



## **CHECK AGAINST DELIVERY**

**Remarks to be delivered by Bharat Masrani, Group President and Chief Executive Officer, TD Bank Group<sup>1</sup>**

**Annual Meeting of Shareholders, April 2, 2020**

Thank you, Brian.

And thank you to our shareholders for joining us today.

This year, we meet virtually instead of in-person. A sign of the unprecedented times we are all living in.

Perhaps most importantly in these circumstances – addressing our shareholders and convening this meeting are critical.

Typically, I would address the progress made in the prior year – and then provide some context on the road ahead.

Today, the agenda is a little different.

While I will touch on some of your bank's accomplishments in 2019, I will also address the complex and ever-changing landscape that we are all navigating...together.

This is on your minds...and ours as well.

## **CURRENT ENVIRONMENT**

In the past 30 days, the world has been turned upside down. Millions are living a new reality – a reality that is filled with uncertainty and enormous disruption, in both our personal lives and the economy.

We face a contagious virus – an invisible enemy – that strikes with little notice and has proven extremely difficult to combat.

Governments and regulators on both sides of the border are taking action to soften the impact and provide support to individuals and businesses as quickly as possible. And banks too, are putting their natural competitiveness aside to find solutions and support customers and the economy.

Billions, even trillions of dollars in stimulus and relief have been unlocked in both Canada and the United States.

Programs have been established to support those directly impacted and those most vulnerable to the effects of the subsequent economic shock.

Health care organizations are marshalling all their resources and energy in truly courageous ways. I want to pause here to thank the first responders, doctors, nurses and others on the front lines – who are treating patients and saving lives on a daily basis.

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<sup>1</sup> Mr. Masrani's remarks refer to non-GAAP financial measures, also known as adjusted results. The Bank prepares its consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), the current generally accepted accounting principles (GAAP), and refers to results prepared in accordance with IFRS as the "reported" results. The Bank also utilizes non-GAAP financial measures referred to as "adjusted" results (i.e., reported results excluding "items of note") to assess each of its businesses and measure overall Bank performance. Adjusted net income, adjusted earnings and related terms used in this presentation are not defined terms under GAAP and may not be comparable to similar terms used by other issuers. See "How the Bank Reports" in the Bank's Fourth Quarter 2019 Earnings News Release and 2019 MD&A ([www.td.com/investor](http://www.td.com/investor)) for further explanation, reported basis results, a list of the items of note, and a reconciliation of non-GAAP measures.

And, businesses – such as TD – are taking important steps to support this global effort.

## **A FOCUS ON CUSTOMERS, COLLEAGUES & COMMUNITIES**

Today, there are TD colleagues across the globe running the Bank and supporting our business from their homes. Their ability to adapt quickly is a tremendous source of pride for all of us.

In addition, thousands of our colleagues – talented branch, store and contact centre employees, engineers, technicians, traders and many others, continue to go into our locations to perform critical services. We celebrate them and thank them for their tireless efforts.

All across the Bank, colleagues have stepped up to meet the challenge head on – and they are true TD heroes, who continue to serve our customers and clients, manage urgent needs and support vital functions.

To further support our colleagues and our customers, in all of our businesses, we are taking clear action:

We have established strict self-isolation policies for anyone at risk or who has travelled, in line with current guidelines;

We have reduced the number of open branches and curtailed hours across Canada;

In the U.S., we have shortened operating hours, leveraged drive-throughs where possible, and temporarily closed stores in certain markets; and,

In our contact centres, and across all of our open locations, we have put physical distancing measures in place.

Every day, in consultation with government authorities and our own Chief Medical Director, we take steps to protect our people and those we serve.

Together with other large Canadian banks, we have implemented relief efforts for personal and business banking customers to help those who face short-term financial hardships.

We stepped up our TD Cares program in the U.S., reaching out to customers, offering support and finding solutions.

And we are working around the clock to implement various programs recently announced by governments on both sides of the border.

Our focus is on supporting those we serve and enabling those we employ.

You see, governments and society need banks to keep operating.

In a crisis, the needs and demands of everyday life don't go away – in fact they become even more critical. Access to financial services means that millions of day-to-day transactions continue to happen.

Banks also play an important part supporting financial stability across our economies in a world that is far from certain.

It is a critical role, in the lives of our customers and for the broader economy – and our colleagues have answered the call.

And we are doing more than simply applauding their commitment and dedication. For those who need to come into work, we are compensating them with special bonuses and extra time off.

Earlier this week, we also provided our people with further certainty in an uncertain time. For TD employees, there will be no job losses in 2020 as a result of COVID-19.

These are clearly challenging times.

Our culture is one of personal contact, human experiences, and team celebration.

For decades, we built our brand – one that leads our industry – by welcoming customers, providing convenient access to our locations, and offering them sound advice to build their confidence. It is hard to ask them to stay away during this time.

But, it's also the right thing to do.

We are a purpose-driven bank. Guided by an unrelenting focus – to enrich the lives of our customers, communities and colleagues. Today, that means we must be a part of the global effort to curtail the spread of this virus.

## **WE STRENGTHENED THE BANK FOR THE CHALLENGE WE FACE**

Make no mistake – we are also focused on the future of the Bank. On the recovery that will surely take place. On the customers who have entrusted us with their financial well-being. While the storm that we are facing today is unprecedented – so is the strength of TD.

Throughout 2019, we made important investments and advanced key strategic programs. It was a more challenging economic environment than in years past, with growing headwinds in parts of our footprint. But it was also a year of tremendous progress.

We now serve more than 25 million customers and clients. Close to 16 million in Canada. And, over 9 million in the United States – from Maine to Florida. This provides us with deep and growing relationships across our footprint.

We invested in new digital capabilities at the cutting-edge – using artificial intelligence to improve our understanding of customer needs and introducing new innovations such as TD Clari – our chatbot in Canada that answers questions in real-time.

Our ability to provide always-on support and services to millions of Americans and Canadians in these difficult times is a direct result of the investments we have made and the new capabilities that have been deployed.

In fact, 13 million customers are active users of our digital properties across North America. With thousands more signing up each week...appropriately choosing to bank from home rather than to come to a branch or store.

Our focus on training and development over the past year has led to a more capable, agile, flexible workforce, with the ability to perform in rapidly changing conditions. The return on this investment is clear – in a matter of days we shifted how we run the Bank. Our people were up to the challenge... and they delivered.

Over the course of 2019, we also invested in our omni channel capabilities.

As a result, we've kept an open dialogue with customers across every line of business, providing guidance and a helping hand in real-time to millions.

And in our communities, the foundation upon which we have built our business, we were ready to act as well. Over the past two years, we realigned and improved our charitable giving under the TD Ready

Commitment, last year investing \$126 million in the communities in which we live and work. We also provided, ten \$1 million (CAD) grants as part of the TD Ready Challenge, to catalyze innovative solutions for a changing world, with an emphasis on Better Health.

This brought renewed focus to the work needed to help those we serve. So, when the current situation deteriorated in a matter of days, we moved with urgency to identify and fund community healthcare centres in the United States and Canada with the means to help those most in need during this trying time.

## **RESILIENCE AND PURPOSE**

I've often said that banking serves a higher purpose. Those words are more true today than ever.

We must run our business and drive our performance even during a time of profound uncertainty. We owe that to our customers, our people, and to the economies that rely on us.

But our purpose is even bigger than that. It is to enrich lives. To care and to act in the interest of those we serve and those we employ, and for the benefit of all of our stakeholders, including our shareholders.

To take the short-term actions needed to adapt...and balance them with a longer-term view. And, above all, it is to do the right thing. To do good as we move forward. Because we know that doing good and doing well are always interconnected.

2019 seems far away in the rear-view mirror. But I want our shareholders to know that the progress we made and the performance we achieved last year strengthened us for the year ahead.

Last year, TD earned \$12.5 billion on an adjusted basis, up 3 percent from 2018 on strong revenue and volume growth, offset by lower interest rates and normalizing credit conditions.

We also ended the year with a strong capital base and a healthy Common Equity Tier 1 ratio of 12.1%.

And, in 2019 we delivered above peer average medium- and long-term shareholder return, supported by an 11% increase in our dividend.

While the present reality is clearly having an impact on our business – as it is for every financial institution in Canada and the U.S. – our performance in 2019 bolstered the foundation of the Bank.

Fellow shareholders – your Bank is strong and resilient.

Our customers number in the millions and we are working to maintain and deepen their trust and loyalty.

Our businesses are led by incredibly talented executives...and their work is powered by the best bankers in the industry.

Our brand – and the green TD shield – provides us with a differentiated, competitive advantage.

And, our purpose guides us in every decision we make.

## **FINAL THOUGHTS AND THANK YOU**

I can't tell you what the next week or month will bring...There are certainly more challenges to come before we turn the corner in our collective response to the coronavirus.

But I do know this: we will get through this and we will be stronger on the other side.

The economy continues to reel from the impact of the necessary measures taken to combat this virus. But, it will recover.

Through it all, TD stands with you. Our people across the world stand with you. And together, we will be there for you. To help, support, advise, and guide...as we have for the past 165 years.

I want to once again thank our TD colleagues around the world.

I know you have been directly impacted by this crisis.

You and your children, partners, families and neighbours have seen your lives upended and disrupted in profound ways.

Still, you've persevered and delivered.

You've come together in new ways, been there for each other, found creative solutions, and supported the Bank and our customers.

Thank you. From the bottom of my heart, thank you.

In closing, I would also like to thank our board of directors for their guidance, counsel and support over the past year.

And, I would like to thank all of you – our shareholders and customers – for the trust and confidence you have placed in TD.

Thank you for your time, and for joining us today.

## Caution Regarding Forward-Looking Statements

From time to time, the Bank (as defined in this document) makes written and/or oral forward-looking statements, including in this document, in other filings with Canadian regulators or the United States (U.S.) Securities and Exchange Commission (SEC), and in other communications. In addition, representatives of the Bank may make forward-looking statements orally to analysts, investors, the media and others. All such statements are made pursuant to the "safe harbour" provisions of, and are intended to be forward-looking statements under, applicable Canadian and U.S. securities legislation, including the U.S. Private Securities Litigation Reform Act of 1995. Forward-looking statements include, but are not limited to, statements made in this document, the Management's Discussion and Analysis ("2019 MD&A") in the Bank's 2019 Annual Report under the heading "Economic Summary and Outlook", for the Canadian Retail, U.S. Retail, and Wholesale Banking segments under headings "Business Outlook and Focus for 2020", and for the Corporate segment, "Focus for 2020", and in other statements regarding the Bank's objectives and priorities for 2020 and beyond and strategies to achieve them, the regulatory environment in which the Bank operates, and the Bank's anticipated financial performance. Forward-looking statements are typically identified by words such as "will", "would", "should", "believe", "expect", "anticipate", "intend", "estimate", "plan", "goal", "target", "may", and "could".

By their very nature, these forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Especially in light of the uncertainty related to the physical, financial, economic, political, and regulatory environments, such risks and uncertainties – many of which are beyond the Bank's control and the effects of which can be difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. Risk factors that could cause, individually or in the aggregate, such differences include: credit, market (including equity, commodity, foreign exchange, interest rate, and credit spreads), liquidity, operational (including technology, cyber security, and infrastructure), model, reputational, insurance, strategic, regulatory, legal, conduct, environmental, capital adequacy, and other risks. Examples of such risk factors include the general business and economic conditions in the regions in which the Bank operates; geopolitical risk; the ability of the Bank to execute on long-term strategies and shorter-term key strategic priorities, including the successful completion of acquisitions and dispositions, business retention plans, and strategic plans; the ability of the Bank to attract, develop, and retain key executives; disruptions in or attacks (including cyber-attacks or data security breaches) on the Bank's information technology, internet, network access or other voice or data communications systems or services; fraud or other criminal activity to which the Bank is exposed; the failure of third parties to comply with their obligations to the Bank or its affiliates, including relating to the care and control of information; the impact of new and changes to, or application of, current laws and regulations, including without limitation tax laws, capital guidelines and liquidity regulatory guidance and the bank recapitalization "bail-in" regime; exposure related to significant litigation and regulatory matters; increased competition from incumbents and non-traditional competitors, including Fintech and big technology competitors; changes to the Bank's credit ratings; changes in currency and interest rates (including the possibility of negative interest rates); increased funding costs and market volatility due to market illiquidity and competition for funding; Interbank Offered Rate (IBOR) transition risk; critical accounting estimates and changes to accounting standards, policies, and methods used by the Bank; existing and potential international debt crises; environmental and social risk; and the occurrence of natural and unnatural catastrophic events and claims resulting from such events. The Bank cautions that the preceding list is not exhaustive of all possible risk factors and other factors could also adversely affect the Bank's results. For more detailed information, please refer to the "Risk Factors and Management" section of the 2019 MD&A, as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable) related to any events or transactions discussed under the headings "Significant and Subsequent Events, and Pending Transactions" and "Significant Events and Pending Transactions" in the relevant MD&A, which applicable releases may be found on [www.td.com](http://www.td.com). All such factors should be considered carefully, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements,

when making decisions with respect to the Bank and the Bank cautions readers not to place undue reliance on the Bank's forward-looking statements.

Material economic assumptions underlying the forward-looking statements contained in this document are set out in the 2019 MD&A under the headings "Economic Summary and Outlook", for the Canadian Retail, U.S. Retail, and Wholesale Banking segments, "Business Outlook and Focus for 2020", and for the Corporate segment, "Focus for 2020", each as may be updated in subsequently filed quarterly reports to shareholders.

Any forward-looking statements contained in this document represent the views of management only as of the date hereof and are presented for the purpose of assisting the Bank's shareholders and analysts in understanding the Bank's financial position, objectives and priorities and anticipated financial performance as at and for the periods ended on the dates presented, and may not be appropriate for other purposes. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf, except as required under applicable securities legislation.