary.

POSITION DESCRIPTIONS

The corporate governance committee annually reviews the board-approved written Position Description for Directors, Charter of the Chairman of the Board, and Charter for Committee Chairs and recommends amendments if required. These documents are available at *www.td.com/governance/charters.jsp.* The HRC also annually reviews and approves a written Position Description for the Group President and CEO. In addition, the HRC reviews the mandates applicable for all senior leadership roles (rank of or equivalent to group head or higher and other key positions as determined from time to time).

ORIENTATION AND CONTINUING EDUCATION

Orientation

The corporate governance committee oversees the implementation and monitors the effectiveness of an orientation program for new directors.

Our director orientation program is comprised of four components:

1. Each new director receives a set of orientation reference materials tailored to each director's individual needs and areas of interest, taking into consideration the committee(s) the director is joining. Reference materials include, among other things: the bank's key governance policies and guidelines; information about board and director evaluation processes; board and committee charters; board and relevant committee minutes for the previous year; and business and strategic materials;
2. Each new director participates in comprehensive education sessions at which the CEO and other members of the executive management team present and answer questions on how the bank is managed, its business and control functions, strategic direction, capital management, finance, human resources, information technology, regulatory environment, directors' responsibilities, and the significant issues and key risks the bank faces;
3. New directors meet with the CEO and the chairman of the board and the chair of each committee the director is joining; and
4. New directors are assigned a "buddy" director for the director's first year to answer questions and provide contextual information to better understand materials, presentations and processes.

New directors are also offered an opportunity to visit various sites (e.g., the head office of TD Bank US Holding Company, retail branch, operations centre, trading floor).

Continuing Education

The corporate governance committee oversees continuing education for directors and is a resource for ongoing education about directors' duties and responsibilities.

Presentations are regularly made to the board on different aspects of the bank's operations, and periodically on topical areas, to assist directors in fulfilling their responsibilities. In addition to training and education for the full board, there is specialized training for committees as required or desirable. These educational presentations are made by management and in some cases by external presenters.

Directors are canvassed on specific topics, emerging trends and best practices relevant to the board as a whole or to a specific committee that they would like to learn more about. All non-management board members are expected to receive sufficient continuing education to be effective in their roles.

The continuing education program for directors also includes:

- in-depth sessions ("deep dives") as well as an annual two-day board strategy meeting on different business, economic, enterprise and regulatory topics. Each deep dive includes an element of general education as context for the discussions (e.g., the industry, competitors, trends, and risks/opportunities);
- optional director orientation sessions for directors in their second year of service;
- complete access to management to become and remain informed about the bank's businesses and for any other purposes that may help them fulfill their responsibilities;
- informal board/executive interaction sessions for directors to meet additional members of senior management and the bank's next generation of talent;
- enrollment in events and access to publications to enhance their knowledge of directors' responsibilities and current governance trends;
- regular presentations on different aspects of the bank's operations;
- periodic presentations and reports summarizing significant regulatory and market developments concerning, for example: Canadian housing market; capital planning & stress testing; international trade agreements; and corporate governance matters of general interest that may help them fulfill their responsibilities;
- opportunities to visit various operational sites;

- access to regularly updated learning and development materials on the board portal, curated against five areas of focus: economic and competitive landscape; strategy and business model; technology and innovation; legal and regulatory; and risk; and
- reimbursement of expenses for outside education sessions, which they are encouraged to attend.

The following chart summarizes the number of continuing education sessions held in fiscal 2017 and gives examples of topics to illustrate their nature.

Participant	Total Sessions	Examples of Sessions Held	
Board of Directors	39	• Competitive Landscape • Technology & Cybersecurity • U.S. Business Update	• Interest Rate Environment and Balance Sheet Management • Digital Transformation & Customer Engagement • Operational Efficiencies
Audit Committee	19(1)	• Overview of Fair Value Adjustments & Governance • IFRS 9 Implementation Program Update	• Data Analytics Update • Compliance Risk – Business Updates • Consumer Compliance & Regulatory Developments
Risk Committee	17(1)	• Cyber Security • Third Party Risk Management • Enterprise Execution Risk	• Data Asset Risk • IFRS 9 Implementation Program Update
Human Resources Committee	5	• Market Compensation Trends • People Strategy Update • Human Resources Information Systems	• Compensation and Governance Trends

(1) Includes two joint sessions of the audit committee and risk committee.

ETHICAL BUSINESS CONDUCT

As a responsible business enterprise and corporate citizen, the bank is committed to conducting its affairs to the highest standards of ethics, integrity, honesty, fairness, and professionalism at all times.

While reaching the bank's business goals is critical to its success, equally important is the way these goals are achieved. There are a number of policies and procedures in place, including the Code and the Anti-Bribery and Anti-Corruption Policy, which encourage and promote a culture of ethical business conduct at the bank.

The board and its committees oversee the culture of integrity or "tone at the top" established throughout the bank, including compliance with the bank's policies and procedures for ethical personal and business conduct. The corporate governance committee receives periodic reports from management discussing the various policies and structures that support this important oversight function.

Code of Conduct and Ethics

The Code applies at all levels of the organization, from major decisions made by the board, to day-to-day business transactions. The Code has been filed with securities regulators on *www.sedar.com* and *www.sec.gov*, and is also available to shareholders at *www.td.com/governance/other_policies.jsp* or by contacting TD Shareholder Relations via the contact information on page 85 of of this circular.

The Code establishes the standards that govern the way directors and employees deal with each other, shareholders, customers, governments, regulators, suppliers, competitors and the media and the public at large. Within this framework, directors and employees are expected to exercise good judgment and be accountable for their actions. All directors and employees are required to review and attest to compliance with the Code annually.

The corporate governance committee annually reviews the Code and the audit committee oversees monitoring compliance with the Code, including approving, where appropriate, any waiver from the Code to be granted for the benefit of any director or executive officer of the bank. In fiscal 2017, there were no such waivers sought or granted. Compliance with the Code is monitored by management on an ongoing basis and material issues arising under the Code are reported to the audit committee by the human resources department. An annual report is submitted by the Head of Human Resources to the audit committee on the attestation process confirming compliance with the Code. Employees are encouraged to report violations immediately to TD and various internal contacts are outlined in the Code under "Reporting Violations". Employees who may be uncomfortable using these internal channels can report possible violations through the TD Whistleblower Hotline as described under "Measures for Receiving Stakeholder Feedback" above in this Schedule A. The audit committee oversees that concerns or complaints relating to questionable accounting, internal accounting controls or auditing matters are resolved in a satisfactory manner.

Insider Trading Policies

Safeguards are in place to monitor personal trading of executive officers and other officers and employees in key positions for insider trading. This monitoring is conducted by trained and experienced compliance officers who have access to records of the bank trading accounts in which these individuals hold securities. All officers and employees covered by the bank's insider trading policies are required to disclose trading accounts to the bank and ensure that such accounts are maintained in-house or at an approved financial institution. In addition, covered officers and employees (including the named executive officers listed in the Summary Compensation Table under the "2017 Performance and Compensation" section of this circular) are required to pre-clear any securities trade with the bank's compliance department. Trading in bank securities is restricted during "closed window periods" which span the period when the bank's financial results are being compiled but have not yet been released to the public. Reporting insiders, as required by law, must file insider reports via the internet-based System for Electronic Disclosure by Insiders.

Director Conflict of Interest

Directors may not be eligible to stand for election if they have a potential or actual conflict of interest that is incompatible with service as a director. In addition to their annual questionnaires (discussed above), directors have an ongoing obligation to provide the bank with complete information on all entities in which they have a material interest, so that any potential conflicts can be identified. In general, each director is individually responsible for reporting any potential or actual conflict of interest between him or her and the bank to the corporate governance committee, and for providing the committee with any additional information it may request. The committee will determine an appropriate course of action with respect to any such director. Where a director's potential or actual conflict of interest is manageable (for example, by the director being absent for certain deliberations of the board), the director may be eligible for election and the corporate governance committee will monitor the conflict. Should a conflict become incompatible with service as a director, the director must offer his or her resignation.

BOARD COMPOSITION, DIRECTOR NOMINATIONS AND BOARD RENEWAL

Board Size

In considering board size, the board balances the competing goals of keeping the board to a size which facilitates effective discussions, while at the same time offering adequate representation to meet the competency and diversity needs of board and committee work in the context of the bank's business and operating environment.

The board is required to have a minimum of 12 directors. The exact size of the board is set by directors' resolution prior to each annual shareholders' meeting on the recommendation of the corporate governance committee. The board size may be changed by the board from time to time between annual shareholders' meetings.

Approach and Process

The board strives to be constituted of directors with the right mix of experience, expertise and perspectives to enable the board to carry out its wide-ranging responsibilities. The board balances the need for a fresh perspective with the broad experience needed to oversee a complex banking organization.

The corporate governance committee recommends to the board for approval criteria for the composition of the board, regularly assesses the board's succession and renewal plans in light of such criteria, and satisfies itself that the directors of the bank, taken as a whole, have the competencies most relevant in light of the opportunities and risks facing the bank. In identifying individuals qualified to become candidates, the committee invites suggestions from other directors and management, and it often engages independent consultants to help in these tasks. The chair leads the process and the CEO is included with a number of directors in the interview process. The bank maintains an evergreen list of potential director candidates**.** The corporate governance committee regularly considers potential candidates even when the board does not have an immediate vacancy.

The corporate governance committee satisfies itself that prospective candidates fully understand the board and its committees and the contributions expected of individual directors. The committee rigorously assesses each prospective candidate to ensure they have the personal attributes, competencies and experience to support the collective ability of the board and its committees. Upon the recommendation of the corporate governance committee, the board annually recommends the director nominees to shareholders, who may vote separately on each new director nominee at the annual shareholders' meeting. The nominees identified in the "Director Nominees" section of this circular were recommended to the board by the corporate governance committee.

In addition to other avenues for sourcing potential board candidates, from time to time the bank receives and is prepared to consider on their merits unsolicited nominations. Such nominations should be addressed to the Chairman of the Board at the address provided in the "Shareholder Inquiries" section of this circular. The Chairman will bring to the attention of the corporate governance committee any unsolicited nominations that, in the Chairman's opinion, merit further consideration by the committee.

Competencies and Skills/Experience Matrix

The board is composed of members with a broad spectrum of competencies (e.g., skills, educational backgrounds, experience and expertise from a range of industry sectors and geographies) that reflect the nature and scope of the bank's business. All of the directors have significant expertise in strategic leadership, and governance.

The corporate governance committee uses the following matrix to assess the collective skill and experience profile of the director nominees it recommends to the board and to identify areas in which more strength would be desirable taking into consideration the bank's strategy, opportunities, risk profile and overall operations:

- Senior Executive/Strategic Leadership
- Financial Services
- Insurance
- Risk Management
- Talent Management & Executive Compensation
- Audit/Accounting
- Capital Markets/Treasury
- Corporate Responsibility
- Governance
- Government/Public Affairs
- Legal/Regulatory
- Marketing/Brand Awareness
- Technology Management
- Operational Excellence

On an annual basis, the corporate governance committee reviews the matrix to confirm that it continues to reflect the most relevant skill and experience competencies that the board needs to address its many responsibilities. This year the corporate governance committee added a new competency for Operational Excellence. Directors annually self-assess their skills and experiences against the above listed competencies.

Each director nominee's key competencies are listed in the charts under the "Director Nominees" section of this circular.

Diversity

The bank is committed to diversity and inclusion at all levels of the bank's workforce as a business imperative, and the board's approach to the identification and nomination of candidates for election to the board is in keeping with that commitment.

The bank has a long history of gender diversity on the board. As set out in the bank's corporate governance guidelines, the board's diversity policy sets a goal that each gender comprises at least 30% of the board's independent directors. The corporate governance committee considers this goal, and other diversity criteria, when identifying and considering qualified candidates that can fill vacancies or gaps in board competencies. Women comprise 38% (5 of 13) of the bank's independent director nominees (and 36% (5 of 14) of all director nominees).

The bank takes a similar approach when identifying candidates for executive officer positions, considering both competencies and personal attributes, including gender diversity, to build the strongest leadership team for the enterprise. Although the bank has not adopted a target at the executive officer level (i.e., the bank's senior executive team (SET)) due to the small size of this group, it does set three year goals for representation of women and other groups at the bank's senior management levels. Each business within the bank monitors its respective progress against these diversity objectives on a quarterly basis.

For vice president and above roles in Canada, the bank has achieved its 2014 goal to have at least 35% of these roles filled by women and is currently working towards a 2020 goal of 40%. In 2017, 39% of VP+ roles were being filled by women. Women comprise 31% (4 of 13) of the executive officer positions at the bank. To achieve these results, the bank invests significant resources in diversity and talent initiatives to support the development and advancement of its employees.

Proxy Access Policy

Consistent with the commitment made to shareholders in March 2017, the board continued the dialogue it began prior to last year's annual shareholders' meeting to consider how best to give effect to an enhanced regime for proxy access for TD.

As announced in September 2017, the board has implemented a proxy access policy under which qualifying shareholders may submit one or more director nominations to be included in the bank's proxy circular and form of proxy and ballot for the annual shareholders' meeting. The key elements of this policy are that: (a) nominating shareholder(s) must collectively meet an ownership threshold of 5% of the common shares of the bank; (b) common shares equal to the minimum ownership threshold must have been held by the nominating shareholder, or each member of the group, continuously for at least three years and the nominating shareholder(s) must have full voting and economic rights in the shares; (c) the nominating shareholder group may not be larger than 20 shareholders, with funds under common management generally counting as one shareholder; and (d) the number of proxy access nominees in the proxy circular for a shareholders' meeting may not exceed 20% of the board's size.

Under the terms of the proxy access policy, the bank will include the names of the person(s) nominated by shareholders in its proxy circular in a manner that clearly sets out the choices available to shareholders and the board's recommendations. The names of the proxy access nominees will also be included in the bank's form of proxy and ballot, on the same or next page as the nominees recommended by the board, separated and labeled with the board's recommendation. In addition, the bank will include a statement by the nominating shareholder(s) in the proxy circular in support of the election of the proxy access nominees of up to 500 words, plus biographical information about the proxy access nominees required to be included in the proxy circular.

The ownership threshold of 5% of common shares of the bank that is contained in the bank's proxy access policy is the minimum threshold currently permitted by the Bank Act. A lower ownership threshold of 3% of common shares is prevalent in the form of proxy access adopted by companies in the U.S. and is preferred by some of the bank's shareholders in Canada. The Department of Finance (Canada) is currently engaged in a consultation process with a view to updating the Bank Act. In that context, the bank has made a submission (available at the following link: *www.td.com/governance/proxy-access.jsp*) proposing that the proxy access framework which has been adopted by the bank be incorporated into the Bank Act, but with the 3% ownership threshold. If and when the proposed legislative changes outlined in the letter are made, TD's board of directors intends to lower the minimum ownership threshold in the bank's proxy access policy to 3% instead of 5%.

The bank was one of the first Canadian companies to adopt proxy access. The policy which has been adopted reflects the prevailing U.S. practice with the exception of the 5% threshold. As proxy access becomes more widespread in Canada, its elements may diverge from the U.S. model. The adoption by way of policy enabled the bank to put proxy access in place on a timely basis while maintaining flexibility to adapt the design of the policy to conform to legislative change and developments in Canadian practice.

The bank is aware that some shareholders would prefer to see proxy access adopted by way of a by-law approved by shareholders. The bank currently expects that, following the enactment of changes to the Bank Act flowing from the review mentioned above, the bank will update its by-law. When this happens, the bank will give effect to the terms of its proxy access policy in its by-law.

Assessments

The board annually evaluates the effectiveness of the board and its chairman, its committees and their chairs, individual directors, and the CEO.

The corporate governance committee is responsible for establishing an effective evaluation process and engages the expertise of an independent consultant to assist in the design of the feedback surveys and to facilitate the review and consultation process. The board's approach to the feedback process is meant to be constructive and to assist the corporate governance committee in determining whether the right programs are in place for continuously improving directors' functioning and effectiveness. To provide a 360° view, in the case of the assessment of the board, the chairman of the board and the CEO, senior executive management members are asked to participate in the feedback process. The chart below outlines the feedback process.

Annual Assessments	Participants	Process
Board Feedback	All directors and select executives	• Participants complete a comprehensive feedback survey on board effectiveness and performance. • Feedback is sought on a variety of matters, including what the board could do differently, what the board's priorities should be in the coming year, execution of the bank's strategy, oversight of the bank's risk appetite, and overall effectiveness of communications between the board and senior management. • Responses are submitted to the independent consultant on a confidential basis. The consultant consolidates and reviews the results with the chairman of the board to identify key themes and possible actions. • The chairman leads a preliminary discussion with the corporate governance committee to review the feedback report prepared by the independent consultant and propose board priorities for the coming year to address any development opportunities highlighted by the survey results. • The chairman then leads a discussion with the board on the results and proposed priorities of the board for the coming year, including whether any changes to the structure or composition of the board or its committees may be appropriate. The board priorities for the coming year are then approved by the board.
Individual Director Feedback	All directors	• The chairman has one-on-one discussions with each director. • The chairman first meets with each director to obtain self-assessment input and to receive feedback about the performance and any development needs of the board, its committees and peer directors. • The chairman then meets with each director to provide individual feedback.
Committees and Committee Chairs Feedback	All committee members	• Participants complete an assessment survey on the effectiveness and performance of the committees on which they sit and the chairs of those committees. • Responses are submitted to the independent consultant on a confidential basis. The consultant consolidates and reviews the results with each committee chair. • Each committee holds an effectiveness self-assessment session to share views and sets objectives to respond to any development opportunities identified in the survey results, and then reviews the results and committee-approved objectives with the board. The senior executive supporting each committee is invited to participate in a portion of the session.
Chairman of the Board Feedback	All directors and select executives	• As part of a comprehensive board feedback survey, participants are asked to assess and comment on the chairman of the board's performance. • Responses are submitted to the independent consultant on a confidential basis. The consultant consolidates and reviews the results with the chair of the HRC to identify key themes and possible objectives for the coming year. • The chair of the HRC leads an in-camera discussion with the board (with the chairman absent) and meets with the chairman of the board to provide feedback and develop objectives for the coming year. • These objectives are reviewed and recommended by the corporate governance committee and approved by the board.
Chief Executive Officer Feedback	All directors and select executives	• As part of the annual board feedback survey, participants are asked to assess and comment on the CEO's performance. • Responses are submitted to the independent consultant on a confidential basis. The consultant consolidates and reviews the results with the chairman of the board and the chair of the HRC to identify key themes and possible objectives for the coming year. • The chairman of the board, together with the chair of the HRC, leads an in-camera discussion of the results with the HRC and then with the board (with the CEO absent), and meets with the CEO to provide feedback. • The CEO's corporate goals and objectives, which include performance indicators and key milestones relevant to the CEO's compensation, are reviewed and recommended by the HRC and approved by the board.

Throughout the year, the corporate governance committee monitors the implementation of the action plans addressing the board priorities and each committee monitors its own activities to address the development opportunities it has identified through the assessment. The corporate governance committee also monitors how well the chairman and the other committees implement action plans against their objectives to see that they are appropriately addressed. Input from the board feedback process is also taken into account when considering the director nominees to be recommended for election at the annual shareholders' meeting.

The corporate governance committee identifies any recurring themes across committees to be dealt with at a governance level and oversees the continued improvement in board and committee processes for agenda time management, advance materials, and presentations.

Retirement Age and Term Limits

The Corporate Governance Guidelines provide that no director will serve beyond the annual meeting following his or her 75th birthday. Subject to this limit, as well as receiving solid annual performance assessments and being annually re-elected by shareholders, directors may serve on the board for up to 10 years. On the recommendation of the corporate governance committee, the board may extend that limit by up to a further five years. In exceptional circumstances, on the recommendation of the corporate governance committee, the board may extend the 15-year limit for a director by up to an additional five years. Pursuant to the Bank Act, the CEO of the bank is required to serve on the board for so long as he or she holds such office. Nadir Mohamed has completed 10 years of aggregate service. In light of Mr. Mohamed's insight and expertise provided to the board based on his significant leadership experience, the board has determined that Mr. Mohamed should be eligible to be nominated for annual re-election for up to an additional 5 years.

Other Considerations

All directors are expected to meet the highest ethical and fiduciary standards, apply sound judgment, be knowledgeable, inquisitive and ready to engage in constructive challenge about the issues facing the bank, and be committed to the board and the bank.

The composition of the board must meet Bank Act residence and affiliation requirements and all directors must meet the qualifications for directors set out in the Position Description for Directors (*www.td.com/governance/charters.jsp*). Non-management directors are expected to meet the standards for independence from management established pursuant to the Director Independence Policy.

The corporate governance committee also considers whether each new nominee's ability to make a valuable contribution to the board, including whether they can devote sufficient time and resources to their duties as a board member. Directors must be committed to diligent attendance at board and committee meetings, and to full preparation for and participation in such meetings. If a director attends fewer than 75% of board and committee meetings during the fiscal year, the corporate governance committee will inquire into the situation and take steps to work with the director to improve attendance. Attendance is taken into consideration in the nomination process.

Election of Directors and Majority Voting Policy

If a director nominee in an uncontested election receives, from the common shares voted at the meeting in person or by proxy, a greater number of shares withheld than shares voted in favour of his or her election (i.e., the nominee is not elected by at least a majority of 50% + 1 vote), he or she must immediately tender his or her resignation to the chairman of the board. The corporate governance committee and the board will expeditiously consider the director's offer to resign. The board will accept the resignation offer unless there are exceptional circumstances, and the resignation will take effect as soon as the board accepts it. The board must make its final determination within 90 days of the relevant shareholders' meeting and promptly announce that decision (including, if applicable, the reasons for rejecting the resignation) through a news release. Any director who tenders his or her resignation pursuant to this policy will not participate in any deliberations on the resignation offer by the corporate governance committee or board. In the event any director fails to tender his or her resignation in accordance with this policy, the board will not re-nominate the director. The board is not limited in any action it may take if a director's resignation is accepted, including appointing a new director to fill the vacancy. This policy does not apply to a contested election of directors; that is, where the number of nominees, including proxy access nominees, exceeds the number of directors to be elected.

COMPENSATION GOVERNANCE

Director Compensation

The corporate governance committee reviews director compensation to satisfy itself that it is competitive in the marketplace and aligns directors' and shareholders' interests. The board determines the adequacy and form of director compensation based on the corporate governance committee's recommendation. Further information on director compensation can be found in the "Director Compensation" section of this circular.

Executive Compensation

The objective of the bank's compensation strategy is to attract, retain and motivate high performing executives to create sustainable value for shareholders over the long-term.

The bank's executive compensation program is overseen by the HRC and is based on the principles outlined below and described more fully in the "Approach to Executive Compensation" section of this circular:

- align with the bank's business and talent strategy
- effective risk management
- align to shareholder interests
- good corporate governance
- pay for performance
- pay competitively

The HRC, with the benefit of advice from its independent advisor, Hugessen Consulting Inc, reviews and approves, or recommends to the board for approval, the salary, annual cash incentive, and equity compensation awards for certain executive officers. These include the named executive officers listed in the Summary Compensation Table in the "2017 Performance and Compensation" section of this circular, other members of the senior executive team, heads of oversight functions, and the 50 highest paid employees across the organization. The HRC also approves aggregate compensation awards under all executive compensation and equity plans, and has oversight accountability for all material employee compensation plans. The HRC also reviewed the executive compensation disclosure in this circular before it was approved by the board and made public. To support the objective of striving to be a market leader on governance issues, the bank has adopted certain policies and processes that align with best practices and ensure that risk is appropriately considered in compensation plans, including:

- at year end, the chief risk officer presents an enterprise risk appetite scorecard to the risk and human resources committees to allow for appropriate consideration of risk when determining the amount of compensation to be awarded and if any adjustments to maturing deferred compensation are appropriate;
- any changes to the plan design for material compensation plans must be reviewed and endorsed by the chief risk officer to ensure that the design does not create an incentive for risk taking beyond the bank's risk appetite;
- all bank executives and all TD Securities employees are evaluated on governance, control, and risk management behaviours as part of the annual performance assessment process. Results from this assessment are considered when year-end performance and compensation decisions are made;
- the HRC has discretion to reduce annual incentive awards (including cash and equity based incentives) to zero under all executive plans;
- the HRC has discretion to reduce or cancel unvested deferred compensation;
- a comprehensive claw back feature that can be triggered by misconduct, a restatement of financial results, or a material error is included in all executive compensation plans;
- a significant portion of compensation for all executives is awarded as equity which vests after a minimum of three years; and
- share ownership requirements including post-retirement holding requirements for the most senior executives.

Information on the HRC's independent advisor can be found in the "Independent Advisors" section of the Report of the Human Resources Committee.

CEO Compensation

The board annually assesses the CEO's performance against pre-defined goals and objectives. With the benefit of advice from its independent advisor, the HRC recommends the CEO's salary, annual cash incentive and equity compensation to the board for approval. The CEO's evaluation includes an assessment of his personal integrity as well as the culture of integrity he and other executive officers have established throughout the bank. For a detailed analysis of the CEO's compensation in fiscal 2017, see the "CEO Compensation" section of this circular.

BOARD COMMITTEES

The board has four committees: audit, corporate governance, human resources, and risk. More information on these committees can be found above in "Report of the Human Resources Committee" and below in the "Reports of the Board of Directors and Committees" section of this Schedule A.

The board fulfills its role directly and through committees to which it delegates certain responsibilities. The composition requirements for each of the board's committees are set out in their respective charters. The board approves the composition of each committee on the recommendation of the corporate governance committee, and can remove members. In recommending appropriate membership on committees, the corporate governance committee strives to constitute each committee with directors with the right mix of experience, expertise and perspectives to enable the committee to carry out its responsibilities. Each independent director should serve on at least one committee each year. Each committee may conduct all or part of any meeting in the absence of management. Each committee includes such in-camera sessions on its meeting agendas. For example, the audit committee meets on its own as well as separately with each of the CEO, chief financial officer, chief auditor, chief compliance officer, chief anti-money laundering officer, bank secrecy act officer and shareholders' auditor at each of its regularly scheduled quarterly meetings.

Each committee reviews its charters annually to satisfy itself that it is operating effectively. Each committee establishes annual objectives as a focus for its core responsibilities and activities and to help prioritize the committee's time and effort throughout the year. The committees measure progress against their objectives throughout the year. The charter for each committee is available at *www.td.com/governance/charters.jsp.*

REPORTS OF THE BOARD OF DIRECTORS AND COMMITTEES

The board and its committees are focused on the continued review and improvement of the bank's governance policies and procedures to be sure they meet or exceed evolving regulatory and market environments in which the bank operates. The reports of the board and its committees below are all as at October 31, 2017.

REPORT OF THE BOARD OF DIRECTORS

The board's activities are conducted in accordance with the responsibilities set out in the board's charter (see "Board Mandate" in this Schedule A for details). The board believes that it has fulfilled its responsibilities in fiscal 2017. In carrying out these responsibilities, the board, as a whole, particularly focused on the following initiatives:

Succession Planning	• Reviewed the bank's ongoing succession planning and talent management strategy and plans behind key leadership roles. • Approved key changes to the senior executive team and the bank's organization structure.
Strategy	• Reviewed the bank's strategic plans with management, including by evaluating the major risks facing the bank and the bank's strategy and approach to address these risks, and focusing on organic and acquisition growth opportunities, customer experience in new digital and distribution channels, the strategic implications of new and potentially disruptive technologies and the implications of the economic and political environment. • Focused on the bank's technology infrastructure and capabilities, including overseeing and reviewing technology initiatives underway to improve agility, speed and cost effectiveness, as well as the technology initiatives in each of the bank's businesses. • Regularly engaged management in constructive dialogue regarding the impact strategic decisions could have on the bank's growth and long-term value and provided appropriate challenge and guidance to management. • Provided input on the draft strategic plan and subsequently approved the bank's 2017 integrated plan, including the long-term strategic plan and the financial, capital and liquidity plans.
Risk Management	• Focused on the bank's risk appetite and, upon the recommendation of the risk committee, approved the bank's risk appetite statement. • Reviewed the bank's enterprise-wide stress testing, including the impacts of the stress tests on the bank's capital and earnings. • Reviewed the bank's cyber security program, including threat readiness and resilience and regulatory oversight and received educational updates from expert speakers. • Received regular reporting by the bank's business leaders on the progress of the sales practices review and from the risk committee on its oversight of the review, including input received by the risk committee from a leading professional services firm engaged to provide an objective assessment of the design and execution of the review.
Financial Reporting	• On the recommendation of the audit committee, approved the bank's interim and annual consolidated financial statements, accompanying management's discussion and analysis, and earnings news releases on quarterly and annual results.
Operations	• Considered the risks facing the bank's various businesses as part of the regular reporting by the bank's business leaders, and oversaw the operations of the bank's businesses in light of the board-approved strategic plan. • Focused on the continued progress of initiatives to reduce costs and manage expenses in a sustainable manner and to achieve greater operational effectiveness.

The reports of the board's committees, outlining their key charter responsibilities and highlighting their key activities and accomplishments for fiscal 2017, are provided in this circular. Detailed disclosure of the bank's corporate governance policies and practices are set out above in this Schedule A. Additional information relating to corporate governance at the bank is also available at *www.td.com/governance*.

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

Committee Members (at fiscal year-end)

Brian M. Levitt (chair); William E. Bennett; Karen E. Maidment; and Alan N. MacGibbon

Independence	Meetings	Charter Review
The committee is composed entirely of independent directors	6 during fiscal 2017	The committee reviewed its charter and is satisfied that it has fulfilled its responsibilities for fiscal 2017

Responsibilities

The corporate governance committee, chaired by the chairman of the board, is responsible for fostering a healthy governance culture at the bank and for developing and enhancing the bank's corporate governance practices and standards. The committee's main responsibilities, as set out in its charter, include:

- setting the criteria for selecting new directors and the board's approach to director independence
- identifying individuals qualified to become board members and recommending to the board the director nominees for the next annual shareholders' meeting and recommending candidates to fill vacancies on the board that occur between meetings of the shareholders
- developing and recommending to the board a set of corporate governance principles, including a code of conduct and ethics, aimed at fostering a healthy governance culture at the bank
- reviewing and recommending the compensation of the non-management directors of the bank
- satisfying itself that the bank communicates effectively, both proactively and responsively, with its shareholders, other interested parties and the public
- facilitating the evaluation of the board and committees
- overseeing an orientation program for new directors and continuing education for directors
- monitoring the functions of the Ombudsman, including by reviewing with the Ombudsman periodic reports on the activities of the Office of the Ombudsman

The committee meets regularly without management present and separately with the General Counsel.

2017 Highlights

In carrying out its responsibilities, the committee particularly focused on the following initiatives to further improve the bank's governance practices and standards:

Board and Committee Composition	• As part of its ongoing oversight of board succession and renewal, continued to address board and committee composition, director recruitment and continuing education. • Reviewed the director skills/experience matrix and approved further enhancements in keeping with the need to reflect the most relevant skills, experiences and competencies.
Shareholder Engagement	• In light of evolving shareholder engagement expectations, developed an internal guideline in support of shareholder engagement by board members. • Responded to shareholders' feedback by adopting a new proxy access policy which allows qualifying shareholders to submit director nominations for inclusion in the bank's proxy circular and form of proxy and ballot for the annual shareholders' meeting.
Governance Developments	• Approved enhancements to governance policies and practices in keeping with the goal of continually improving board effectiveness and efficiency. • Reviewed evolving best practices and regulatory expectations for board oversight of cyber risk and resilience, and endorsed enhancements to the board's practices.

Regulatory Requirements and Supervisory Expectations for Boards of Directors	• Considered the manner in which the board and each of its committees meets the oversight expectations of the bank's regulators and supervisory authorities with a view to ensuring that those expectations are met.
Subsidiary Governance	• Reviewed the linkages between the bank's board and the boards of directors of the bank's U.S. bank holding companies and the bank's U.S. banking subsidiaries, and received an update on the governance model for the bank's investment in TD Ameritrade. • Received presentations on regulatory developments impacting the bank's U.S. banking subsidiaries, including information on supervisory expectations for corporate boards of directors of U.S. bank holding companies.
Corporate Responsibility	• Reviewed the bank's Corporate Responsibility Report with management and received a report on the bank's relative performance in various rankings and ratings. • Received management's presentation on environmental, social and governance trends, including climate-related financial disclosures. • Received an interim briefing on the review of the bank's corporate citizenship strategy being undertaken by management. • Reviewed the bank's statement on slavery and human trafficking for approval by the board.
Ombudsman	• Oversaw the Ombudsman and considered key themes for complaints escalated to the Ombudsman or external complaints bodies. • Received information with respect to enterprise-wide initiatives to enhance customer problem resolution including an update on the bank's 2017 Complaints Forum and action plans emanating from this event.

REPORT OF THE AUDIT COMMITTEE

Committee Members (at fiscal year-end)

Alan N. MacGibbon* (chair); William E. Bennett*; Brian C. Ferguson*; Jean-René Halde; Claude Mongeau*; and Irene R. Miller* (**audit committee financial experts*)

Independence	**Meetings**	**Charter Review**
The committee is composed entirely of independent directors	8 during fiscal 2017 (including 2 joint sessions with the risk committee)	The committee reviewed its charter and is satisfied that it has fulfilled its responsibilities for fiscal 2017

Responsibilities

The audit committee is responsible for supervising the quality and integrity of the bank's financial reporting, which includes overseeing the integrity of the bank's financial controls and the effectiveness of the internal and external audit functions, and compliance requirements. Members of the committee are expected to be financially literate or willing and able to acquire knowledge quickly, and at least one member must be an audit committee financial expert, as defined in applicable regulatory requirements. The committee's main responsibilities, as set out in its charter, include:

- overseeing reliable, accurate and clear financial reporting to shareholders
- overseeing the effectiveness of internal controls, including internal controls over financial reporting
- being directly responsible for the selection, compensation, retention and oversight of the work of the shareholders' auditor — the shareholders' auditor reports directly to the committee

- receiving reports from the shareholders' auditor, chief auditor, chief compliance officer, chief anti-money laundering officer and bank secrecy act officer, and evaluating the effectiveness and independence of each
- overseeing the establishment and maintenance of policies and programs reasonably designed to achieve and maintain the bank's compliance with the laws and regulations that apply to it
- acting as the audit committee and conduct review committee for certain subsidiaries of the bank that are federally-regulated financial institutions and insurance companies
- receiving reports on and approving, if appropriate, certain transactions with related parties

The committee meets regularly without members of management present, and separately with each of the shareholders' auditor, the chief executive officer, the chief financial officer, the chief auditor, the chief compliance officer, the chief anti-money laundering officer and the bank secrecy act officer.

2017 Highlights

In carrying out its responsibilities, the committee particularly focused on the following initiatives:

Oversight of Internal Controls	• Reviewed information with respect to testing of internal controls over financial reporting and the results thereof, and monitored key internal control issues, the associated risks, and the status of corrective actions. • Received regular updates from the finance function on select key controls and processes to satisfy itself that financial reporting is reliable and accurate. • Reviewed the opinion of the chief compliance officer on the adequacy of, adherence to, and effectiveness of enterprise-wide regulatory controls. • Received updates from the internal audit, finance, compliance and global anti-money laundering functions to satisfy itself that there are adequate resources with experience and knowledge in each of the key oversight functions, as well as appropriate succession planning for all key resources. • Received regular updates from the bank's chief auditor on the status of major project audits, effectiveness and optimization of key controls, emerging risks, and enterprise-wide themes. • Reviewed and approved the annual audit plan, including the risk assessment methodology to satisfy itself that the plan is appropriate, risk-based and addresses all the relevant activities and significant risks over a measurable cycle and there are sufficient resources to carry out the plan.
Oversight of Shareholders' Auditor	• Oversaw the work of the shareholders' auditor including review of audit plans, fees and their work related to the bank's November 1, 2017 adoption of IFRS 9 – Financial Instruments. • Conducted the annual evaluation, and commenced the periodic comprehensive review, of the shareholders' auditor, including in respect of: the auditor's independence, objectivity and professional skepticism; quality and qualifications of the engagement team, including the lead partner, and quality of the communication and service provided. • Received updates on the action plans resulting from the evaluation, including updates on the audit quality indicators incorporated into the 2017 auditor assessment report. • Reviewed the annual independence report of the shareholders' auditor and recommended to the board for recommendation to the shareholders the appointment of the shareholders' auditor. • Reviewed updates from the shareholders' auditor on auditing and regulatory developments globally affecting auditors and their impact on the bank, including the new auditing standards to enhance the auditor's report.
Finance and IFRS, Financial Reporting	• Oversaw the bank's annual and quarterly financial reporting process, including the bank's reporting under International Financial Reporting Standards (IFRS). • Received regular updates from the finance function on the bank's critical accounting policies and estimates, as well as education sessions on emerging trends in accounting standards and financial reporting matters. • Oversaw the Bank's IFRS 9 — Financial Instruments Program implementation and received in-depth presentations from executives focused on the operating model and governance framework, expected impacts and disclosures, and industry and regulatory updates. • Reviewed the correspondence between regulators and the bank related to financial reporting. • Considered the results of the independent assessment of the finance function's effectiveness.

Compliance	• Received updates on consumer compliance, including regulatory developments in Canada and the U.S. • Reviewed information with respect to compliance testing and monitoring issues, regulatory examinations, and ongoing regulatory updates. • Received regular updates from the bank's chief compliance officer and compliance unit executives on the effectiveness of key regulatory controls, emerging risks, and the bank's commitment to engaging cooperatively with industry regulators in their consideration of sales practices. • Reviewed information with respect to the bank's Volcker Compliance Program including effectiveness reports by Internal Audit and Compliance. • Provided effective challenge on the approach and methodology of assessing compliance department effectiveness and developing the compliance department's annual plan, and reviewed and approved the compliance department's annual plan. • Monitored management's action plans addressing recommendations from the independent assessment of the compliance function's effectiveness.
Anti-Money Laundering/ Terrorist Financing	• Reviewed and approved the bank's global anti-money laundering (AML) department's annual plan, including the bank's global AML strategic priorities. • Oversaw the execution of the bank's global anti-money laundering/anti-terrorist financing (ATF) programs, including economic sanctions requirements, including by reviewing regular reports by the chief anti-money laundering officer and bank secrecy act officer on the design, operation and status of key initiatives of the AML/ATF program. • Monitored management's action plans addressing recommendations from the independent assessment of the AML function's effectiveness.

For further information on the audit committee, see the discussion under the heading "Pre-Approval Policies and Shareholders' Auditor Service Fees" in the bank's 2017 annual information form (*www.sedar.com* or *www.td.com/investor/other.jsp*).

REPORT OF THE RISK COMMITTEE

Committee Members (at fiscal year-end)

William E. Bennett (chair); Amy W. Brinkley; Colleen A. Goggins; David E. Kepler; Alan N. MacGibbon; and Karen E. Maidment

Independence	Meetings	Charter Review
The committee is composed entirely of independent directors	10 during fiscal 2017 (including 2 joint sessions with the audit committee and 1 joint session with the human resources committee).	The committee reviewed its charter and is satisfied that it has fulfilled its responsibilities for fiscal 2017

Responsibilities

The risk committee is responsible for overseeing the management of the bank's risk profile and approving enterprise-wide risk management frameworks and policies that support compliance with the bank's risk appetite and reinforce the bank's risk culture. The committee's main responsibilities, as set out in its charter, include:

- Approving the Enterprise Risk Framework (ERF) and related risk category frameworks and policies that establish the appropriate approval levels for decisions and other measures to manage risk to which the bank is exposed
- Reviewing and recommending the bank's Enterprise Risk Appetite Statement and related measures for approval by the board
- Overseeing the bank's major risks as set out in the ERF
- Reviewing the bank's risk profile and performance against Risk Appetite measures
- Providing a forum for "big-picture" analysis of an enterprise view of risk including considering trends and current and emerging risks

The committee meets regularly without members of management present, and separately with each of the chief executive officer and the chief risk officer without other members of management present. The committee, together with the full board of directors, remains focused on providing strategic counsel and fostering substantive dialogue with management on risk matters.

2017 Highlights

In carrying out its responsibilities, the committee particularly focused on the following initiatives:

Enterprise Risk Framework and Risk Appetite Process	• Reviewed and approved the bank's enterprise risk framework, which continues to further integrate the risk appetite statement across the enterprise, and enhance the bank's risk culture and organizational understanding of how the bank views risk, its risk tolerances and escalation requirements. • Reviewed and provided input throughout the year on the updates and proposed enhancements to the bank's risk appetite statement prior to recommending the revised risk appetite statement to the board for approval. • Reviewed Risk Management's assessment of the bank's risk performance against the risk appetite statement as a key consideration in the decision making process for senior management compensation. • Oversaw the further enhancement and development of risk frameworks for all of the bank's major risk categories.
Governance, Risk and Control	• Engaged in comprehensive presentations on cybersecurity, including updates on the evolving threat landscape, application security, threat detection and intelligence, and enhancements to controls, incident response and resiliency capabilities. • Reviewed and approved the bank's resolution plan and received reporting on testing activities and preparation for the recovery plan. • Received reports and engaged in discussions with executives from each of the bank's primary business segments covering management's oversight of key risks, challenges and mitigating actions. • Reviewed management updates on insider risk management, data asset risk and third party risk management.
Emerging Risk	• Reviewed emerging risk updates in enterprise risk dashboard reporting and discussed how the bank manages emerging risks, including planning for uncertain, systemic and unexpected impacts.
Risk Culture	• Continued focus on ensuring the bank supports a culture which promotes accountability, escalating and promptly resolving issues, learns from past experiences, and encourages open communication and transparency on all aspects of risk taking. • Throughout the year, received and discussed on-going reporting from the bank's business leaders and a leading professional services firm on reviews related to sales practices.
Risk Management Activities	• Reviewed presentations on risk management activities, including compliance with risk management policies and risk limits, reports relating to the internal capital adequacy assessment process, the results of enterprise stress testing to identify and assess bank specific risks, inform risk tolerances and support strategic decisions, and an in-depth review of the bank's credit portfolio. • Received management presentations on issues of specific relevance, such as real estate secured lending, IFRS 9 implementation, and execution risk. • Oversaw Treasury and Balance Sheet Management non-trading market and liquidity risks and related activities. • Assessed the adequacy of Risk Management's annual budget and resource plan, and assessed the effectiveness of the function. • Assessed the effectiveness of the chief risk officer and approved his mandate.
Risk Management Reports	• Reviewed the quarterly enterprise risk dashboards which include, among other reporting, the bank's top and emerging risks and performance against risk appetite. • Received updates on the management of and significant exposures relating to the bank's major risk types, and other topical updates.