



**TD Bank Group**

# **Investor Presentation**

**Q1 2023**

# 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 (“2022 MD&A”) in the Bank’s 2022 Annual Report under the heading “Economic Summary and Outlook”, under the headings “Key Priorities for 2023” and “Operating Environment and Outlook” for the Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, and Wholesale Banking segments, and under the heading “2022 Accomplishments and Focus for 2023” for the Corporate segment, and in other statements regarding the Bank’s objectives and priorities for 2023 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: strategic, credit, market (including equity, commodity, foreign exchange, interest rate, and credit spreads), operational (including technology, cyber security, and infrastructure), model, insurance, liquidity, capital adequacy, legal, regulatory compliance and conduct, reputational, environmental and social, and other risks. Examples of such risk factors include general business and economic conditions in the regions in which the Bank operates; geopolitical risk; inflation, rising rates and recession; the economic, financial, and other impacts of pandemics, including the COVID-19 pandemic; the ability of the Bank to execute on long-term strategies and shorter-term key strategic priorities, including the successful completion and integration of acquisitions and dispositions, business retention plans, and strategic plans; technology and cyber security risk (including cyber-attacks, data security breaches or technology failures) on the Bank’s information technology, internet, network access or other voice or data communications systems or services; model risk; fraud activity; 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, and other risks arising from the Bank’s use of third-party service providers; 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; regulatory oversight and compliance risk; increased competition from incumbents and new entrants (including Fintechs and big technology competitors); shifts in consumer attitudes and disruptive technology; exposure related to significant litigation and regulatory matters; ability of the Bank to attract, develop, and retain key talent; changes to the Bank’s credit ratings; changes in foreign exchange rates, interest rates, credit spreads and equity prices; 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 (including climate change); 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 2022 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 heading “Significant Acquisitions” or “Significant and Subsequent Events, and Pending Acquisitions” in the relevant MD&A, which applicable releases may be found on [www.td.com](http://www.td.com). All such factors, as well as other uncertainties and potential events, and the inherent uncertainty of forward-looking statements, should be considered carefully when making decisions with respect to the Bank. 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 2022 MD&A under the heading “Economic Summary and Outlook”, under the headings “Key Priorities for 2023” and “Operating Environment and Outlook” for the Canadian Personal and Commercial Banking, U.S. Retail, Wealth Management and Insurance, and Wholesale Banking segments, and under the heading “2022 Accomplishments and Focus for 2023” for the Corporate segment, 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.

# TD Bank Group

## Key Themes



1

### Top 10 North American Bank

6<sup>th</sup> largest bank by Total Assets<sup>1</sup>

5<sup>th</sup> largest bank by Market Cap<sup>1</sup>

2

### Q1 2023 Financial Results

For the three months ended January 31, 2023

3

### Proven Performance, Future Growth Opportunities

Delivering **solid** long-term shareholder returns<sup>2,8</sup>

4

### Strong Balance Sheet and Capital Position

Highly **rated** by major credit rating agencies<sup>3</sup>

# TD Framework



## Our Shared Commitments

Think like a customer;  
provide legendary experiences  
and trusted advice

Act like an owner;  
lead with integrity  
to drive business results and  
contribute to communities

Execute with  
speed and impact;  
only take risks we  
can understand  
and manage

Innovate with  
purpose; simplify  
the way we work

Develop our  
colleagues;  
embrace diversity  
and respect one  
another

# Our Strategy



**We're in this together** – Anchored by our proven business model and propelled by our forward-focused strategy, we are helping our customers, colleagues and communities thrive in a changing world



## Proven Business Model

Deliver consistent earnings growth, underpinned by a strong risk culture

Diversification and scale

Balance sheet strength

Safety, security and trust



## Forward Focused

Shape the future of banking in the digital age

Omni-channel

Improving our operations

Innovation



## Purpose-Driven

Centre everything we do on our vision, purpose, and shared commitments

Customers

Communities

Colleagues



# Proven Business Model: TD Snapshot



**Diversification and scale, underpinned by a strong risk culture**

## Our Businesses

### Canadian Personal & Commercial Banking

- Personal banking, credit cards and auto finance
- Small business, commercial banking, merchant solutions and equipment finance

### U.S. Retail

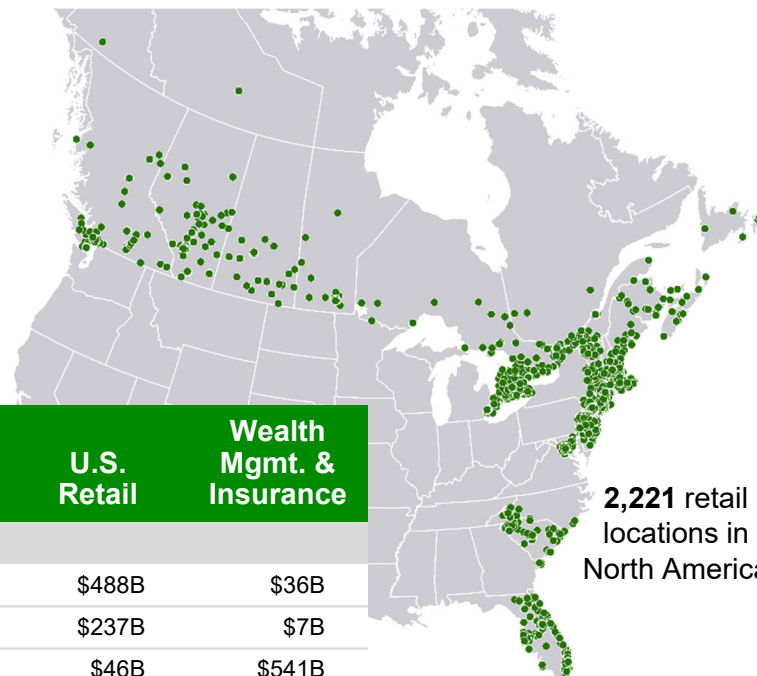
- Personal banking, credit cards and auto finance
- Small business and commercial banking
- Advice-based wealth and asset management
- Strategic investment in Schwab
- Announced proposed acquisition of First Horizon

### Wealth Management & Insurance

- Direct investing, advice-based wealth, and asset management
- Property, casualty, life and health insurance

### Wholesale Banking

- Research, investment banking and capital market services
- Global transaction banking
- Presence in key global financial centres including New York, London and Singapore
- Completed acquisition of Cowen Inc. ("Cowen")



Q1 2023 <sup>4</sup> (C\$)	Canadian P&C Banking	U.S. Retail	Wealth Mgmt. & Insurance
<b>Financial Strength</b>			
<b>Deposits<sup>5</sup></b>	\$441B	\$488B	\$36B
<b>Loans<sup>6</sup></b>	\$524B	\$237B	\$7B
<b>AUA<sup>7</sup></b>		\$46B	\$541B
<b>AUM<sup>8</sup></b>		\$47B	\$414B
<b>Earnings<sup>9</sup> (rep.)</b>	\$6.7B	\$5.9B	\$2.3B
<b>Network Highlights</b>			
<b>Employees<sup>10</sup></b>	28,803	27,694	16,293
<b>Customers</b>	~15MM	9.9MM	~7MM
<b>Branches</b>	1,060	1,161	-
<b>ATMs<sup>11</sup></b>	3,399	2,688	-
<b>Mobile Users<sup>12</sup></b>	7.1MM	4.6MM	<b>Not Disclosed</b>





# Competing in Attractive Markets



## Country Statistics

- 8<sup>th</sup> largest economy
- Real GDP of C\$2.2 trillion
- Population of ~39 million

## Canadian Banking System

- One of the soundest banking systems in the world<sup>13</sup>
- Market leadership position held by the “Big 5” Canadian Banks
- Canadian chartered banks account for 73% of the residential mortgage market<sup>14</sup>
- Mortgage lenders have recourse to both borrower and property in most provinces

## TD's Canadian Businesses

- Network of 1,060 branches and 3,399 ATMs<sup>11</sup>
- Ranked #1 or #2 in market share for most retail products<sup>15</sup>
- Comprehensive wealth offering
- Top ranked investment dealer



## Country Statistics

- World's largest economy
- Real GDP of US\$20 trillion
- Population of ~335 million

## U.S. Banking System

- Over 4,500 banks with market leadership position held by a few large banks<sup>16</sup>
  - Five largest banks have assets of ~50% of U.S. GDP<sup>17</sup>
- Mortgage lenders have limited recourse in most jurisdictions

## TD's U.S. Businesses

- Network of 1,161 stores and 2,688 ATMs<sup>11</sup>
- Operations in 4 of the top 10 metropolitan statistical areas<sup>18</sup> and 7 of the 10 wealthiest states<sup>19</sup>
- Operating in a US\$6.2 trillion deposits market<sup>16</sup>
- Expanding U.S. Wholesale business



# Top 10 North American Bank



Q1 2023 (C\$ except otherwise noted)	TD Bank Group	Canadian Ranking <sup>23</sup>	North American Ranking <sup>24</sup>
Total assets	\$1,928B	2 <sup>nd</sup>	6 <sup>th</sup>
Total deposits	\$1,221B	1 <sup>st</sup>	5 <sup>th</sup>
Market capitalization	\$168.4B	2 <sup>nd</sup>	5 <sup>th</sup>
Reported net income ( <i>trailing four quarters</i> )	\$15.3B	1 <sup>st</sup>	5 <sup>th</sup>
Adjusted net income <sup>20</sup> ( <i>trailing four quarters</i> )	\$15.7B	n/a	n/a
Average number of full-time equivalent staff	99,999	1 <sup>st</sup>	5 <sup>th</sup>
Common Equity Tier 1 capital ratio <sup>21</sup>	15.5%	2 <sup>nd</sup>	2 <sup>nd</sup>
Moody's long-term deposits/counterparty rating <sup>22</sup>	Aa1	n/a	n/a





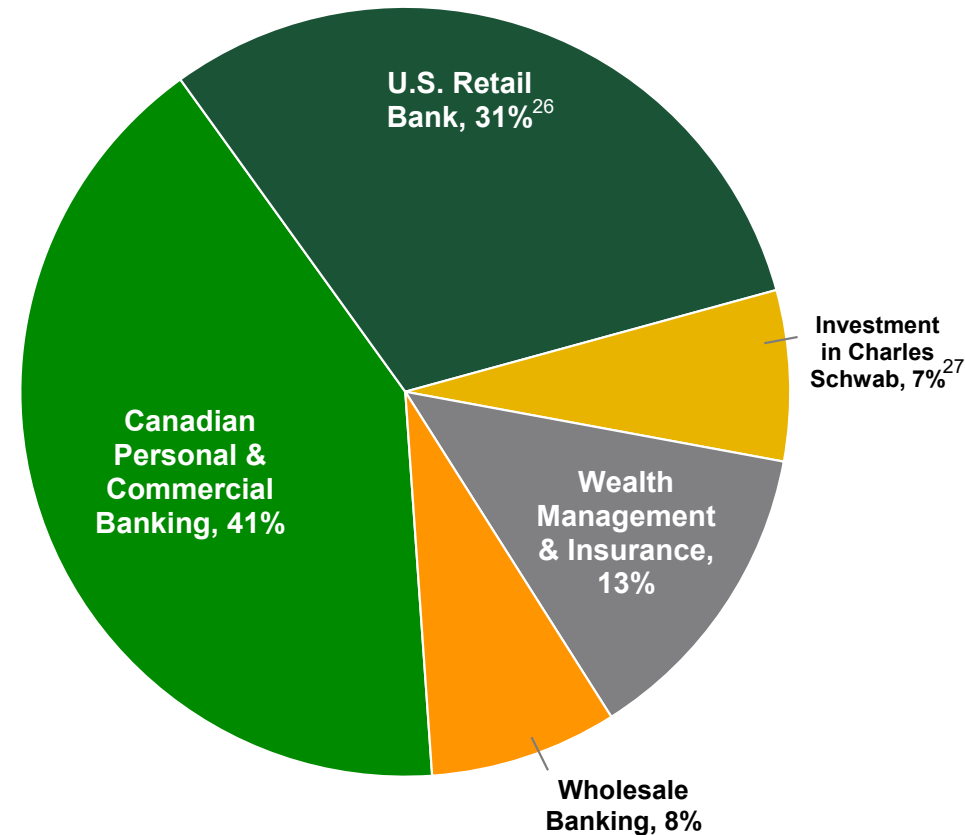
# Diversified Business Mix



## Four key business lines

- **Canadian Personal & Commercial Banking** – Robust retail banking platform in Canada with proven performance
- **U.S. Retail** – Top 10 bank<sup>28</sup> in the U.S. with attractive growth opportunities
- **Wealth Management & Insurance** – #1 online brokerage<sup>29</sup>, institutional money manager<sup>30</sup>, direct distribution personal lines insurer<sup>31</sup>, and Affinity provider in Canada<sup>32</sup>
- **Wholesale Banking** – North American dealer focused on client-driven businesses

## Q1 2023 Reported Earnings Mix<sup>25</sup>





# Growing Platform / North American Scale



## 2000-2010: Canadian Leadership, Entry into US

### Canada:

- Acquisition of Canada Trust (2000)
- TD Waterhouse privatization (2001)

### US:

- TD Waterhouse USA / Ameritrade transaction (2006)
- Privatization of TD Banknorth (2007)
- Commerce Bank acquisition and integration (2008-2009)
- Riverside and TSFG acquisition (2010)

## 2011-2015 – Acquiring Assets

- Acquired Chrysler Financial auto finance portfolio (2011)
- Acquired MBNA credit card portfolio (2011)
- Launched strategic cards portfolio program with acquisition of Target (2012) and Nordstrom (2015) credit card portfolios
- Became primary issuer of Aeroplan Visa and acquired 50% of CIBC's Aeroplan portfolio (2014)

## New Capabilities and Partnerships

- Acquired Epoch (2013)
- Acquired Scottrade Bank in connection with TD Ameritrade's acquisition of Scottrade (2017)
- Acquired Layer 6 and Greystone (2018)
- Entered into Air Canada Credit Card Loyalty Program Agreement (2018)
- Acquired ownership stake in Schwab following Schwab's acquisition of TD Ameritrade (2020)
- Acquired Wells Fargo's Cdn Direct Equipment Finance business (2021)

## Accelerating Growth

- Announced proposed acquisition of First Horizon, to expand U.S. platform into Southeast (2022)



## Increasing Retail Focus and U.S. Expansion



## From Traditional Dealer To Client-Focused North American Dealer

### 2000-2004 – Foundation for Growth

- Acquisition of Newcrest Capital (2000)

### 2005-2010 – Client-focused Dealer

- Strategically exited select businesses (structured products, non-franchise credit, proprietary trading)

### 2011-2017 – Building in the U.S.

- Partnering with TD Bank, America's Most Convenient Bank® to expand U.S. presence (2012)
- Achieved Primary Dealer status in the U.S.<sup>33</sup> (2014)
- Expanded product offering to U.S. clients and grew our energy sector presence in Houston (2015-2016)
- Acquired Albert Fried & Company, a New York-based broker-dealer (2017)

### Integrated North American dealer franchise with global reach

- Broadened global market access to clients by opening offices in Tokyo and Boston (2018)
- Expanded U.S. real estate banking franchise with addition of Kimberlite Group advisory team (2020)
- Acquired Headlands Tech Global Markets' electronic fixed income trading business (2021)
- Completed acquisition of Cowen (2023)

# Forward Focused

## First Horizon Acquisition Update



### First Horizon Accelerates TD's U.S. Retail Bank Growth Strategy

#### Progress to Date

- Extended merger agreement to May 27, 2023
- Announced Community Benefits Plans to provide US\$50 billion of investment, lending, philanthropic and other activities to targeted communities within the Bank's new and existing footprint effective upon the closing of the transaction
- Integration Management Office has defined integration and conversion roadmap, as well as Target-State design
- Confirmed approach to primarily migrate to TD systems
- Reaffirmed confidence in ability to execute on cost synergies

#### Next Steps

- Continuing to engage with regulators on applications
- Continuing conversion planning and developing end-state strategies for integration across all lines of business and corporate functions
- Continuing to engage with and communicate with First Horizon employees and internally on deal closing, integration and conversion progression
- Discussions with First Horizon about a potential further extension

# Forward Focused



Shaping the future of banking



Exclusive strategic relationship with  
CanadaVisa



Ranked 1st in the 2023 Globe and  
Mail digital brokerage ranking



Financial Advisor to GIC and Dream  
Industrial REIT on acquisition of Summit  
Industrial Income REIT



20-year extension of agreement  
with Delaware North



Several TDAM ETFs and mutual funds  
recognized with FundGrade A+ Awards<sup>34</sup>



Joint bookrunner on GOC's \$500MM  
Ukraine Sovereignty Bond

**TD Cowen**  
a division of TD Securities

Closed TD's acquisition of Cowen

# Connected Experiences

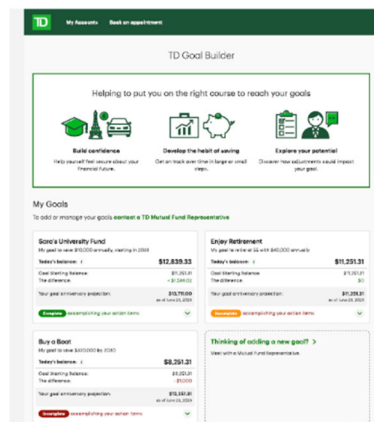


## Consistent Strategy

### How we compete:

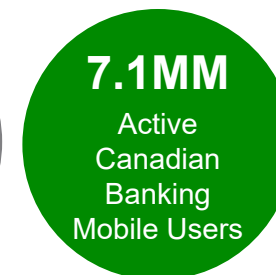
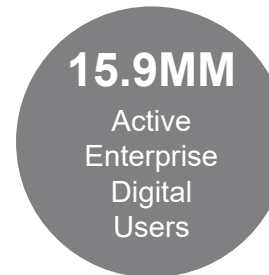
- Enabling seamless interactions between customers and the entire organization
- Leveraging our industry-leading Design Practice and Innovation Centre of Excellence to create rich experiences for our customers and colleagues.
- Empowering colleagues with digital capabilities to interact confidently with customers while creating enterprise value
- Evolving platforms to be more agile in meeting and exceeding our customers' expectations

## Quarterly Digital Enhancements



Launched TD Goal Builder in Canada, a goal planning platform that enables personalized advice and recommendations based on a customer's unique needs and goals. With this new capability, customers can work with an advisor to set and manage goals and keep track of them via the Advisor Tool or on EasyWeb. The TD Goal Builder Dashboard, which has been deployed to EasyWeb, provides balances, ongoing tracking and monitoring of goals and action items, and modelling of simple goal changes for improved understanding of impacts.

## Q1 2023 Adoption and Recent Awards<sup>35</sup>



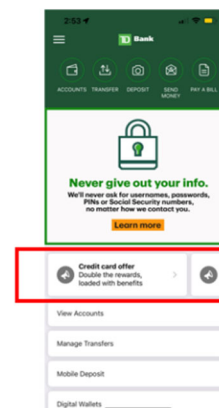
**Best Consumer Digital Bank in North America**  
Global Finance, 2022



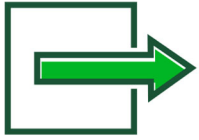
**Model Bank Award for Customer Engagement**  
Celent, 2022



**Outstanding Innovation in Mobile Banking & Most Innovative Bank in North America**  
Global Finance, 2022



TD's Innovation Centre of Excellence launched proactive next generation insights across US channels that are based on a single, or combination of account and customer behavioral outcomes. For example, a customer who browsed the Card Product Landing Page in the past 28 days would receive a prompt for a Credit Card account opening or a customer who initiated a deposit and withdrawal after a sustained period of inactivity would receive a prompt for direct deposit.



# Forward Focused: Digital Adoption

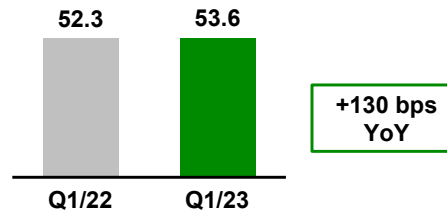
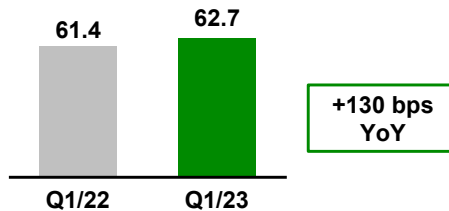


## Canadian P&C<sup>36</sup>

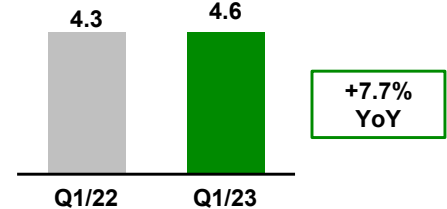
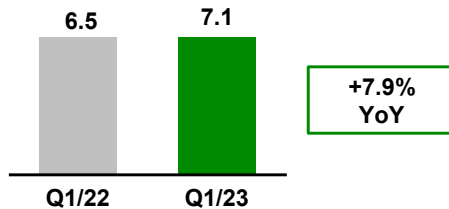
## U.S. Retail<sup>36</sup>

## Innovating for our Customers

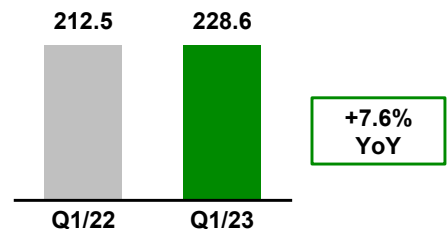
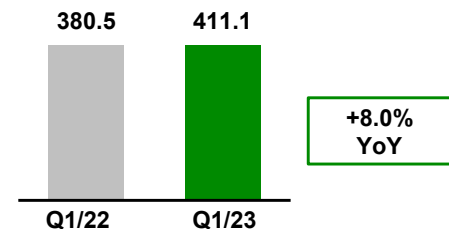
### Digital Adoption (% of total customers)<sup>37</sup>



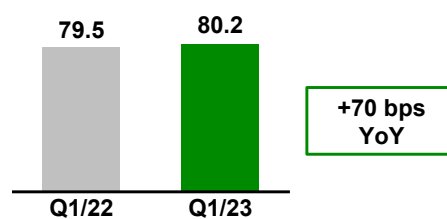
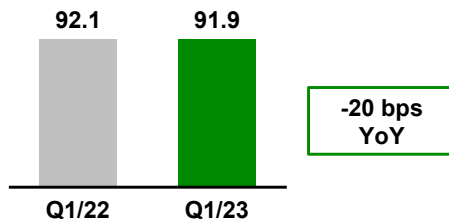
### Mobile Users (millions)<sup>12</sup>



### Mobile Sessions (millions)<sup>38</sup>



### Self-Serve Transactions (as % of all financial transactions)<sup>39</sup>



- Launched **TD Goal Builder**, a goal planning platform that enables personalized advice and recommendations based on customer needs and goals.
- Innovating with a new **North American dynamic digital personalization strategy** with personalized actionable insights intended to help customers with their everyday financial situations.
- Highest number of monthly active mobile users among Canadian banks on the **TD Mobile App** for the ninth consecutive year according to data.ai.
- Recently joined the **Low Carbon Patent Pledge** in support of the World Economic Forum to demonstrate the role of technology and innovation in the pursuit of sustainability and net-zero goals, contributing 12 Internet of Things patents.
- TD Equity Resource Hub** recognized by The Business Intelligence Group for inclusive innovation at their 2023 Innovation Awards.



# Purpose Driven



Centered on our vision, purpose and shared commitments

Member of  
**Dow Jones  
Sustainability Indices**



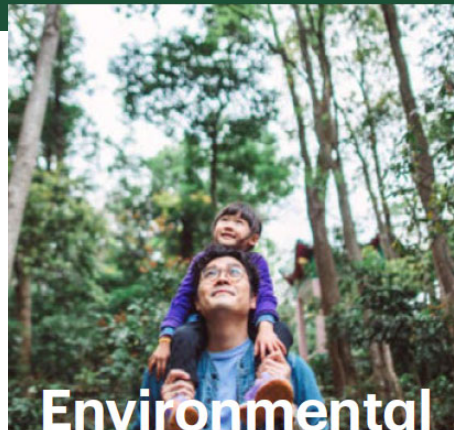
Powered by the S&P Global CSA

TD **READY**  
COMMITMENT



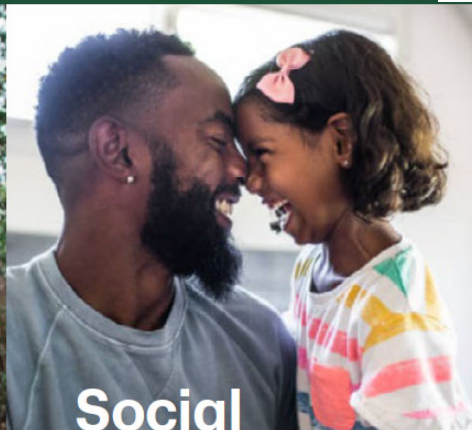
# Our Strategy

**Our Environmental, Social and Governance strategy** reflects the commitments we make and is represented by the actions we take together to drive progress. It is embedded in our proven business model, guided by our purpose and inspired by our forward focus. The TD Ready Commitment accelerates and amplifies our collective actions in the communities we serve.



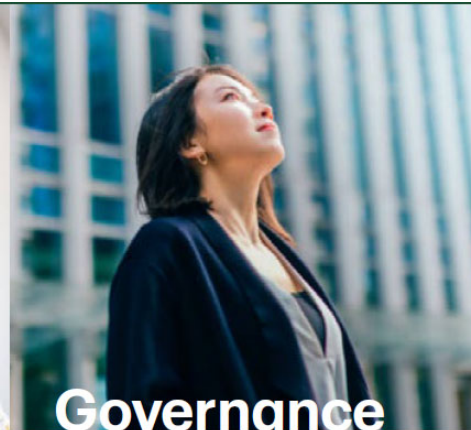
## Environmental

Support climate goals and create a more vibrant planet through our collective actions and sustainable financial products, services and programs



## Social

Provide equitable access to financial products, services and information, and contribute to more inclusive economic outcomes



## Governance

Build enterprise resilience through ESG integration

Working together, toward an inclusive and sustainable future



# Purpose Driven

## ESG Highlights



### Environment

- Developed a customized methodology for setting Scope 3 financed emissions targets and set 2030 Scope 3 targets for the Energy and Power Generation sectors
- Aim to hold \$15 - \$20 billion in green, social, sustainability and pandemic bonds in our Treasury investment portfolio by the end of 2025
- Was Co-Structuring Adviser and a Joint Lead Manager on the Government of Canada's inaugural \$5 billion green bond issuance
- As at the end of 2021, achieved over \$86 million of our \$100 billion low-carbon economy target in the last four years

### Social

- Agreed to conduct a racial-equity assessment of its Canadian and U.S. employment policies
- Made a broader and longer-term commitment to increase women in roles VP and above to 45% by end of 2025
- In 2020, set a target to double the representation of Black executives by the end of 2022 and increase Black, Indigenous Peoples and minority community representation at VP+ levels by 2025
- Launched TD Home Access Mortgage, a new product designed to increase homeownership opportunities in Black and Hispanic communities across several markets in within the Bank's footprint in the US

### Governance

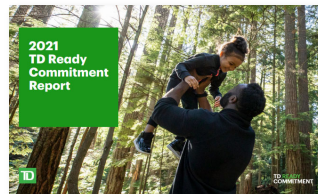
- Established the ESG Centre of Expertise to coordinate and streamline efforts
- Introduced regular ESG education sessions with our Board of Directors and Senior Executive Team (SET)
- Incorporated ESG metrics into the SET compensation plan
- Developed a climate risk inventory to help identify the impacts of climate change
- Developed a heatmapping framework to support climate risk identification and assessment
- Established an ESG Credit Risk team to overlay ESG and climate change-related risks on TD's credit portfolio

### Q1 2023

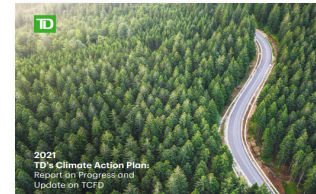
- Recognized on the Dow Jones Sustainability Index World Index for the 9<sup>th</sup> consecutive year, and was the only North American-based bank included in the World Index
- Invested \$5 million in Citizens Trust Bank, a Minority Depository Institution, to help expand opportunities for minority-owned businesses
- Recognized with a "Top 10% S&P Global ESG Score" in the 2023 S&P Global Sustainability Yearbook; the only North American bank to be listed in the top 10%
- Together with AFOA Canada, a not-for-profit led by Indigenous Peoples, launched the TD Scholarship for Indigenous Peoples



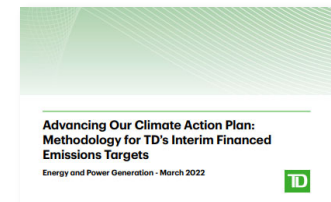
[2021 ESG Report](#)



[2021 TD Ready Commitment Report](#)



[2021 Climate Action Report](#)



[Financed Emissions Methodology](#)

# TD Bank Group

## Key Themes



1

### Top 10 North American Bank

6<sup>th</sup> largest bank by Total Assets<sup>1</sup>

5<sup>th</sup> largest bank by Market Cap<sup>1</sup>

2

### Q1 2023 Financial Results

For the three months ended January 31, 2023

3

### Proven Performance, Future Growth Opportunities

Delivering **solid** long-term shareholder returns<sup>2</sup>

4

### Strong Balance Sheet and Capital Position

Highly **rated** by major credit rating agencies<sup>3</sup>

# Q1 2023 Highlights

## Strong performance



### EPS of \$0.82, down 59% YoY

- Reported EPS includes the Stanford litigation settlement<sup>40</sup>, a net loss from mitigation of impact from interest rate volatility to closing capital on First Horizon acquisition<sup>41</sup>, and provision for income taxes in connection with Canada Recovery Dividend ("CRD") and increase in the Canadian federal tax rate for fiscal 2022<sup>42</sup>
- Adjusted<sup>20</sup> EPS of \$2.23, up 7% YoY

### Revenue up 8% YoY (Adj<sup>20</sup> up 16% YoY)

- Margin and volume growth in personal and commercial banking businesses and impact of FX

### PCL of \$690MM

### Expenses up 39% YoY (incl. US Strategic Card Portfolio ("SCP") partners' share)

- Reported expenses include the Stanford litigation settlement<sup>40</sup> and higher acquisition and integration-related charges
- Adjusted<sup>20</sup> expenses increased 10.4% excluding the impact of SCP accounting and FX<sup>43</sup>
- Higher employee-related expenses, impact of FX and higher spend supporting business growth

### P&L (\$MM)

Reported	Q1/23	QoQ	YoY
Revenue	12,226	(21%)	8%
PCL	690	+\$73	+\$618
Expenses	8,316	27%	39%
Net Income	1,582	(76%)	(58%)
Diluted EPS (\$)	0.82	(77%)	(59%)
Adjusted <sup>20</sup>	Q1/23	QoQ	YoY
Revenue	13,102	7%	16%
Expenses	6,541	2%	11%
Net Income	4,155	2%	8%
Diluted EPS (\$)	2.23	2%	7%

# Canadian Personal & Commercial Banking



Strong quarter with record earnings from continued growth momentum

**Net income up 7% YoY**

**Revenue up 17% YoY**

- Higher margins and volume growth
  - Loan volumes up 8%
  - Deposit volumes up 3%

**NIM<sup>20,44</sup> of 2.80%**

- Up 10 bps QoQ: higher deposit margins reflecting rising interest rates, partially offset by lower loan margins

**PCL of \$327MM**

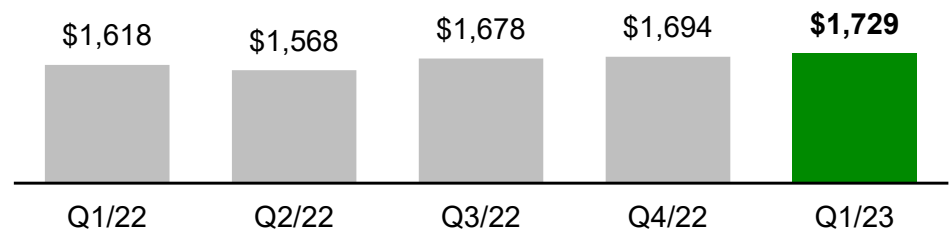
**Expenses up 10% YoY**

- Higher spend supporting business growth, including technology and employee-related expenses
- Efficiency ratio<sup>8</sup> of 40.6%

## P&L (\$MM)

Reported	Q1/23	QoQ	YoY
Revenue	4,589	3%	17%
PCL	327	+\$98	+\$295
Impaired	220	+\$36	+\$70
Performing	107	+\$62	+\$225
Expenses	1,863	(3%)	10%
Net Income	1,729	2%	7%
ROE <sup>8</sup>	39.9%	-200 bps	-310 bps

## Earnings (\$MM)





# U.S. Retail



Strong quarter with record earnings from continued growth momentum

**Net income up 17% YoY (Adj<sup>20</sup> up 23% YoY)**

**Revenue up 27% YoY**

- Higher deposit margins and loan volumes, partially offset by lower loan margins and deposit volumes, lower overdraft fees, and lower income from PPP
  - Personal loans up 11%
  - Business loans up 6%, or up 9% ex-PPP loans
  - Deposits down 7%, or down 2% excl. sweeps

**NIM<sup>20,45</sup> of 3.29%**

- Up 16 bps QoQ: higher deposit margins reflecting rising interest rates, partially offset by lower loan margins and negative balance sheet mix

**PCL of \$149MM**

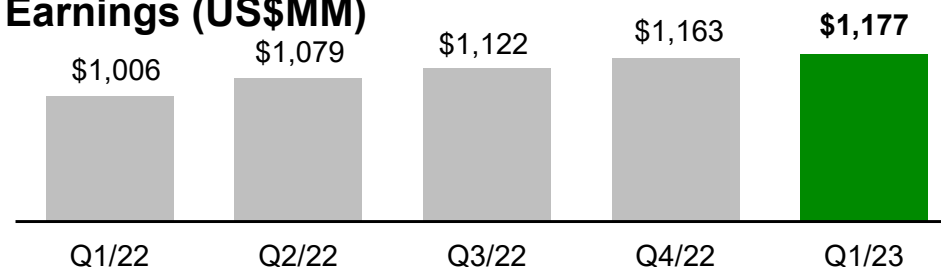
**Expenses up 22% YoY (Adj<sup>20</sup> up 16% YoY)**

- Reported expenses include acquisition / integration-related costs for First Horizon<sup>46</sup>
- Higher employee-related expenses, credit card growth-related expenses and other business investments
- Reported and adjusted efficiency ratios of 55.0% and 52.2% respectively

## P&L (US\$MM) (except where noted)

Reported	Q1/23	QoQ	YoY
<b>Revenue</b>	2,791	3%	27%
<b>PCL</b>	149	(\$20)	+\$132
<i>Impaired</i>	158	+\$33	+\$59
<i>Performing</i>	(9)	(\$53)	+\$73
<b>Expenses</b>	1,535	4%	22%
<b>U.S. Retail Bank Net Income</b>	<b>955</b>	<b>3%</b>	<b>18%</b>
<b>Schwab Equity Pickup</b>	222	(6%)	11%
<b>Net Income incl. Schwab</b>	<b>1,177</b>	<b>1%</b>	<b>17%</b>
<b>Net Income incl. Schwab (c\$MM)</b>	1,589	3%	25%
<b>ROE</b>	15.5%	+10 bps	+290 bps
Adjusted <sup>20</sup>	Q1/23	QoQ	YoY
<b>Expenses</b>	1,457	2%	16%
<b>U.S. Retail Bank Net Income</b>	<b>1,014</b>	<b>5%</b>	<b>26%</b>
<b>Net Income incl. Schwab</b>	<b>1,236</b>	<b>3%</b>	<b>23%</b>
<b>Net Income incl. Schwab (c\$MM)</b>	1,669	5%	31%
<b>ROE</b>	16.3%	+50 bps	+370 bps

## Earnings (US\$MM)



# Wealth Management & Insurance

Solid performance amid challenging market conditions



## Net income down 14% YoY

## Revenue up 4% YoY

- Higher margins, an increase in fair value of investments supporting claims liabilities and higher insurance volumes, partially offset by lower volumes and transaction and fee-based revenue in wealth

## Claims up 29% YoY

- Changes in the discount rate, increased driving activity and inflationary costs, partially offset by fewer severe weather-related events

## Expenses flat YoY

- Higher spend supporting business growth, partially offset by lower variable compensation
- Efficiency ratio of 40.7%

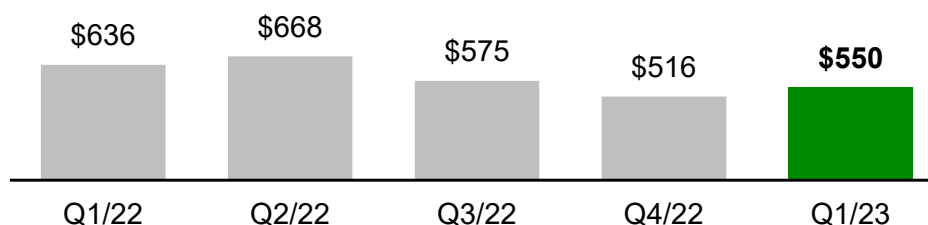
## AUM down 3% YoY, AUA<sup>7</sup> down 3% YoY

- AUM: Market depreciation
- AUA: Market depreciation, partially offset by net asset growth

## P&L (\$MM)

Reported	Q1/23	QoQ	YoY
Revenue	2,902	10%	4%
Insurance Claims	976	35%	29%
Expenses	1,182	(2%)	0%
Net Income	550	7%	(14%)
ROE	41.3%	180 bps	-890 bps
AUM (\$B)	414	4%	(3%)
AUA (\$B) <sup>7</sup>	541	5%	(3%)

## Earnings (\$MM)



# Wholesale Banking

Performance reflects strength of diversified business model



**Net income down 24% YoY (Adj<sup>20</sup> down 20% YoY)**

**Revenue largely unchanged YoY**

- Lower trading-related revenue and underwriting fees, offset by higher global transaction banking and lending revenue

**PCL of \$32MM**

**Expenses up 16% YoY (Adj<sup>20</sup> up 13% YoY)**

- Reported expenses include acquisition and integration-related charges primarily for Cowen acquisition<sup>48</sup>
- Continued investments in Wholesale Banking's U.S. dollar strategy (incl. hiring of banking, sales and trading, and technology professionals), higher severance and impact of FX

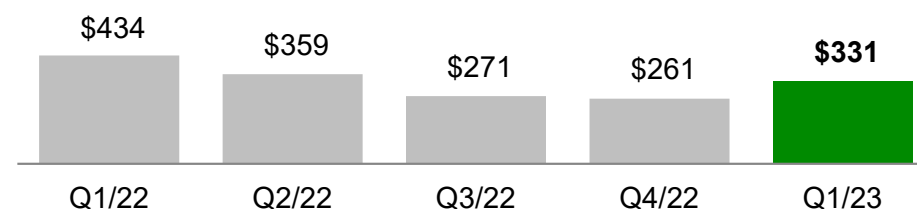
## P&L (\$MM)

Reported	Q1/23	QoQ	YoY
<b>Revenue</b>	1,345	16%	0%
Trading-related revenue (TEB) <sup>8,47</sup>	662	18%	(9%)
<b>PCL</b>	32	+\$6	+\$37
<b>Expenses</b>	883	10%	16%
<b>Net Income</b>	<b>331</b>	<b>27%</b>	<b>(24%)</b>
<b>ROE</b>	9.4%	+120 bps	-680 bps
Adjusted <sup>20</sup>	Q1/23	QoQ	YoY
<b>Expenses<sup>48</sup></b>	862	10%	13%
<b>Net Income</b>	<b>347</b>	<b>26%</b>	<b>(20%)</b>
<b>ROE</b>	9.9%	+130 bps	-630 bps

## Line of Business Revenues (\$MM)

Reported	Q1/23	QoQ	YoY
<b>Global Markets</b>	743	12%	(18%)
<b>Corporate and Investment Banking</b>	615	30%	37%
<b>Other</b>	(13)	(157%)	117%

## Earnings (\$MM)



# Capital<sup>49</sup>

Strong capital and liquidity management supporting future growth



## Common Equity Tier 1 ratio of 15.5%

- Increase in RWA (net of FX)<sup>50</sup> of (62) bps due to:
  - Higher volumes (26) bps
  - Asset quality reflecting further credit normalization and parameter updates (21) bps and
  - Methodology changes in preparation for Basel 3 reforms (15) bps

## Risk-Weighted Assets up 2.8% QoQ

## Leverage Ratio of 4.8%

## Liquidity Coverage Ratio of 141%

Common Equity Tier 1 Ratio	
<b>Q4 2022 CET 1 Ratio</b>	<b>16.2%</b>
Internal capital generation	42
Increase in RWA (net of FX) <sup>50</sup>	(62)
Increase in Common Shares from Dividend Reinvestment Plan	14
Mitigation of impact from interest rate volatility to closing capital on First Horizon acquisition	(13)
FX hedge on First Horizon closing	(6)
Canada Recovery Dividend impact	(16)
Elimination of transitional arrangement for expected credit losses	(8)
Stanford litigation settlement	(23)
Other	3
<b>Q1 2023 CET 1 Ratio</b>	<b>15.5%</b>
Risk-Weighted Assets (\$B)	
<b>Q4 2022 RWA</b>	<b>\$517</b>
Credit Risk	+16.8
Market Risk	-3.4
Operational Risk	+1.2
<b>Q1 2023 RWA</b>	<b>\$532</b>

# Gross Lending Portfolio Includes B/As



## Period-End Balances (\$B unless otherwise noted)

	Q4/22	Q1/23
<b>Canadian Personal &amp; Commercial Portfolio</b>	<b>520.0</b>	<b>521.5</b>
<b>Personal</b>	<b>414.6</b>	<b>413.5</b>
Residential Mortgages	244.9	244.5
Home Equity Lines of Credit (HELOC)	113.7	113.3
Indirect Auto	27.2	27.2
Credit Cards	17.4	17.2
Other Personal	11.4	11.3
<i>Unsecured Lines of Credit</i>	9.2	9.2
<b>Commercial Banking (including Small Business Banking)</b>	<b>105.4</b>	<b>108.0</b>
<b>U.S. Retail Portfolio (all amounts in US\$)</b>	<b>US\$ 172.0</b>	<b>177.3</b>
<b>Personal</b>	<b>US\$ 83.3</b>	<b>85.3</b>
Residential Mortgages	35.0	36.4
Home Equity Lines of Credit (HELOC) <sup>51</sup>	7.3	7.4
Indirect Auto	26.7	26.8
Credit Cards	13.7	14.1
Other Personal	0.6	0.6
<b>Commercial Banking</b>	<b>US\$ 88.7</b>	<b>92.0</b>
Non-residential Real Estate	18.2	19.5
Residential Real Estate	7.6	7.8
Commercial & Industrial (C&I)	62.9	64.7
<b>FX on U.S. Personal &amp; Commercial Portfolio</b>	<b>62.2</b>	<b>58.6</b>
<b>U.S. Retail Portfolio (\$)</b>	<b>234.2</b>	<b>235.9</b>
<b>Wealth Management &amp; Insurance Portfolio</b>	<b>7.9</b>	<b>7.6</b>
<b>Wholesale Portfolio</b>	<b>95.4</b>	<b>97.4</b>
<b>Other<sup>52</sup></b>	<b>2.1</b>	<b>2.7</b>
<b>Total<sup>53</sup></b>	<b>859.6</b>	<b>865.1</b>

# Provision for Credit Losses (PCL)

## By Business Segment

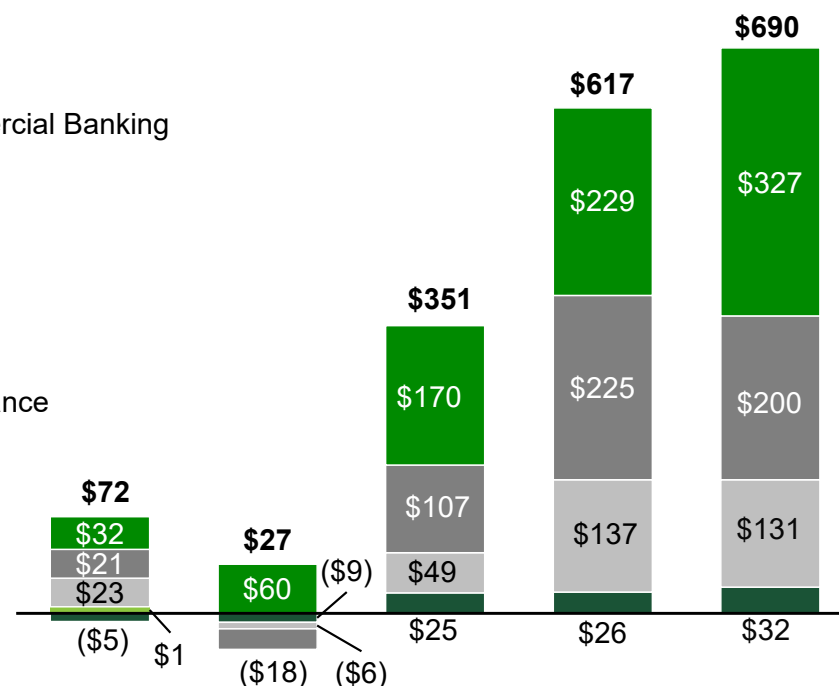


### Highlights

- PCL quarter-over-quarter increase largely recorded in Canadian Personal & Commercial Banking

### PCL<sup>54</sup>: \$MM and Ratios<sup>55</sup>

- Canadian Personal & Commercial Banking
- U.S. Retail
- Corporate
- Wholesale Banking
- Wealth Management & Insurance



PCL Ratio (bps)	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23
Canadian Personal & Commercial Banking	3	5	13	17	25
U.S. Retail (net) <sup>56</sup>	4	(4)	20	40	34
U.S. Retail & Corporate (gross) <sup>57</sup>	9	(5)	30	64	57
Wholesale Banking	(3)	(6)	13	12	13
<b>Total Bank</b>	<b>4</b>	<b>1</b>	<b>17</b>	<b>29</b>	<b>32</b>



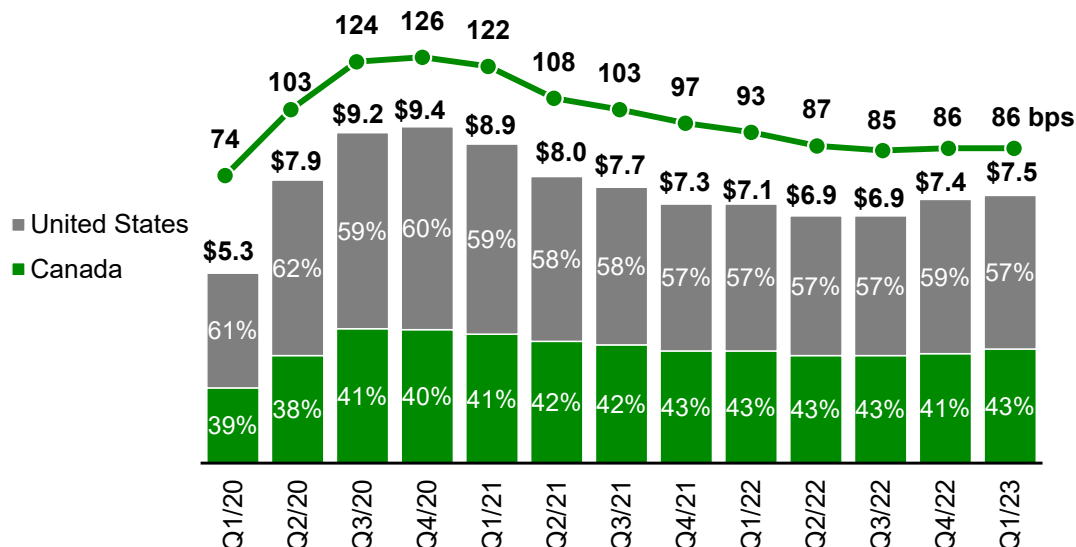
# Allowance for Credit Losses (ACL)



## Highlights

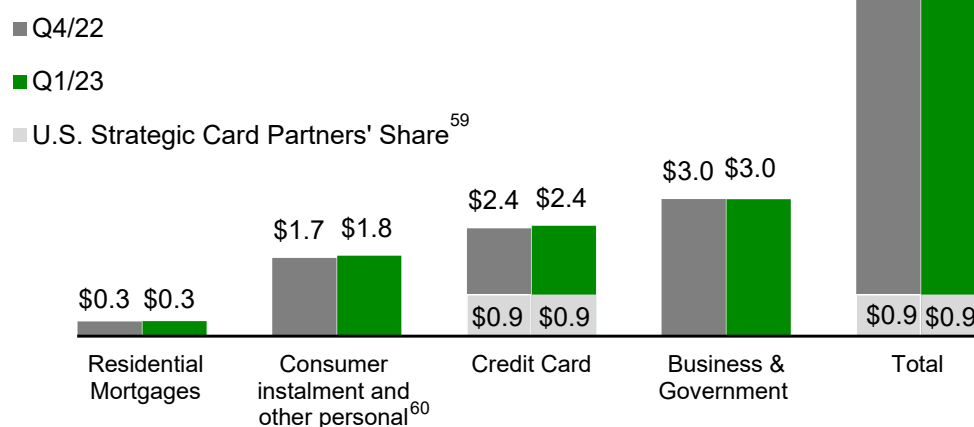
- ACL remained stable quarter-over-quarter, related to:
  - Volume growth
  - Credit conditions, including some deterioration in the economic outlook
  - Partially offset by
    - The impact of foreign exchange

ACL<sup>54</sup>: \$B and Coverage Ratios<sup>58</sup>



- The Bank's allowance coverage remains elevated to account for ongoing uncertainty that could affect:
  - The economic trajectory, and
  - Credit performance

ACL<sup>54</sup> by Asset Type: \$B



Performing (\$B)	0.27	0.28	1.6	1.6	2.1	2.2	2.6	2.6	6.6	6.7
Impaired (\$B)	0.06	0.05	0.2	0.2	0.2	0.2	0.3	0.4	0.8	0.8
Ratio <sup>58</sup> (bps)	11	11	83	86	653	670	92	91	86	86

# TD Bank Group

## Key Themes



1

### Top 10 North American Bank

6<sup>th</sup> largest bank by Total Assets<sup>1</sup>

5<sup>th</sup> largest bank by Market Cap<sup>1</sup>

2

### Q1 2023 Financial Results

For the three months ended January 31, 2023

3

### Proven Performance, Future Growth Opportunities

Delivering **solid** long-term shareholder returns<sup>2</sup>

4

### Strong Balance Sheet and Capital Position

Highly **rated** by major credit rating agencies<sup>3</sup>

# Consistent Earnings Growth



## Reported Earnings (C\$MM)<sup>61</sup>

### 5-year CAGR<sup>62</sup>

Reported Earnings: 10.6% (7.8% adjusted<sup>20</sup>)

Reported EPS: 11.5% (8.6% adjusted<sup>20</sup>)

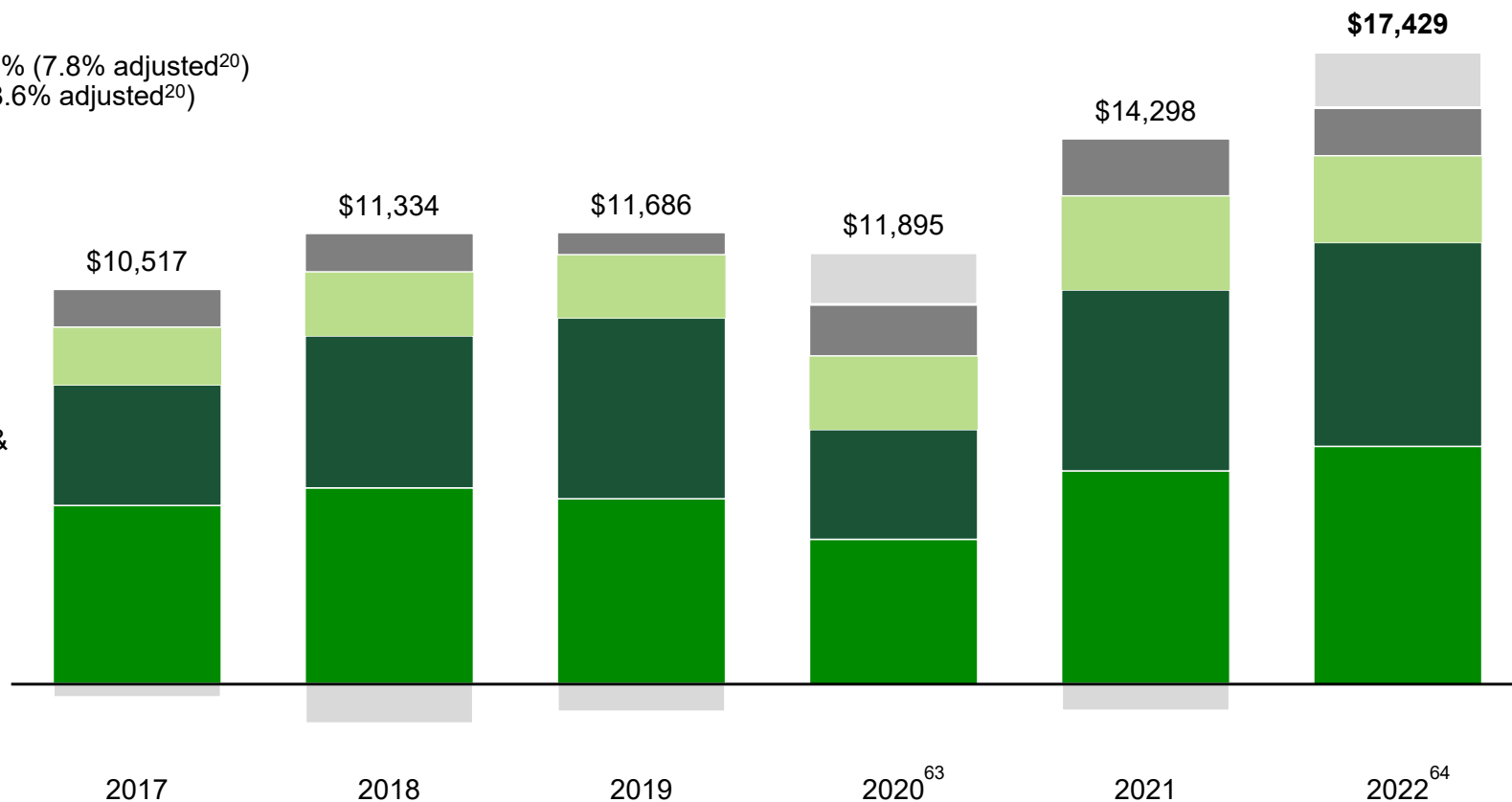
■ Corporate

■ Wholesale Banking

■ Wealth Management & Insurance

■ U.S. Retail

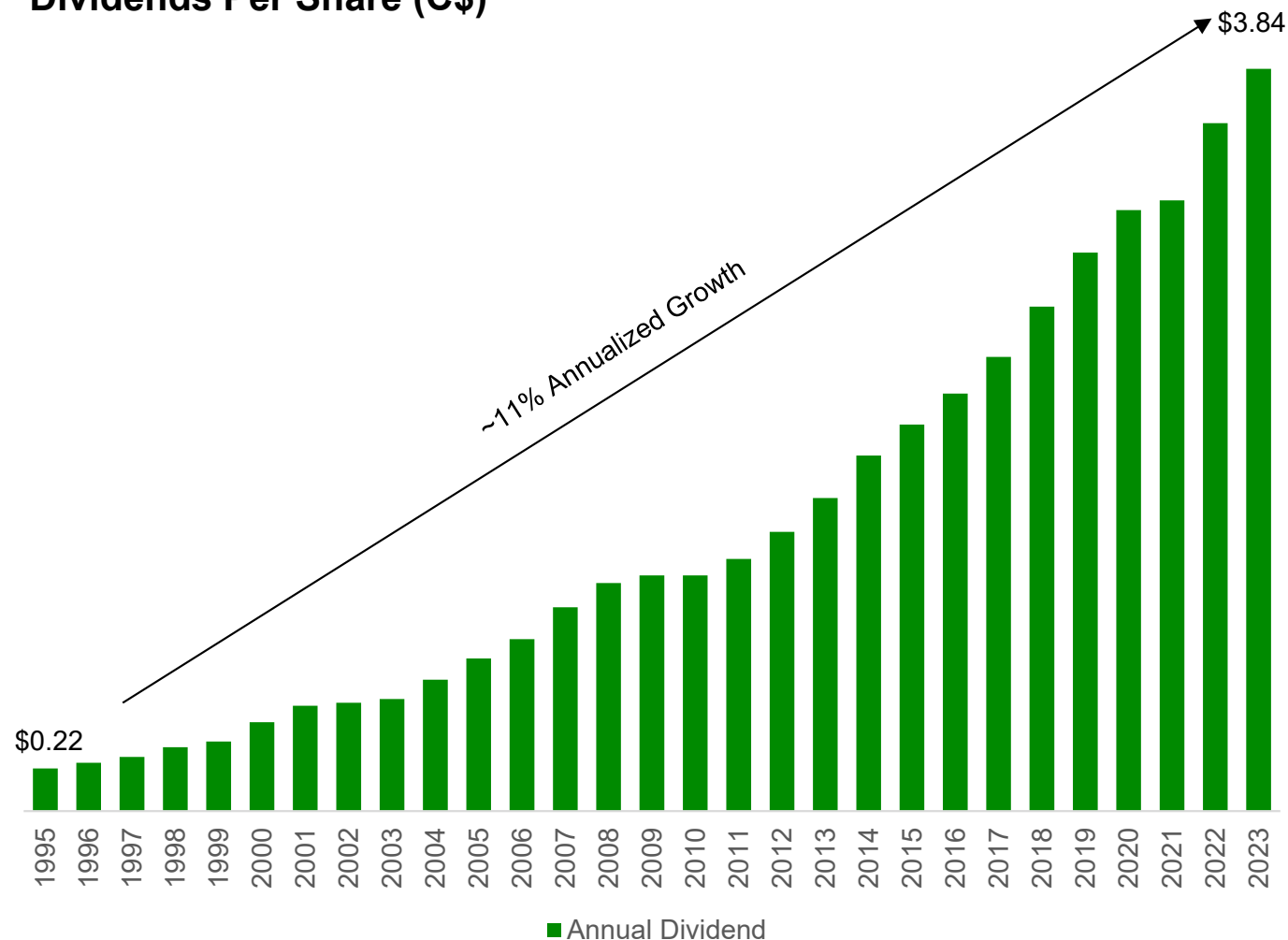
■ Canadian Personal & Commercial Banking



# Strong, Consistent Dividend History



Dividends Per Share (C\$)



**166-year** continuous dividend history

**Dividend yield:**  
4.3%<sup>8</sup>

**Exceed Target  
payout range:**  
40%-50%

# Solid Total Shareholder Returns<sup>65</sup>



	TD Bank Group	Canadian Ranking <sup>23</sup>	North American Ranking <sup>24</sup>
One-Year	(5.7%)	3 <sup>rd</sup>	5 <sup>th</sup>
Three-Year	12.7%	3 <sup>rd</sup>	4 <sup>th</sup>
Five-Year	8.6%	3 <sup>rd</sup>	4 <sup>th</sup>
Ten-Year	12.5%	1 <sup>st</sup>	5 <sup>th</sup>

# Canadian Personal & Commercial Banking



## Consistent Strategy

### How we compete:

- Legendary personal connected customer service
- Focus on underrepresented products and markets
- The power of One TD
- Winning culture and team



**Highest in Dealer Satisfaction among Non-Captive Lenders with Retail Credit for the 5<sup>th</sup> year in a row**

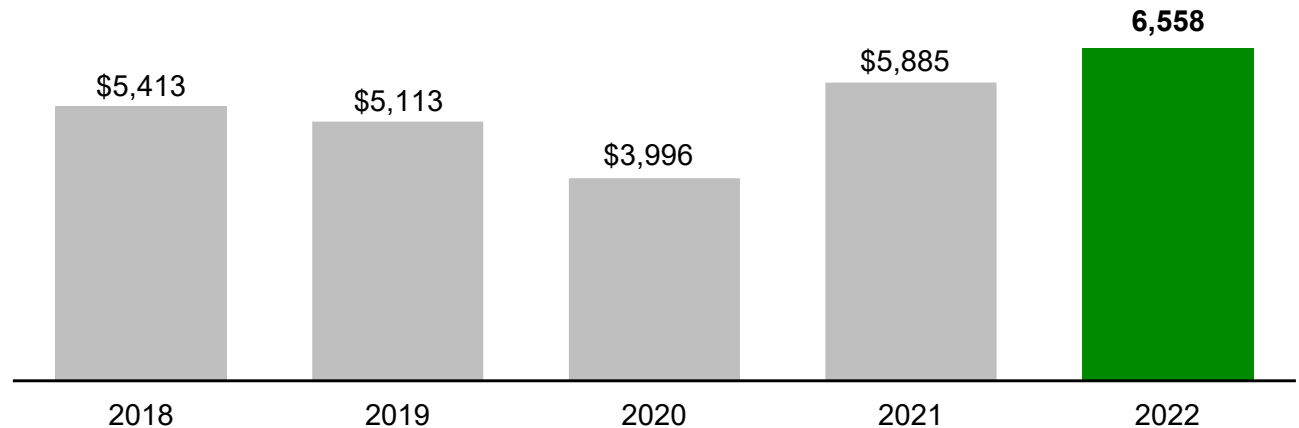
J.D. Power 2022 Canada Dealer Financing Satisfaction Study<sup>66</sup>



**TD Canada Trust #1 in Customer Satisfaction with Small Business Banking**

J.D. Power 2022 Canada Small Business Banking Customer Satisfaction Study<sup>67</sup>

## Net Income (C\$MM)



## Q1 2023 Highlights

<b>Total Deposits</b>	C\$441B	<b>Branches</b>	1,060
<b>Total Loans</b>	C\$524B	<b>ATMs<sup>11</sup></b>	3,399
<b>Earnings<sup>9</sup></b>	C\$6.7B		
<b>Employees<sup>10</sup></b>	28,803		
<b>Customers</b>	~15MM		
<b>Mobile Users<sup>12</sup></b>	7.1MM		



# Canadian Personal & Commercial Banking



## Personal Banking

- #1 or #2 market share in most retail products<sup>15</sup>
- Canadian **branch network** continues to lead the market in total hours open, while also offering customers the option of virtual and phone appointments in order to meet with our branch advisors remotely
- **#1 in Canadian digital banking apps** with the highest number of average smartphone monthly active users (MAUs) in Canada according to data.ai<sup>68</sup>
- **#1 for average digital reach** of any bank in Canada, and amongst one of the leaders for domestic digital reach among major developed market banks, according to Comscore<sup>69</sup>
- TD is the leading Canadian bank for web-traffic based on monthly unique visitors, total monthly visits, and unique visitors<sup>70</sup>

## Credit Cards

- Dual card issuer of high value brands, including **TD First Class Visa** and **TD Aeroplan Visa**, and **MBNA** World Elite Mastercard
- Successful partnership with **Amazon** on co-brand card and first Canadian bank to launch Amazon Shop with Points
- North American operational scale and professional expertise

## Business Banking

- Customized Commercial Banking financing solutions with specialty groups in Auto Finance, Equipment Finance, Real Estate and Agriculture
- TD Auto Finance ranked “Highest in Dealer Satisfaction among Non-Captive Lenders with Retail Credit”<sup>66</sup> for the fifth year in a row in the J.D. Power 2022 Canada Dealer Financing Satisfaction Study
- J.D. Power ranked TD Bank “Highest in Small Business Banking Customer Satisfaction” among the Big 5 Canadian Banks<sup>67</sup>

# U.S. Retail



## Consistent Strategy

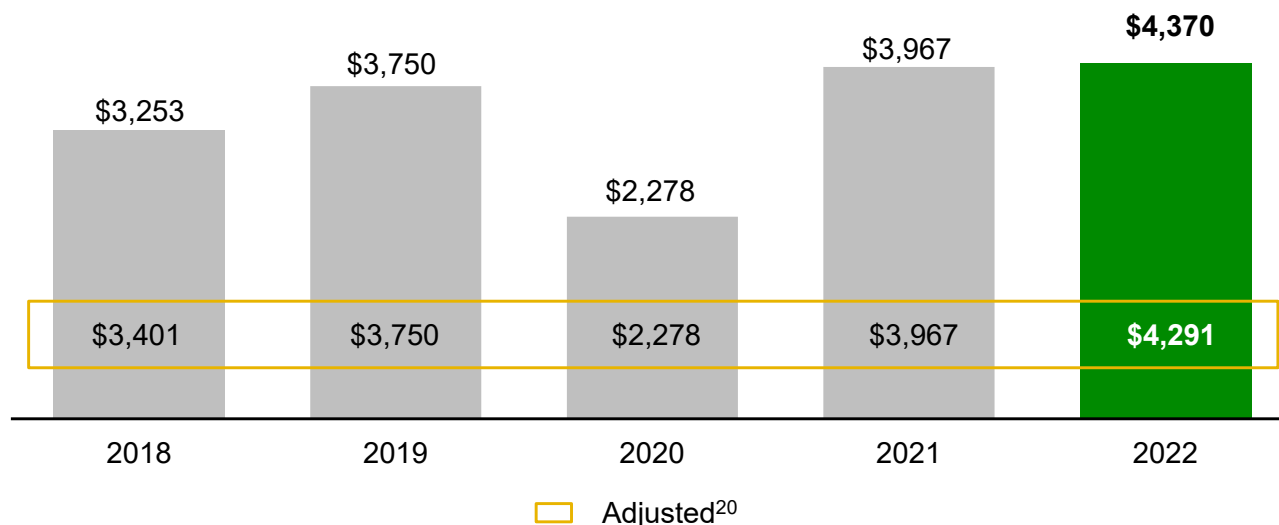
### How we compete:

- Transform Distribution
- Drive Leading Customer Acquisition and Engagement
- Build a National Commercial Bank
- Scale & Evolve our Cards Franchise
- Enable Wealth Offering Across TD Bank, America's Most Convenient Bank®
- Enable World Class Residential Mortgage Business



TD Auto Finance ranked  
"Highest in Dealer  
Satisfaction among  
National Non-Captive  
Lenders with Prime  
Credit,"  
J.D. Power 2022 US Dealer  
Financing Satisfaction Study<sup>71</sup>

## Reported Net Income (US\$MM)



## Q1 2023 Highlights

<b>Total Deposits<sup>72</sup></b>	C\$488B	US\$362B	<b>Employees<sup>10</sup></b>	27,694
<b>Total Loans<sup>72</sup></b>	C\$237B	US\$175B	<b>Customers</b>	9.9MM
<b>Assets Under Administration</b>	C\$46B	US\$35B	<b>Mobile Users<sup>12</sup></b>	4.6MM
<b>Assets Under Management</b>	C\$47B	US\$35B	<b>Stores</b>	1,161
<b>Reported Earnings<sup>9</sup></b>	C\$5.9B	US\$4.5B	<b>ATMs<sup>11</sup></b>	2,688



# U.S. Retail

## Personal & Commercial Banking

- Top 10 bank<sup>28</sup> with over **9.9MM customers**, operating retail stores in 15 states and the District of Columbia
- Offer **online and mobile banking tools**; instant **debit card** issuance, mobile check-in available at stores, and **point of sale and payments** solutions for business, including direct integration with **Autobooks** to support online invoicing and payments or small business clients
- Enhanced the **TD Overdraft Relief program** on September 28, allowing customers to overdraw by up to US\$50 before incurring an overdraft fee; providing 24 hours to cure and avoid a fee for those who overdraw by more than US\$50; eliminating all overdraft transfer fees for customers using the savings overdraft protection service; and implemented an approach of processing all credits before any debits
- Eliminated non-sufficient funds fees and gift card inactivity fees
- Launched **Balance Threshold Alerts** for consumer accounts on desktop and email in January 2023
- Announced **expanding presence in Charlotte, NC** with a plan to open 15 stores by 2025 including at least 25% of stores in minority or low-to-moderate income communities
- Ranked **#1** in total number of approved **U.S. Small Business Administration (SBA) loan** units in our Maine-to-Florida footprint for the sixth consecutive year in 2022

## Auto Lending

- Indirect retail lending through **dealers across the country and comprehensive solutions** for dealers, including floor plan, commercial banking and wealth management
- **Real-time payments** for the dealer network
- **TD Auto Finance** ranked “Highest in Dealer Satisfaction among Non-Captive Lenders with Prime Credit”<sup>71</sup> for the third year in a row in the J.D. Power 2022 U.S. Dealer Financing Satisfaction Study

## Credit Cards

- **Private label and co-brand credit card** offering for U.S. customers of regional and nationwide retail partners, including Target and Nordstrom
- Issuer of **TD branded credit cards for retail and small business customers**, including **Double Up**, a leading cash back offering that enables customers to earn 1% on purchases and a bonus 1% when points are redeemed as cash into a TD deposit account
- **Strategic Card Partnership** business has extended the partnership agreements with Target through 2030 and with Nordstrom through 2026

## Wealth

- Serve the wealth management needs of **Mass Affluent, High Net Worth and Institutional clients** through a network of store-based advisors across the TD AMCB footprint and robo-advisor (TD Automated Investing), robo/hybrid (TD Automated Investing Plus) solutions, and a Multi-custodial securities-based collateral lending platform
- **Advisor-led client discovery and goals-based planning**, offering banking, investment management, trust, estate planning and insurance and annuity products

## First Horizon

- Announced proposed **acquisition of First Horizon** on February 28, 2022, expanding TD AMCB into U.S. southeast; subject to closing conditions, including U.S. and Canadian regulatory approvals, which are not expected to be obtained by the outside date of May 27, 2023; in discussions about a potential further extension beyond May 27th.
- Announced **five-year Community Benefits Plan (CBP) on Feb. 15**, which will provide an estimated USD\$50 billion impact to diverse and underserved communities in all 22 states (and Washington, D.C.) where TD Bank will operate following the approval and close of the First Horizon acquisition.

# Wealth Management & Insurance

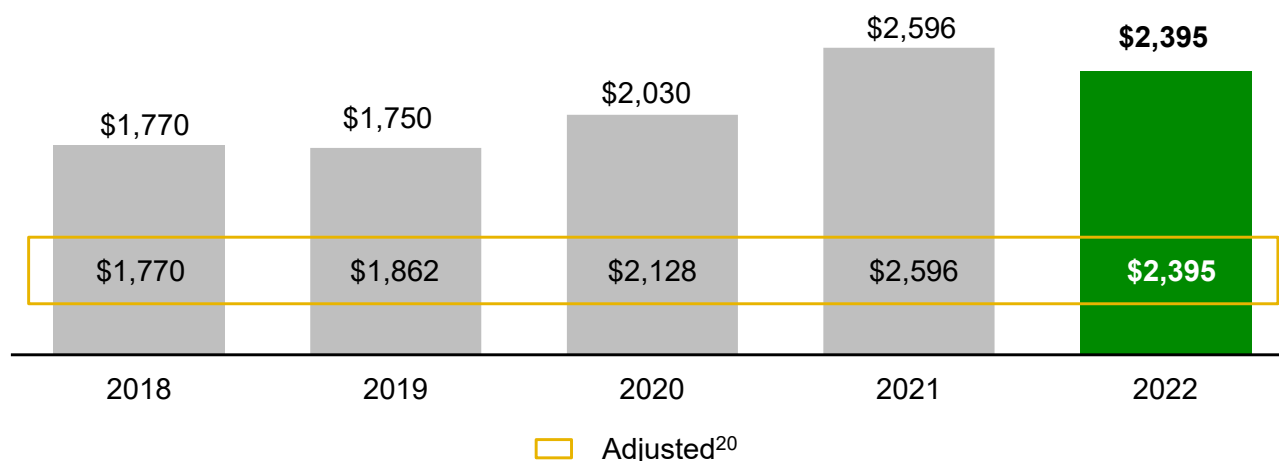


## Consistent Strategy

### How we compete:

- Provide trusted advice to help our customers feel confident about their financial future
- Deliver legendary customer experiences
- Grow and deepen customer relationships leveraging One TD
- Optimize processes to enable our colleagues to execute with speed and impact
- Foster a diverse and inclusive culture

## Reported Net Income (C\$MM)



### #1 Direct Investing Brokerage in Canada

2023 Globe and Mail digital brokerage ranking<sup>73</sup>

## Q1 2023 Highlights

Total Deposits <sup>74</sup>	C\$36B	Employees <sup>10</sup>	16,293
Total Loans <sup>74</sup>	C\$7B	Customers	~7MM
Assets Under Administration <sup>7</sup>	C\$541B		
Assets Under Management	C\$414B		
Insurance Premiums <sup>9</sup>	C\$5.4B		
Earnings <sup>9</sup>	C\$2.3B		

# Wealth Management and Insurance



## Wealth

- Offers wealth and asset management products and advice to retail and institutional clients in Canada through the **direct investing**, **advice-based**, and **asset management** businesses
- **TD Asset Management** is Canada's largest institutional money manager<sup>30</sup> and the #1 Canadian Pension Manager<sup>30</sup>
- Market leadership in **TD Direct Investing**, ranked #1 by assets, trades, number of accounts and revenue<sup>29</sup>
- **TD Asset Management** received **FundGrade A+ rating on 12 TDAM managed mutual funds and ETFs** for outstanding performance in 2022<sup>75</sup>
- **TD Direct Investing** was ranked #1 in the 2023 Globe and Mail digital brokerage ranking<sup>73</sup>

## Insurance

- **Personal lines** products in Canada, including Home & Auto, Life & Health, Creditor and Travel insurance
- **#1 direct distribution** personal lines insurer<sup>31</sup> and **leader in Affinity** market in Canada<sup>32</sup>
- **#3 position for personal lines market share**<sup>32</sup> in home and auto general insurance
- Strengthened TD Insurance's digital capabilities through new enhanced self-serve features, including online quote and bind, as well as coverage, billing and payment management online

# Wholesale Banking



## Consistent Strategy

### Our Strategic Objectives:

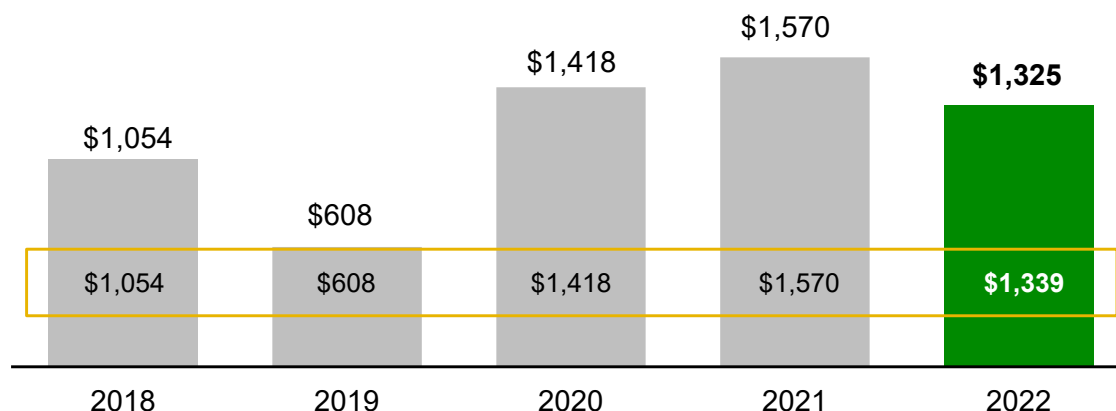
- Continue to build an integrated North American dealer franchise with global reach
  - In Canada, we will be the top-ranked investment dealer
  - In the U.S., we will deliver value and trusted advice in sectors where we have competitive expertise
  - In Europe and Asia-Pacific, we will leverage our global capabilities to build connected, sustainable franchises
  - Continue to grow with and support our TD partners
- Invest in an efficient and agile infrastructure, innovation and data capabilities, to support growth and adapt to industry and regulatory changes
- Be an extraordinary and inclusive place to work by attracting, developing, and retaining the best talent

### Awards:



- Named #1 Overall Canadian Fixed-Income Service Quality Leader in the 2022 Coalition Greenwich study for the 4th consecutive year
- Ranked #1 in Base Metals and #2 in Precious Metals in the 2022 Energy Risk Commodity Rankings
- Named Lead Manager of the Year for SSA Green Bonds in Environment Finance's 2022 Bond Awards
- Named Canadian FX Service Quality Leader for Corporates in the 2022 Coalition Greenwich Study for the 3rd consecutive year

## Reported Net Income (C\$MM)



## Q1 2023 Highlights

Average gross lending portfolio <sup>76</sup>	C\$96.9B
Trading-related revenue (TEB) <sup>9</sup>	C\$2.4B
Earnings <sup>9</sup>	C\$1.2B
Employees <sup>10</sup>	5,365

# Wholesale Banking



## Positioned for Growth

- Delivering client-focused Environmental, Social and Governance (ESG) advisory, thought leadership, and sustainable financing solutions to facilitate the transition to a low-carbon economy:
  - In Q1 2023, TD Securities acted as Joint Bookrunner on the **Government of Canada's** \$500 million Ukraine Sovereignty Bond, to assist the Government of Ukraine in providing essential services to Ukrainians and restoring energy infrastructure.
  - TD Securities acted as Joint Bookrunner on **Ontario Teachers' Finance Trust's** \$1 billion 10-year Green Bond.
- Continue to build an integrated North American dealer franchise with global reach:
  - On March 1, TD closed on the acquisition of **Cowen Inc.**, accelerating Wholesale Banking's U.S. growth strategy.
  - TD Securities acted as financial advisor to **GIC**, the Singapore sovereign wealth fund, and **Dream Industrial REIT** on their acquisition of Summit Industrial Income REIT.

## Strong Operating Model

- Drive innovation and build data and analytical capabilities to improve end-to-end process efficiency and enhance client value
- Continue to lower our cost structure to reflect reduced margins and volumes in parts of our business and create capacity for additional investments
- Maintain our focus on managing risk, capital, balance sheet, and liquidity

## Investing in Our People

- Continue to be an extraordinary place to work with a focus on inclusion and diversity



# TD Bank Group

## Key Themes



1

### Top 10 North American Bank

6<sup>th</sup> largest bank by Total Assets<sup>1</sup>

5<sup>th</sup> largest bank by Market Cap<sup>1</sup>

2

### Q1 2023 Financial Results

For the three months ended January 31, 2023

3

### Proven Performance, Future Growth Opportunities

Delivering **solid** long-term shareholder returns<sup>2</sup>

4

### Strong Balance Sheet and Capital Position

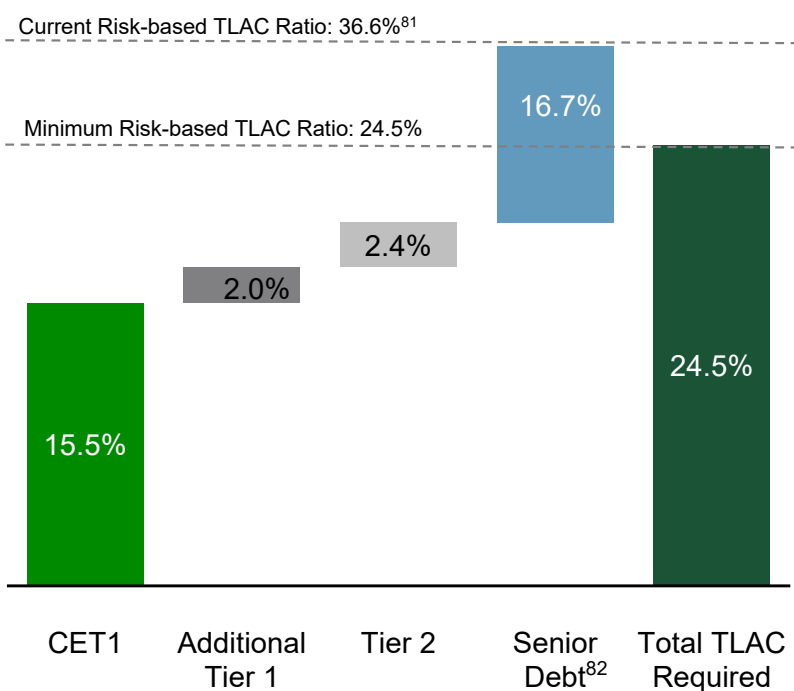
**Highly rated** by major credit rating agencies<sup>3</sup>

# TD TLAC Requirements

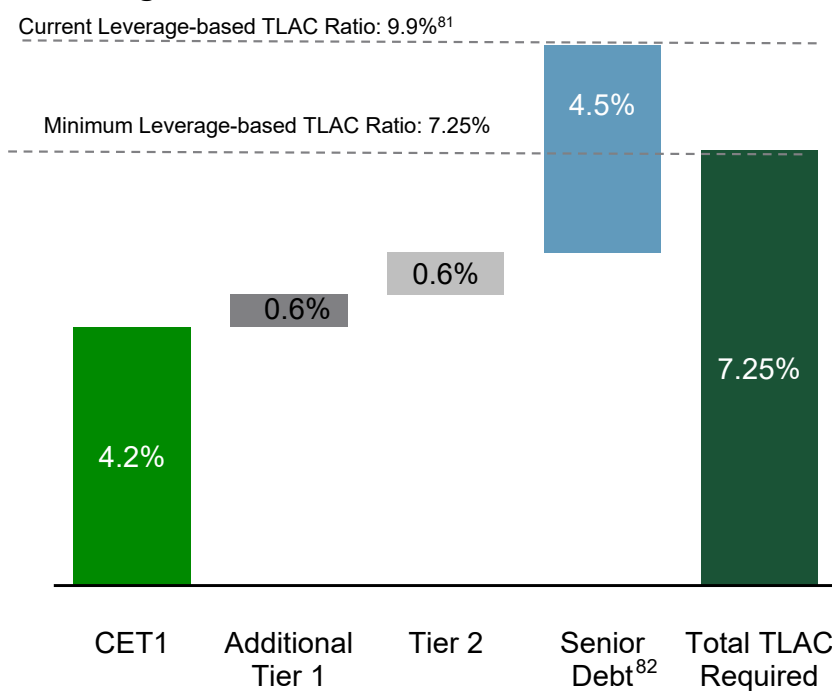


- Canadian D-SIBs were required to meet their regulatory TLAC requirements by **November 1, 2021**.
- OSFI has stipulated that D-SIBs will be subject to 2 supervisory ratios:
  - Minimum risk-based TLAC ratio as at Q1-2023: **24.50%** (21.50% + 3.00% Domestic Stability Buffer ("DSB"))<sup>77</sup>
  - TLAC leverage ratio<sup>78</sup>: **7.25%**
- As of Q1-2023, TD's risk-based and leverage-based TLAC ratios both exceed the regulatory minimum
- TD expects to continue to meet the TLAC supervisory ratios without altering its business-as-usual funding practices

## Risk-Based TLAC Ratio<sup>79,80</sup>



## Leverage-Based TLAC Ratio<sup>79,80</sup>



# Industry-Leading Credit Ratings

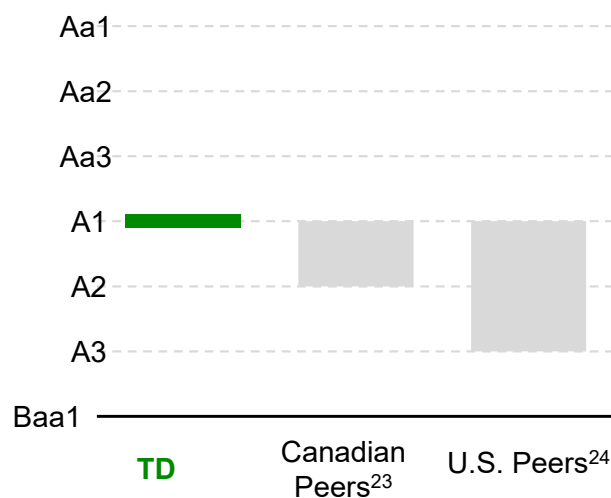


## Issuer Ratings<sup>22</sup>

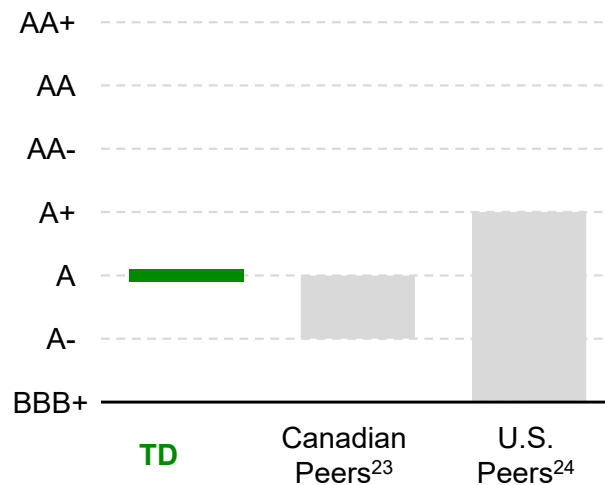
Rating Agencies	Senior Debt Ratings <sup>83</sup>	Outlook
Moody's	A1	Stable
S&P	A	Stable
DBRS	AA	Stable
Fitch	AA-	Stable

## Ratings vs. Peer Group<sup>22</sup>

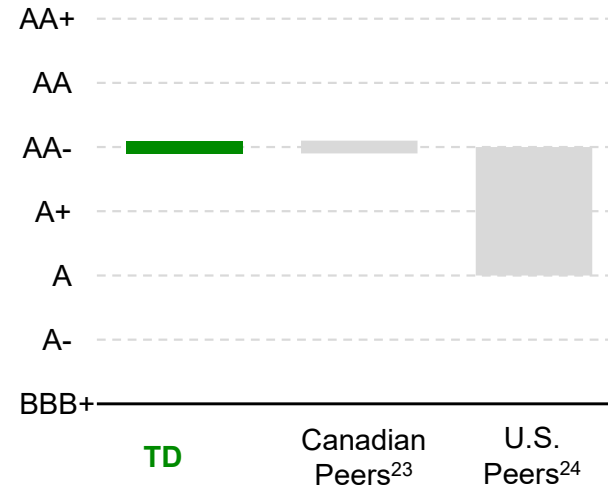
Moody's Senior Debt<sup>83</sup> / HoldCo<sup>84</sup> Rating



S&P Senior Debt<sup>83</sup> / HoldCo<sup>84</sup> Rating



Fitch Senior Debt<sup>83</sup> / HoldCo<sup>84</sup> Rating

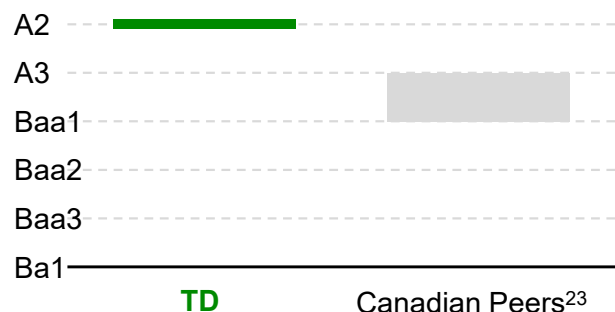


# Leading Non-Common Equity Capital Ratings

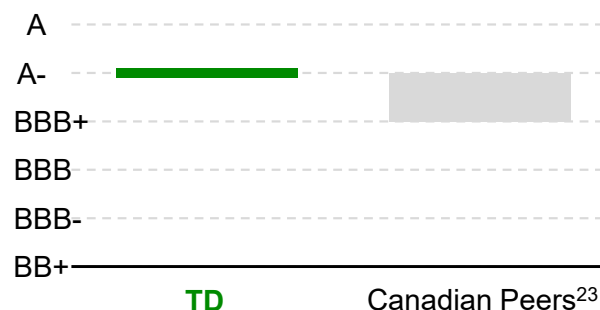


## NVCC Tier 2 Subordinated Debt Ratings<sup>22</sup>

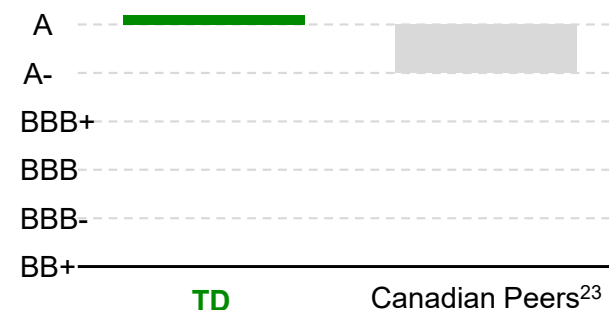
Moody's



S&P

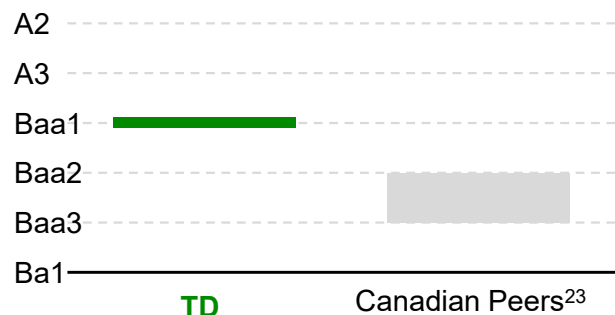


Fitch

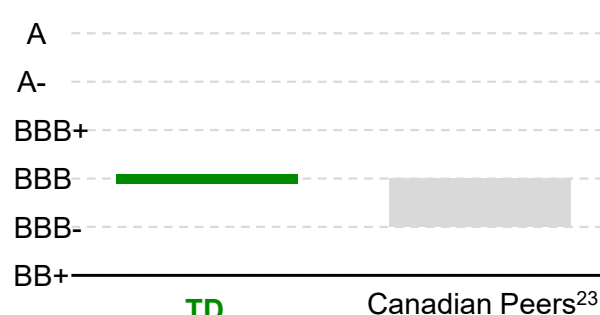


## Additional Tier 1 NVCC LRCN and Preferred Share Ratings<sup>22</sup>

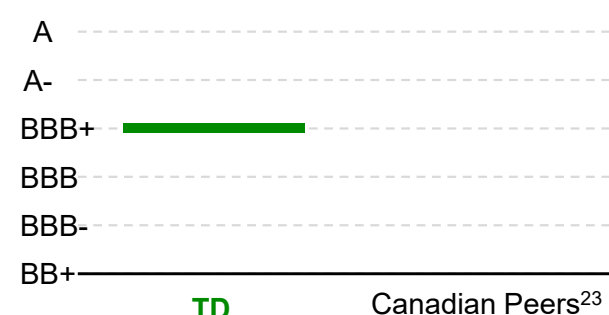
Moody's



S&P



Fitch



Industry leading ratings<sup>22</sup> for Additional Tier 1 and Tier 2 capital instruments

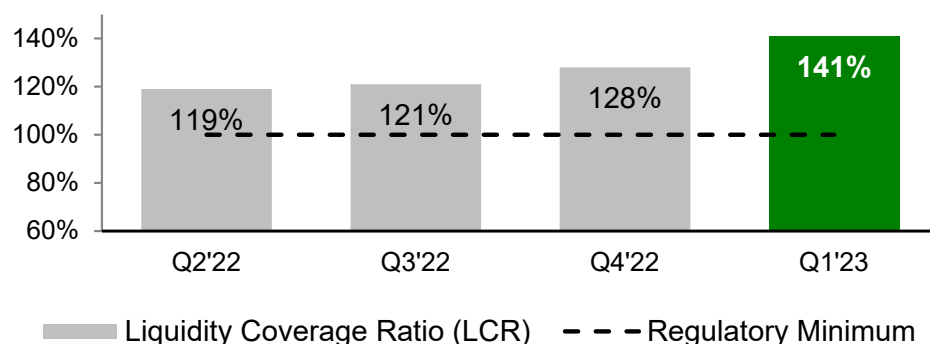
# Robust Liquidity Management



## Liquidity Risk Management Framework

- Target a 90-day survival horizon under a combined Bank-specific and market-wide stress scenario, and a minimum buffer over regulatory requirements prescribed by the OSFI Liquidity Adequacy Requirements (LAR) guideline.
- Manage structural liquidity exposure by matching funding to asset term or market depth.
- We maintain a comprehensive contingency funding plan to enhance preparedness for recovery from potential liquidity stress events

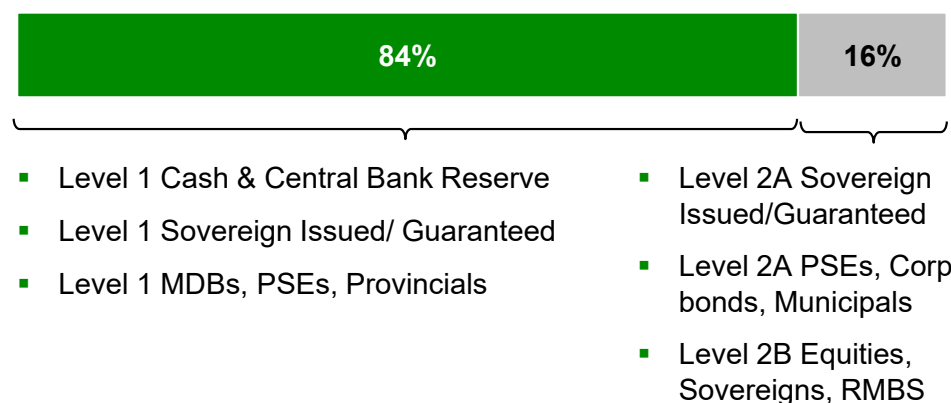
## Liquidity Coverage Ratio (LCR)



## Liquidity Risk Management Framework

- TD holds a variety of liquid assets commensurate with liquidity needs in the organization.
- The average eligible HQLA<sup>85</sup> of the Bank for the purpose of LCR reporting for quarter ended January 31, 2023, was \$355 billion (October 31, 2022 – \$366 billion), with Level 1 assets representing 84% (October 31, 2022 – 84%).
- The Bank's NSFR for the quarter ended January 31, 2023 was at 125% and has met the regulatory requirements

## Q1'23 Average HQLA (CAD \$B)



**Prudent liquidity management commensurate with risk appetite**

# Deposit Overview



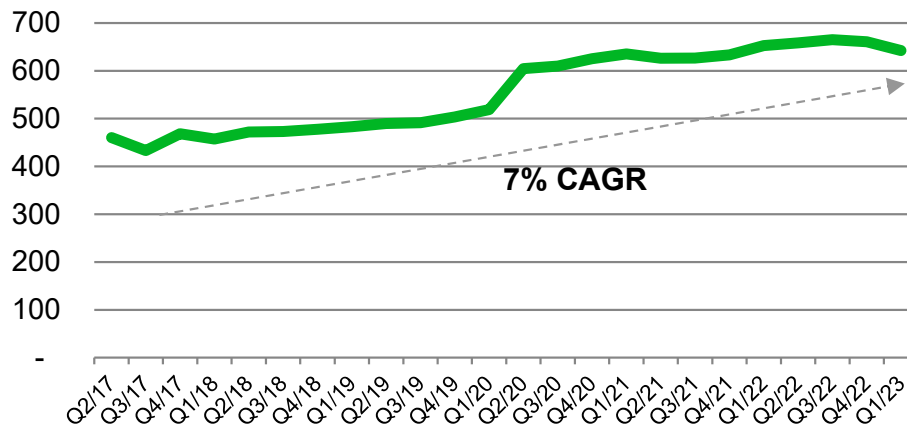
## Large base of personal and business deposits<sup>86</sup> that make up 74% of the Bank's total funding

- TD Canada Trust ("TDCT") ranked #1 in Total Personal Non-Term Deposits<sup>87</sup> – legendary customer service and the power of One TD
- U.S. Retail is a top 10<sup>28</sup> bank in the U.S. with 9.9MM customers, operating retail stores in 15 states and the District of Columbia

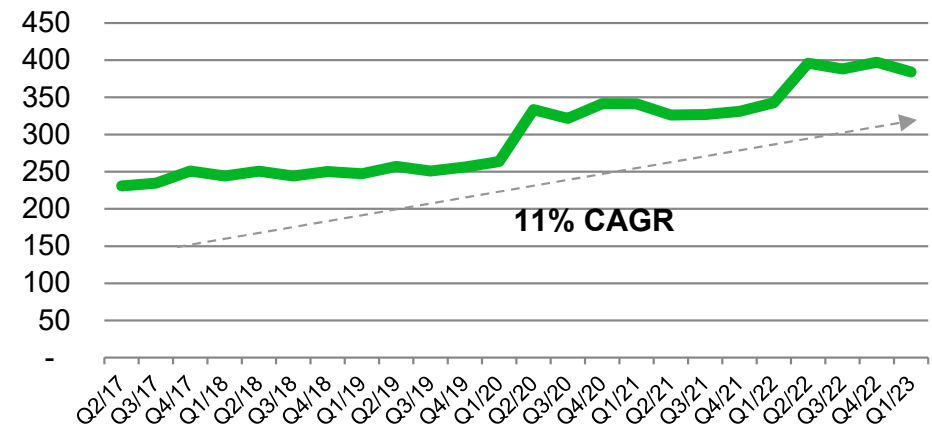
## Retail deposits remain the primary source of long-term funding for the Bank's non-trading assets

- Deposits enable the bank to manage its funding activities through wholesale funding markets in various channels, currencies, and tenors

### PERSONAL DEPOSITS (\$BN)



### BUSINESS & GOVERNMENT (\$BN)



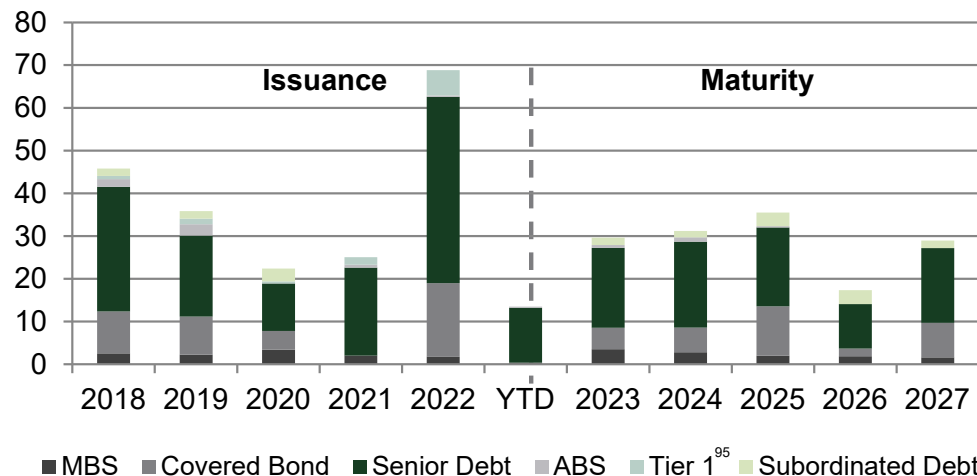
# Low Risk, Deposit Rich Balance Sheet<sup>88</sup>



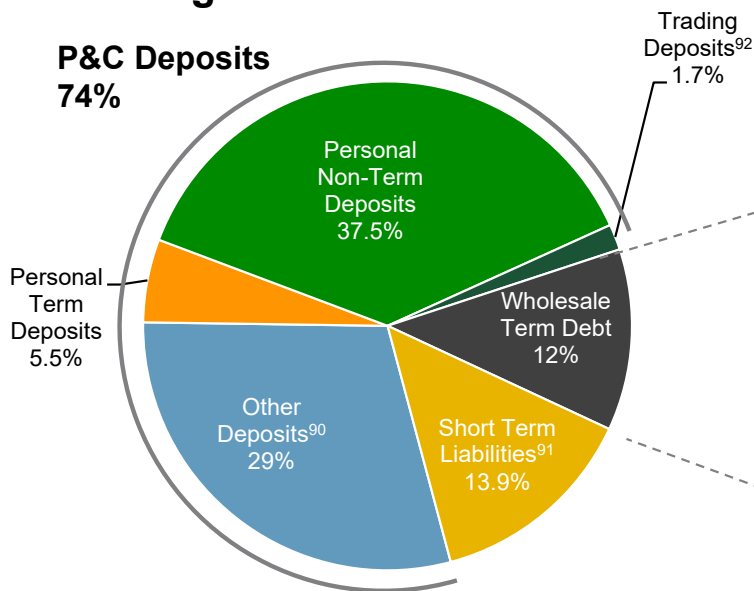
## Large base of stable retail and commercial deposits

- Personal and business deposits are TD's primary sources of funds
  - Customer service business model delivers stable base of "sticky" and franchise deposits
- Wholesale funding profile reflects a balanced secured and unsecured funding mix
- Maturity profile is well balanced

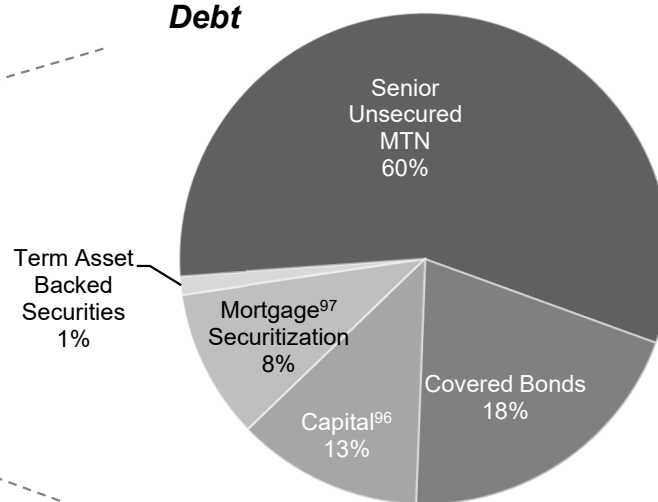
## Maturity Profile<sup>93,94</sup> (C\$B) (To first par redemption date)



## Funding Mix<sup>89</sup>



## Wholesale Term Debt



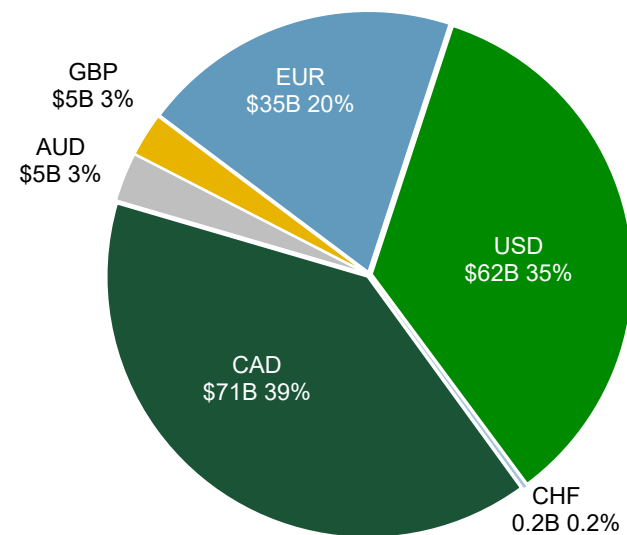
# Wholesale Term Debt Composition<sup>98</sup>



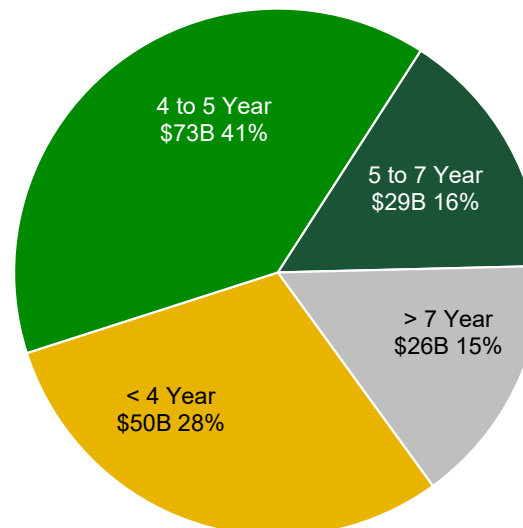
## Funding Strategy

- Wholesale term funding through diversified sources across domestic and international markets
- Well-established C\$80 billion Legislative Covered Bond Program is an important pillar in global funding strategy
- Programmatic issuance for the established ABS program, backed by Canadian credit card receivables, in the U.S. market
- Broadening of investor base through currency, tenor and structure diversification
- Recent transactions:
  - CHF 0.2B 5Y Fixed Senior Debt
  - GBP 0.35B 5Y Fixed Senior Debt
  - USD 2.0B 3/5Y Fixed Senior Debt
  - EUR 1.25B 7Y Fixed Senior Debt
  - CAD 2.0B 5Y Fixed Senior Debt
  - EUR 2.0B 2Y Floating Rate Senior Debt
  - USD 0.2B 2Y Fixed Term CRT Evergreen ABS
  - CAD 2.5B 6Y Fixed Senior Debt

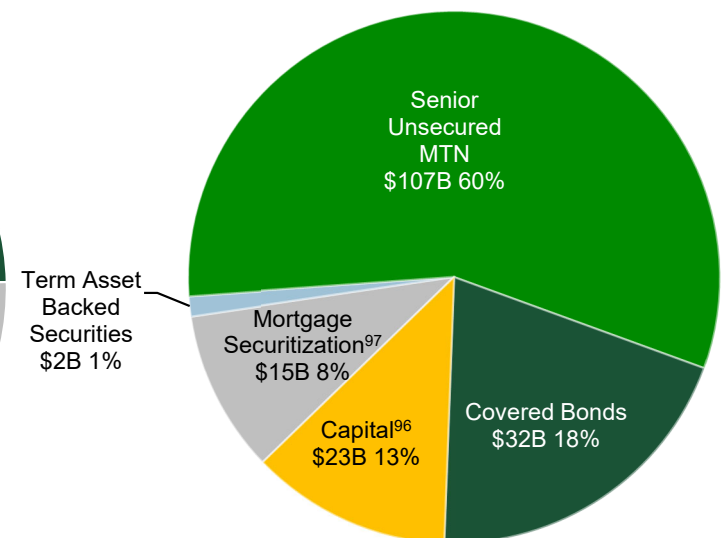
**By Currency<sup>99,100</sup>**



**By Term<sup>99,100</sup>**



**Wholesale Term Debt<sup>99,100</sup>**





# TD Global Legislative Covered Bond Program



## Key Highlights

<b>Covered Bond Collateral</b>	<ul style="list-style-type: none"> <li>▪ Canadian residential real estate property with no more than 4 residential units</li> <li>▪ Uninsured conventional first lien assets with original loan to value ratio that is 80% or less</li> </ul>
<b>Housing Market Risks</b>	<ul style="list-style-type: none"> <li>▪ Latest property valuation shall be adjusted at least quarterly to account for subsequent price adjustments using the Indexation Methodology</li> </ul>
<b>Tests and Credit Enhancements</b>	<ul style="list-style-type: none"> <li>▪ Asset Coverage Test</li> <li>▪ Amortization Test</li> <li>▪ Valuation Calculation</li> <li>▪ Level of Overcollateralization</li> <li>▪ Asset Percentage</li> <li>▪ Reserve Fund</li> <li>▪ Prematurity Liquidity</li> <li>▪ OSFI limit<sup>101</sup></li> </ul>
<b>Required Ratings and Ratings Triggers</b>	<ul style="list-style-type: none"> <li>▪ No less than one Rating Agency must at all times have current ratings assigned to bonds outstanding</li> <li>▪ All Ratings Triggers must be set for: <ul style="list-style-type: none"> <li>– Replacement of other Counterparties</li> <li>– Establishment of the Reserve Fund</li> <li>– Pre-maturity ratings</li> <li>– Permitted cash commingling period</li> </ul> </li> </ul>
<b>Interest Rate and Currency Risk</b>	<ul style="list-style-type: none"> <li>▪ Management of interest rate and currency risk: <ul style="list-style-type: none"> <li>– Interest rate swap</li> <li>– Covered bond swaps</li> </ul> </li> </ul>
<b>Ongoing Disclosure Requirements</b>	<ul style="list-style-type: none"> <li>▪ Monthly investor reports shall be posted on the program website</li> <li>▪ Plain disclosure of material facts in the Public Offering Document</li> </ul>
<b>Audit and Compliance</b>	<ul style="list-style-type: none"> <li>▪ Annual specified auditing procedures performed by a qualified cover pool monitor</li> <li>▪ Deliver an Annual Compliance Certificate to the Canada Mortgage and Housing Corporation ("CMHC")</li> </ul>

# TD Global Legislative Covered Bond Program



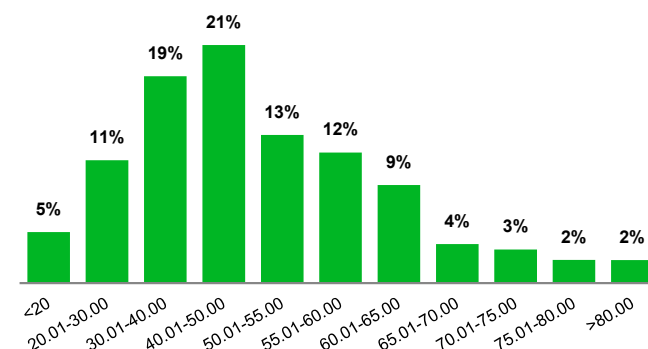
## Highlights

- TD has a C\$80B legislative covered bond program
- Covered bond issuance for Canadian issuers governed by CMHC-administered guidelines
- Only uninsured Canadian residential real estate assets are eligible, no foreign assets in the pool
- Covered pool is composed of conventional amortizing mortgages
- Strong credit ratings; Aaa / AAA<sup>22, 102</sup>
- TD has C\$32B aggregate principal amount of covered bonds outstanding and the total cover pool for covered bonds is C\$65B. TD's total on balance sheet assets are C\$1,928B, for a covered bond ratio of 1.70% (5.5% limit)<sup>103</sup>
- TD joined the Covered Bond Label<sup>104</sup> and reports using the Harmonized Transparency Template
- TD has adopted the 2023 Harmonized Transparency Template and is compliant with minimum disclosure and transparency standards as per Article 14 of the EU Covered Bond Directive

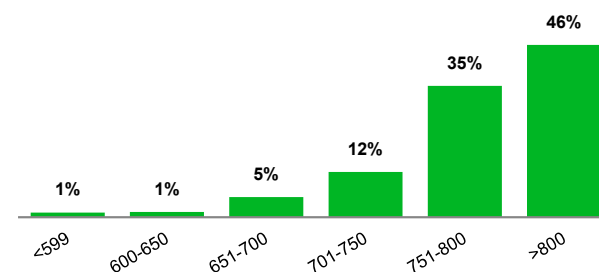
## Cover Pool as at January 31, 2023

- High quality, conventional first lien Canadian Residential mortgages originated by TD
- All loans have original LTVs of 80% or lower. Current weighted average LTV is 46.75%<sup>105</sup>
- The weighted average of non-zero credit scores is 783

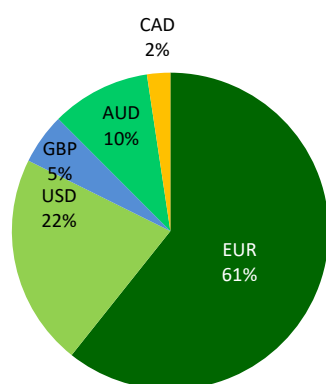
## Current LTV



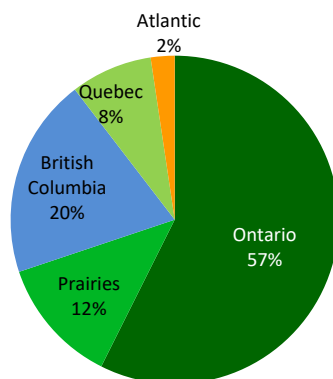
## Credit Score



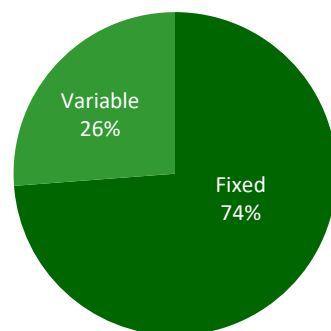
### Issuances



### Provincial Distribution



### Interest Rate Types



# Bail-in Overview



## Scope of Bail-in

- **In Scope Liabilities.** Senior unsecured long-term debt (original term to maturity of 400 or more days) that is tradable and transferable (has a CUSIP, ISIN or other similar identification) and issued on or after September 23, 2018<sup>106</sup>. Unlike other jurisdictions, Canadian D-SIBs cannot elect to issue non bail-in unsecured senior debt.
- **Excluded Liabilities.** Bank customers' deposits including chequing accounts, savings accounts and term deposits such as guaranteed investment certificates ("GICs"), secured liabilities (e.g., covered bonds), ABS or most structured notes<sup>107</sup>.
- All in scope liabilities, including those governed by foreign law, are subject to conversion and must indicate in their contractual terms that the holder of the liability is bound by the application of the CDIC Act.

## Bail-in Conversion Terms

- **Flexible Conversion Terms.** CDIC has discretion in determining the proportion of bail-in debt that is converted, as well as an appropriate conversion multiplier<sup>108</sup> which respects the creditor hierarchy and that is more favourable than the multiplier provided to NVCC capital investors.
- **No Contractual Trigger.** Bail-in conversion is subject to regulatory determination of non-viability, not a fixed trigger.
- **Full NVCC Conversion.** There must be a full conversion of NVCC capital instruments before bail-in debt can be converted. Through other resolution tools, holders of legacy non-NVCC capital instruments could also be subject to losses, resulting in bail-in note holders being better off than such junior-ranking instruments.
- **No Creditor Worse Off.** CDIC will compensate investors if they incur greater losses under bail-in than under a liquidation scenario. Bail-in debt holders rank pari passu with other senior unsecured obligations, including deposits, for the purposes of the liquidation calculation.
- **Equity Conversion.** Unlike some other jurisdictions, bail-in is affected through equity conversion only, with no write-down option.

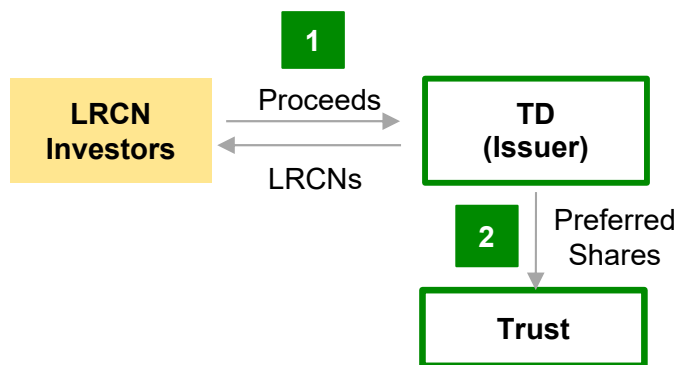
# Limited Recourse Capital Notes (LRCN)



## LRCN Overview

- LRCN holders' interests rank equally with other LRCNs and Preferred Shares and are senior to common shares. LRCNs are issued only to institutional investors with no trading restrictions within the US nor, after 4 months, within Canada
- LRCNs qualify as AT1 capital, while being tax deductible for banks. LRCNs are not currently subject to withholding tax and pay Additional Amounts if withholding tax is levied in the future (LRCNs only, not on recourse assets)
- Limited Recourse: Upon a Recourse Event, investors in LRCNs have recourse only to the assets held in the Trust, initially Preferred Shares<sup>109</sup>; TD can also exchange the Preferred Shares into AT1 perpetual debt, subject to OSFI approval
- Recourse Events are defined as follows:
  1. Non-payment in cash of interest (5 business day cure right)
  2. Non-payment in cash of the principal on the maturity date
  3. Non-payment of redemption proceeds in cash
  4. Event of Default (bankruptcy, insolvency or liquidation)
  5. A Trigger Event<sup>110</sup>

## LRCN Structure



### 1 TD (Issuer)

- TD issues LRCNs to investors and receives proceeds in return
- Coupon payments are paid by TD, generated through internal cash flow

### 2 Limited Recourse Trust (Trust)

- The Trust is established by TD and acquires Non-Cumulative 5-Year NVCC Fixed Rate Reset Preferred Shares from TD ("LRCN Preferred Shares")
- Upon a Recourse Event, the Limited Recourse assets held in the Trust are delivered to investors
- The dividend rate (including reset spread and benchmark reference) and payment frequency on the LRCN Preferred Shares match LRCNs

# Appendix

## Economic Outlook

---



# TD Economics Update<sup>111</sup>



## Global Outlook: Weakening global economy to unfold in 2023

- Inflation begins to moderate but remains too high for central bankers across the globe, although normalizing energy prices offer some resolve. With China's economy reopening after ending their Zero-COVID Policy and strong labour market fundamentals, 2023 is sure to be an interesting year.
- In Europe, high natural gas inventories and a mild winter mitigated the energy crisis' impact and allowed headline inflation to cool. Given its delayed start, the ECB raised its policy rates by 50 basis points (bps) to 3.0% in February 2023, the fifth hike in a row.
- The impact of the war on North America has been most apparent in the inflation data. Higher food and energy prices had helped push headline inflation to record highs. The retreat of commodity prices from their 2022 peaks has helped see inflation trend lower.

## U.S. Outlook: Subdued growth in 2023 amid policy headwinds and supply constraints

- The US economy has seen a resurgence in the fourth quarter of 2022, with a 2.9% increase in GDP driven by strong inventory investment and export gains. Our forecast assumes the U.S. economy will expand by somewhere close to 1% in each of the next two-years, roughly half the pace of growth in 2022.
- U.S. CPI was flat in December and cooled to 6.5% year-on-year (y/y). Core inflation decelerated to 5.7% y/y, though shelter and service costs remain elevated. January saw an unexpected jump in payrolls with 517k jobs added, but wage growth also decelerated to 4.4% y/y. In response, the Fed raised interest rates for the fourth time this year, to 4.0-4.5% range.

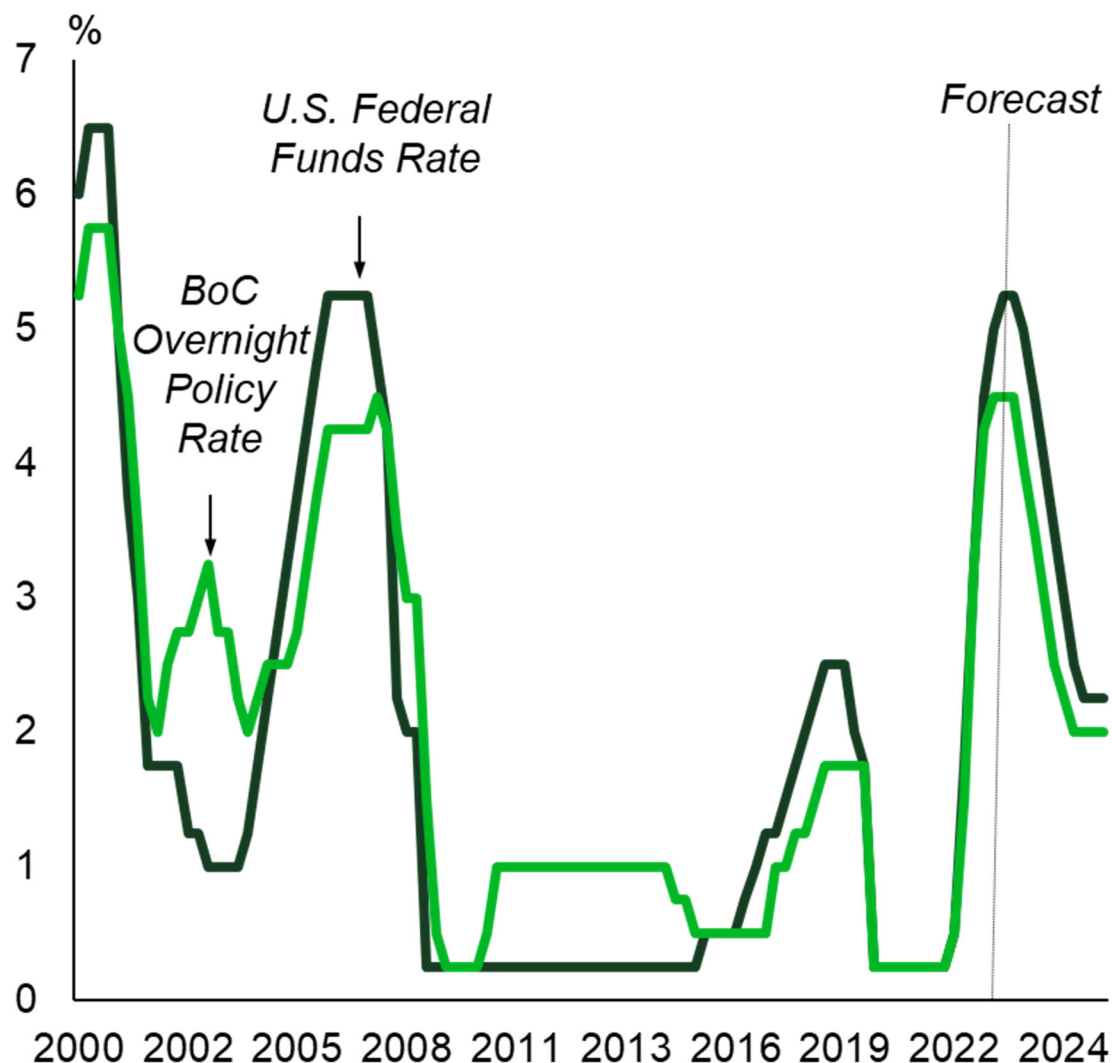
## Canada Outlook: Growth slowing, housing market slump and labor market squeeze

- Canadian real GDP (ann.) growth for Q4 came in flat, while January 2023 flash estimates suggest the Canadian economy is on track to improve its GDP growth, as consumer spending resurges.
- The BoC held its policy rate at 4.5%, despite the labour market adding 150k jobs in January 2023. TDE expects the BoC to maintain its policy rate of 4.5% until Q4 where a 50-bps cut is expected, as the economic backdrop begins to weaken.

# Interest Rate Outlook<sup>112</sup>



## Interest Rates, Canada and U.S.



- The Federal Reserve raised the federal funds rate target to the 4.50% to 4.75% range in February. We expect two more 25 bps hikes by the second quarter of 2023. This will bring the federal funds rate to a peak 5.25% in 2023 until the last quarter when we expect a 25 bps cut.
- The Bank of Canada (BoC) also raised the overnight rate in January to 4.50%. We expect the BoC to hit the pause button on rate hikes for now. Our forecast is that the BoC will cut rates in the final quarter of 2023 by 50 bps bringing the overnight rate to 4.0%.

**The Federal Reserve and the Bank of Canada are expected to reach policy rates of 5.25% and 4.50% in 2023, respectively.**

# Appendix

## Credit Quality

---





# Gross Impaired Loan Formations

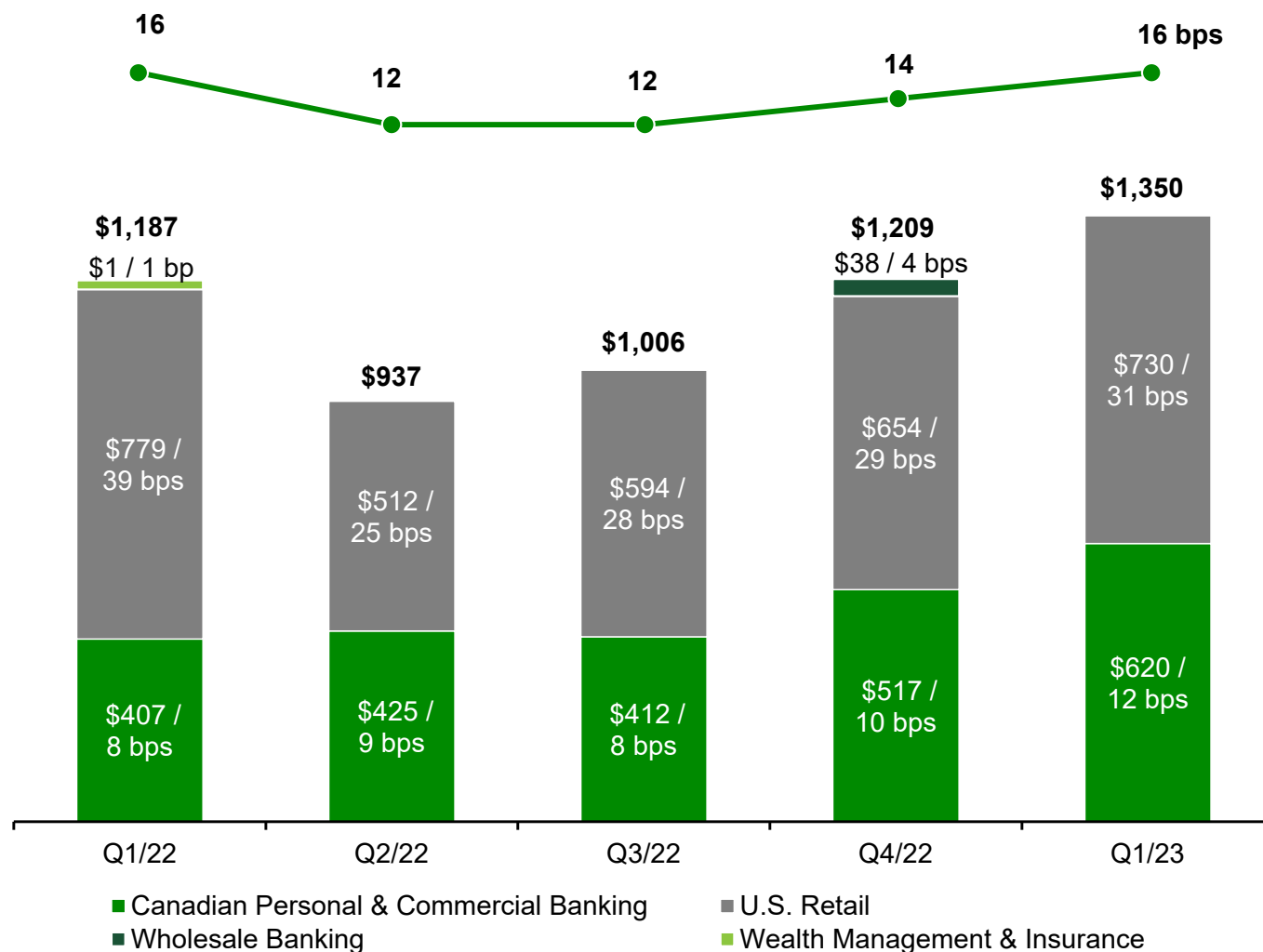
## By Business Segment



### Highlights

- Gross impaired loan formations increased 2 basis points quarter-over-quarter, driven by:
  - Canadian Commercial Banking, primarily related to a new formation in the health and social services sector
  - Some further normalization of credit performance, largely reflected in the consumer lending portfolios

### GIL Formations<sup>113</sup>: \$MM and Ratios<sup>114</sup>



# Gross Impaired Loans (GIL)

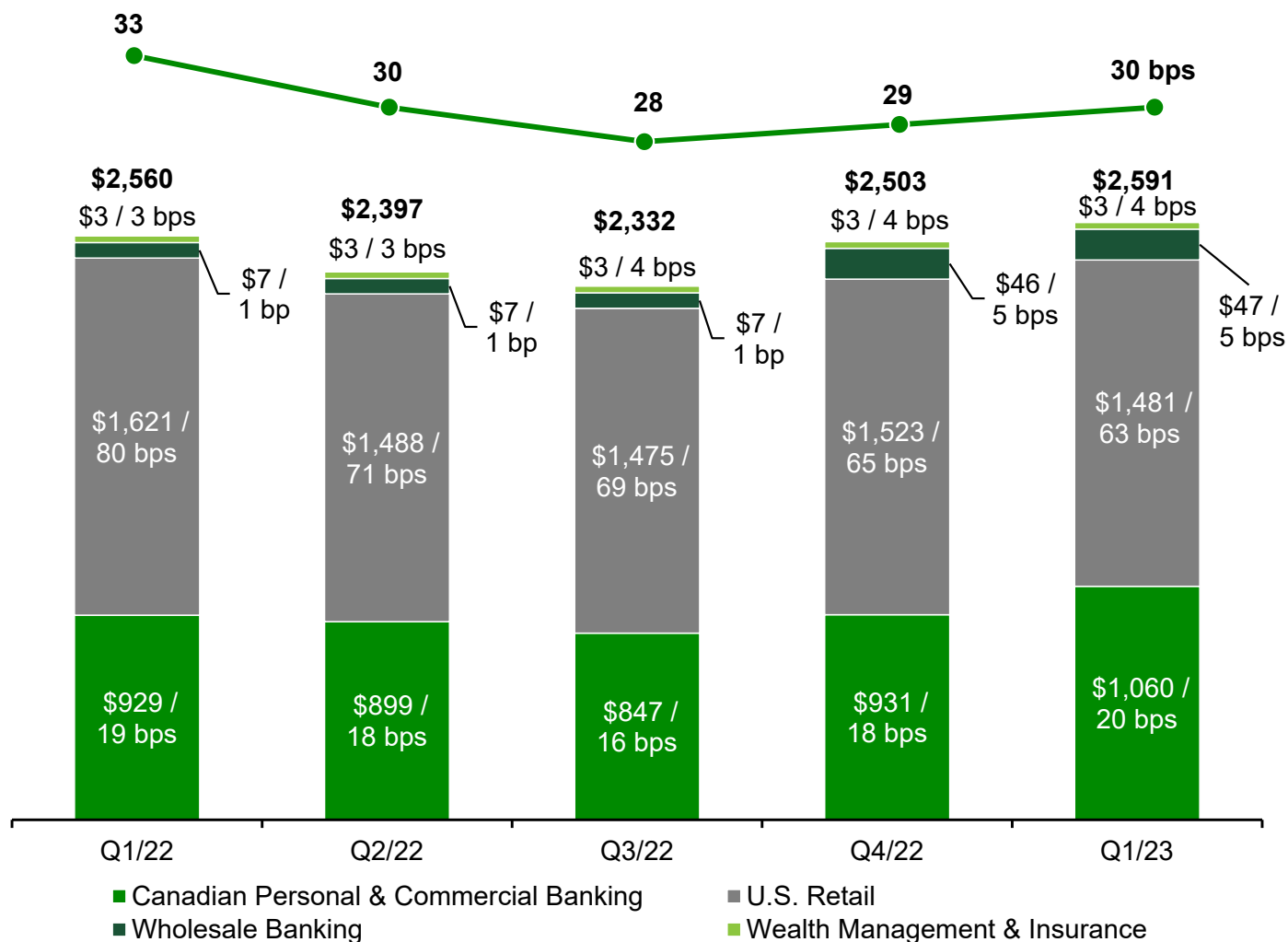
## By Business Segment



### Highlights

- Gross impaired loans were stable quarter-over-quarter, remaining at cyclically low levels

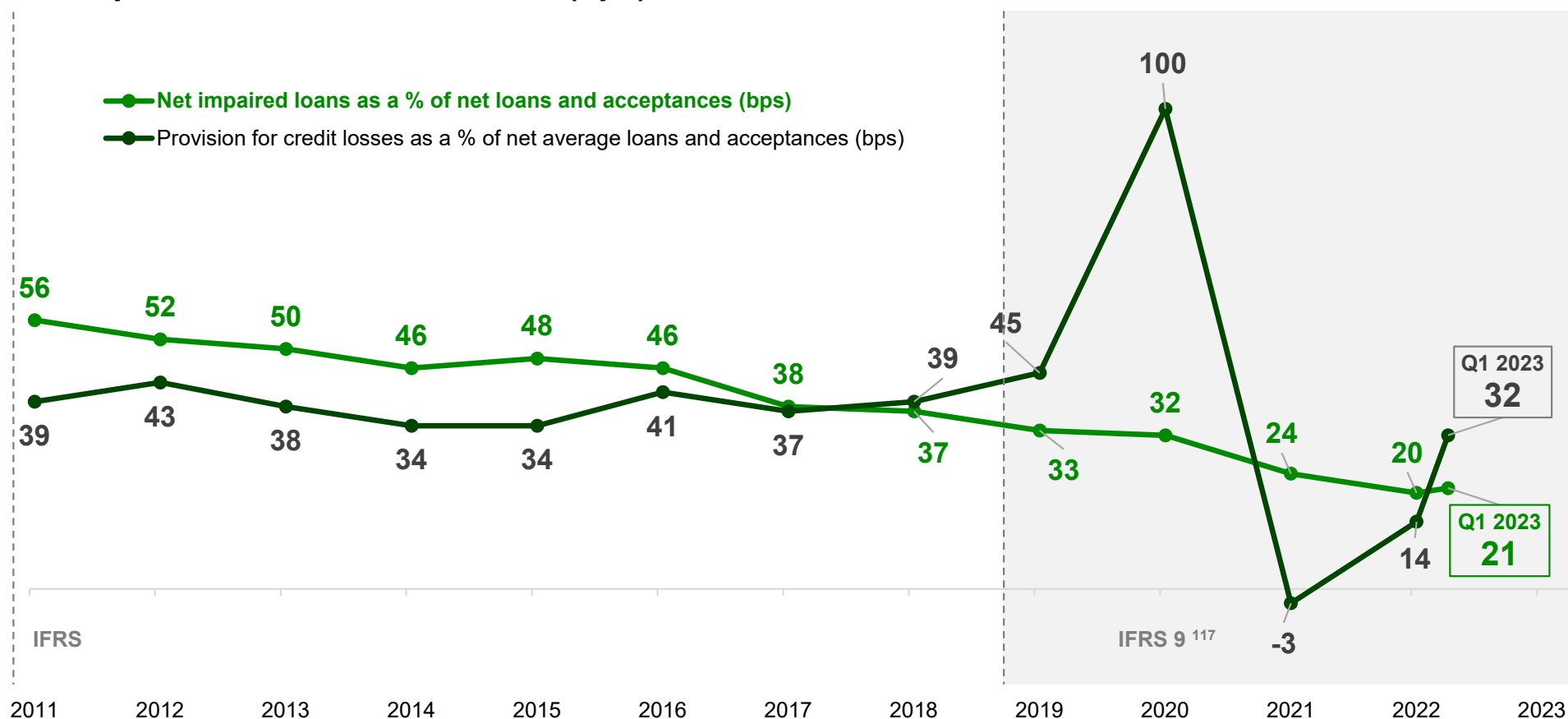
### GIL<sup>115</sup>: \$MM and Ratios<sup>116</sup>



# Credit Quality



## Net impaired loans and PCL ratios (bps)



# Provision for Credit Losses (PCL)<sup>54,118</sup>

## Impaired and Performing



### Highlights

- Impaired PCL increased quarter-over-quarter, reflecting:
  - Some further normalization of credit performance, largely reflected in the consumer lending portfolios
- Performing PCL decreased quarter-over-quarter
  - Current quarter performing provisions largely recorded in:
    - Canadian Personal & Commercial Banking
    - Wholesale Banking

### PCL (\$MM)

	Q1/22	Q4/22	Q1/23
<b>Total Bank</b>	<b>72</b>	<b>617</b>	<b>690</b>
Impaired	329	454	553
Performing	(257)	163	137
<b>Canadian Personal &amp; Commercial Banking</b>	<b>32</b>	<b>229</b>	<b>327</b>
Impaired	150	184	220
Performing	(118)	45	107
<b>U.S. Retail</b>	<b>21</b>	<b>225</b>	<b>200</b>
Impaired	125	166	212
Performing	(104)	59	(12)
<b>Wholesale Banking</b>	<b>(5)</b>	<b>26</b>	<b>32</b>
Impaired	(4)	24	1
Performing	(1)	2	31
<b>Corporate</b>	<b>23</b>	<b>137</b>	<b>131</b>
U.S. strategic cards partners' share			
Impaired	58	80	120
Performing	(35)	57	11
<b>Wealth Management &amp; Insurance</b>	<b>1</b>	<b>-</b>	<b>-</b>
Impaired	-	-	-
Performing	1	-	-

# Canadian Personal Banking



## Highlights

- Gross impaired loans increased quarter-over-quarter, but remained at low levels

## Canadian Personal Banking (Q1/23)

	Gross Loans (\$B)	GIL (\$MM)	GIL/Loans (%)
Residential Mortgages	244.5	169	0.07
Home Equity Lines of Credit (HELOC)	113.3	109	0.10
Indirect Auto	27.2	76	0.28
Credit Cards	17.2	94	0.55
Other Personal	11.3	49	0.43
<i>Unsecured Lines of Credit</i>	9.2	29	0.32
<b>Total Canadian Personal Banking</b>	<b>413.5</b>	<b>497</b>	<b>0.12</b>
Change vs. Q4/22	(-1.1)	27	0.01

## Canadian RESL Portfolio – Loan to Value by Region (%)<sup>119, 120</sup>

	Q4/22			Q1/23		
	Mortgage	HELOC	Total RESL	Mortgage	HELOC	Total RESL
Atlantic	54	42	50	57	45	53
BC	54	42	49	56	45	51
Ontario	52	40	46	56	43	49
Prairies	59	48	54	60	48	55
Quebec	56	50	53	59	53	56
<b>Canada</b>	<b>54</b>	<b>42</b>	<b>49</b>	<b>57</b>	<b>45</b>	<b>51</b>

# Canadian Real Estate Secured Lending Portfolio



## Highlights (Q1 2023)

### Canadian RESL credit quality remained strong

- Uninsured average Bureau score<sup>121</sup> of 793, stable quarter-over-quarter
- Less than 1% of the RESL portfolio is uninsured, has a bureau score of 650 or lower and LTV greater than 75%

### 45% variable interest rate, of which 27% Mortgage and 18% HELOC

### ~9% of RESL portfolio renewing<sup>122</sup> in the next 12 months

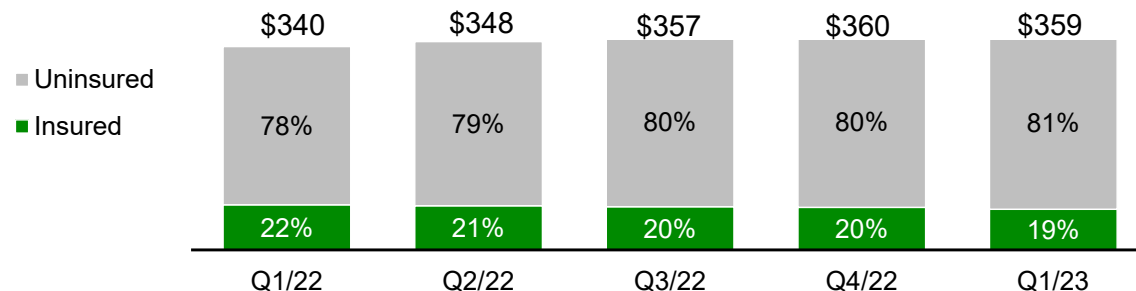
### 91% of RESL portfolio is amortizing

- 73% of HELOC portfolio is amortizing

### Condo and Investor<sup>123</sup> RESL credit quality consistent with broader portfolio

- Condo RESL represents ~15% of RESL outstanding with 23% insured
- Hi-rise condo construction loans are ~1% of the Canadian Commercial portfolio
- Investor RESL represents ~10% of RESL outstanding

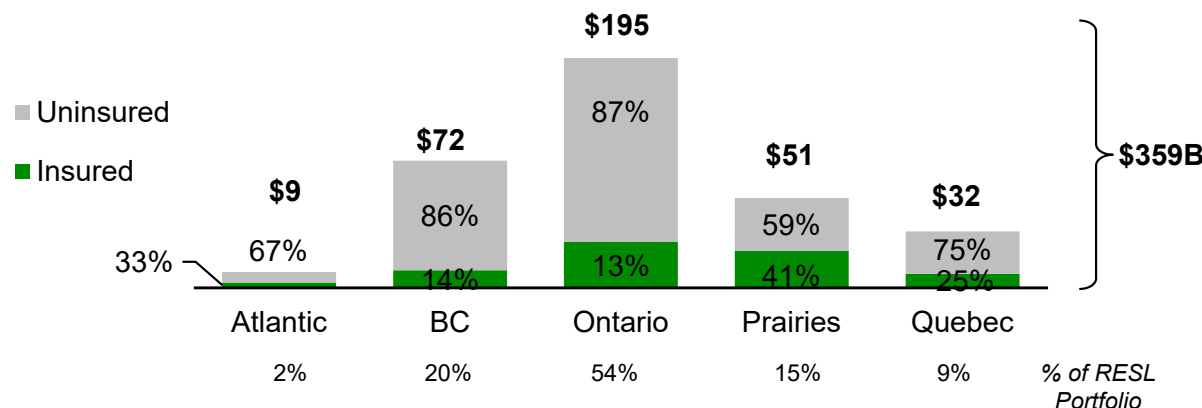
## Quarterly Portfolio Volumes (\$B)



## Canadian RESL Portfolio – Current Loan to Value (%)<sup>119</sup>

	Q1/22	Q2/22	Q3/22	Q4/22	Q1/23
Uninsured	49	48	47	49	51
Insured	48	47	45	47	50

## Regional Breakdown<sup>120</sup> (\$B)



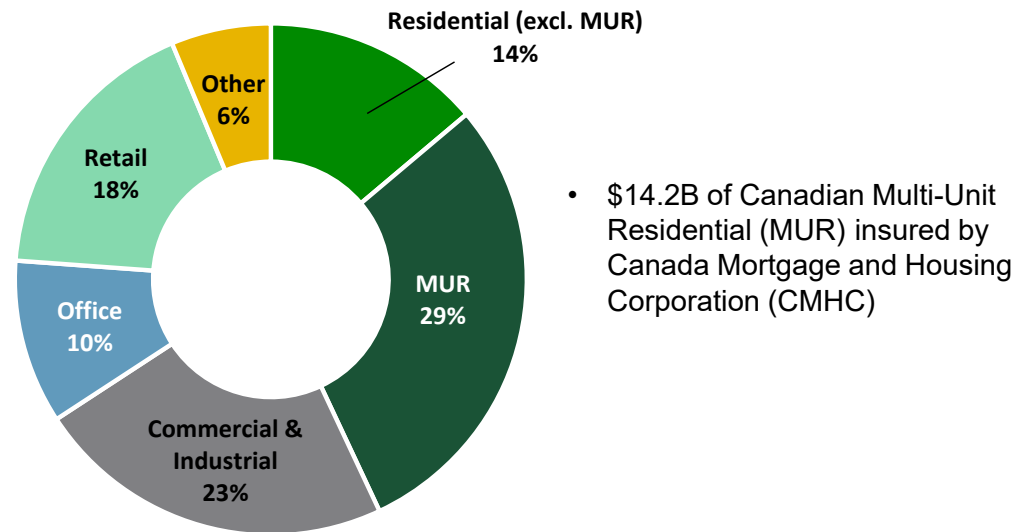
# Commercial Real Estate (CRE)



## Highlights

- Commercial Real Estate represents \$89B or 10% of Total Bank gross loans and acceptances<sup>124</sup>
  - Portfolio is well diversified across geographies and sub segments
  - 58% of CRE portfolio in Canada and 42% in the U.S.
- Credit performance has been strong
  - CRE five-year average loan losses of ~1bp, relative to a broader Business & Government average loss rate of 10 bps

## Commercial Real Estate Portfolio Overview: \$89B



## 5-year Trailing Average Impaired PCL Rate (bps)



# Canadian Commercial and Wholesale Banking



## Highlights

- Gross impaired loans increased quarter-over-quarter, primarily related to a new formation in the health and social services sector

## Canadian Commercial and Wholesale Banking (Q1/23)

	Gross Loans/ BAs (\$B)	GIL (\$MM)	GIL/Loans (%)
Commercial Banking <sup>125</sup>	108.0	563	0.52
Wholesale Banking	97.4	47	0.05
<b>Total Canadian Commercial and Wholesale Banking</b>	<b>205.4</b>	<b>610</b>	<b>0.30</b>
Change vs. Q4/22	4.6	103	0.05

## Industry Breakdown<sup>125</sup>

	Gross Loans/ BAs (\$B)	GIL (\$MM)
Real Estate – Residential	28.0	3
Real Estate – Non-residential	24.6	66
Financial	40.7	1
Govt-PSE-Health & Social Services	14.1	161
Oil and Gas	2.6	30
Metals and Mining	3.0	28
Forestry	0.7	1
Consumer <sup>126</sup>	9.7	124
Industrial/Manufacturing <sup>127</sup>	12.3	102
Agriculture	10.2	6
Automotive	11.7	3
Other <sup>128</sup>	47.8	85
<b>Total</b>	<b>205.4</b>	<b>610</b>



# U.S. Personal Banking (USD)



## Highlights

- Gross impaired loans stable quarter-over-quarter

### U.S. Personal Banking<sup>129</sup> (Q1/23)

	Gross Loans (\$B)	GIL (\$MM)	GIL/Loans (%)
Residential Mortgages	36.4	329	0.90
Home Equity Lines of Credit (HELOC) <sup>51</sup>	7.4	176	2.40
Indirect Auto	26.8	166	0.62
Credit Cards	14.1	231	1.64
Other Personal	0.6	4	0.74
<b>Total U.S. Personal Banking (USD)</b>	<b>85.3</b>	<b>906</b>	<b>1.06</b>
Change vs. Q4/22 (USD)	2.0	4	(0.02)
Foreign Exchange	28.2	300	n/a
<b>Total U.S. Personal Banking (CAD)</b>	<b>113.5</b>	<b>1,206</b>	<b>1.06</b>

### U.S. Real Estate Secured Lending Portfolio<sup>129</sup>

Indexed Loan to Value (LTV) Distribution and Refreshed FICO Scores<sup>130</sup>

Current Estimated LTV	Residential Mortgages (%)	1 <sup>st</sup> Lien HELOC (%)	2 <sup>nd</sup> Lien HELOC (%)	Total (%)
>80%	8	1	7	7
61-80%	34	13	34	33
<=60%	58	86	59	60
<b>Current FICO Score &gt;700</b>	<b>93</b>	<b>91</b>	<b>90</b>	<b>92</b>

# U.S. Commercial Banking (USD)



## Highlights

- Gross impaired loans decreased quarter-over-quarter as resolutions outpaced formations

## U.S. Commercial Banking<sup>129</sup> (Q1/23)

	Gross Loans/ BAs (\$B)	GIL (\$MM)	GIL/Loans (%)
<b>Commercial Real Estate (CRE)</b>	<b>27.3</b>	<b>63</b>	<b>0.23</b>
Non-residential Real Estate	19.5	30	0.15
Residential Real Estate	7.8	32	0.41
<b>Commercial &amp; Industrial (C&amp;I)</b>	<b>64.7</b>	<b>144</b>	<b>0.22</b>
<b>Total U.S. Commercial Banking (USD)</b>	<b>92.0</b>	<b>207</b>	<b>0.23</b>
Change vs. Q4/22 (USD)	3.3	(9)	(0.01)
Foreign Exchange	30.4	68	n/a
<b>Total U.S. Commercial Banking (CAD)</b>	<b>122.4</b>	<b>275</b>	<b>0.22</b>

## Commercial Real Estate

	Gross Loans/ BAs (US\$B)	GIL (US\$MM)
Office	4.5	10
Retail	5.3	10
Apartments	6.9	28
Residential for Sale	0.1	1
Industrial	2.0	6
Hotel	0.6	2
Commercial Land	0.1	-
Other	7.8	6
<b>Total CRE</b>	<b>27.3</b>	<b>63</b>

## Commercial & Industrial

	Gross Loans/ BAs (US\$B)	GIL (US\$MM)
Health & Social Services	11.9	22
Professional & Other Services	8.2	32
Consumer <sup>126</sup>	6.1	26
Industrial/Mfg <sup>127</sup>	5.9	35
Government/PSE	11.2	2
Financial	6.9	2
Automotive	3.4	4
Other <sup>131</sup>	11.1	21
<b>Total C&amp;I</b>	<b>64.7</b>	<b>144</b>

# Appendix

## Additional Information

---



# First Horizon Acquisition

## Mitigation of Interest Rate Volatility to Closing Capital



- Purchase accounting requires TD to fair value First Horizon's assets and liabilities at closing
- Since fair values are sensitive to interest rates, changes in rates will impact the fair values and therefore the amount of goodwill and capital, relative to the Bank's assumptions at announcement (illustration below)
- During Q3 2022, TD implemented a strategy to mitigate interest rate volatility to capital upon closing of the acquisition
- To achieve this, the Bank de-designated certain interest rate swaps hedging fixed income investments in fair value hedge accounting relationships
- This strategy did not involve any new market transactions and is therefore economically neutral and costless
- The mark-to-market gains or losses on the de-designated swaps are expected to mitigate the capital impact of fluctuations in goodwill that will arise as interest rates change
- Values shown below are illustrative and reflect the estimated impact of changes in interest rates, First Horizon's Balance sheet, and other assumptions. Actual results may vary.

### Illustrative Example

US\$B	Announcement Assumptions	At time of Hedge	Change in Term Interest Rates	
			+50 bps increase	-50 bps decrease
Purchase Price	13.4	13.4	13.4	13.4
Fair Value	5.7	4.2	3.8	4.6
<b>Goodwill &amp; Intangibles</b>	<b>7.7</b>	<b>9.2</b>	<b>9.6</b>	<b>8.8</b>
<b><u>Impact to Capital</u></b>				
Goodwill & Intangibles	(7.7)	(9.2)	(9.6)	(8.8)
Hedge MTM, gain/(loss)	0.0	0.0	0.4	(0.4)
<b>Total</b>	<b>(7.7)</b>	<b>(9.2)</b>	<b>(9.2)</b>	<b>(9.2)</b>

# Q1 2023: PTPP<sup>20,132</sup> & Operating Leverage<sup>20,133</sup>



Modified for partners' share of SCP PCL, FX and Insurance Fair Value Change

	TOTAL BANK	Q1 2023 Revenue Expenses	Q4 2022 Revenue Expenses	Q1 2022 Revenue Expenses	SFI Reference
1	<b>Reported Results (\$MM)</b>	12,226 8,316	15,563 6,545	11,281 5,967	Page 2, L3 & L6
2	<b>PTPP</b>	<b>3,910</b>	<b>9,018</b>	<b>5,314</b>	
3	PTPP (QoQ %)	(56.6%)	86.7%	6.4%	
4	PTPP (YoY %)	(26.4%)	80.6%	5.7%	
5	Revenue (YoY %)	8.4%	42.2%	4.3%	
6	Expenses (YoY %)	39.4%	10.1%	3.2%	
7	<b>Operating Leverage</b>	<b>(31.0%)</b>	<b>32.2%</b>	<b>1.2%</b>	
8	<b>Adjusted Results (\$MM)<sup>20</sup></b>	13,102 6,541	12,247 6,430	11,281 5,897	Page 2, L16 & L17
9	<u>Minus:</u> U.S. Retail value in C\$ <sup>134,135</sup>	3,765 1,965	3,595 1,909	2,786 1,597	Page 9, L35 & L36
10	<u>Plus:</u> U.S. Retail value in US\$ <sup>134,135</sup>	2,791 1,457	2,699 1,432	2,201 1,261	Page 10, L35 & L36
11	<u>Minus:</u> Insurance fair value change <sup>136</sup>	83	(64)	(43)	Page 6, L14
12	<u>Plus:</u> Corporate PCL <sup>137</sup>	131	137	23	Page 13, L6
13	Subtotal (Line 13) <sup>138</sup>	<b>12,045 6,164</b>	<b>11,415 6,090</b>	<b>10,739 5,584</b>	
14	<b>Line 13 PTPP</b>	5,881	5,325	5,155	
15	Line 13 PTPP (QoQ %)	10.4%	1.8%	6.0%	
16	Line 13 PTPP (YoY %)	14.1%	9.5%	6.9%	
17	Line 13 Revenue (YoY %)	12.2%	9.6%	5.2%	
18	Line 13 Expenses (YoY %) <sup>139</sup>	10.4%	9.8%	3.7%	
19	<b>Line 13 Operating Leverage</b>	<b>1.8%</b>	<b>(0.2%)</b>	<b>1.5%</b>	

# Endnotes

---

# Endnotes



1. See slide 8.
2. See slide 31.
3. See slide 42.
4. Q1 2023 is the quarter comprising the period from November 1, 2022 to January 31, 2023.
5. Deposits based on total of average personal and business deposits during the quarter. U.S. Retail includes Schwab Insured Deposit Accounts (IDAs).
6. Total Loans based on total of average personal and business loans during the quarter.
7. Includes assets under administration (AUA) administered by TD Investor Services, which is part of the Canadian Personal and Commercial Banking segment.
8. For additional information about this metric, refer to the Glossary in the Bank's Q1 2023 MD&A (available at [www.td.com/investor](http://www.td.com/investor) and [www.sedar.com](http://www.sedar.com)), which is incorporated by reference.
9. For trailing four quarters.
10. Average number of full-time equivalent staff in these segments during the quarter.
11. Total ATMs includes branch, remote and TD Branded ATMs in Canada: Total ATMs includes store, remote, mobile and TD Branded ATMs in the U.S.
12. Number of active mobile users, in millions. Active mobile users are users who have logged in via their mobile device at least once in the last 90 days.
13. World Economic Forum, Global Competitiveness Reports 2008-2020.
14. As per Canada Mortgage and Housing Corporation (CMHC) Residential Mortgage Industry Report (October 2022).
15. Market share ranking is based on internally produced reports.
16. FDIC Institution Directory and 2022 FDIC Summary of Deposits.
17. U.S. Peers – defined as C, BAC, JPM, WFC and USB, based on Q4/22 results ended December 31, 2022 sourced from SNL.
18. United States Census Bureau, Population Division, 2020 Population and Housing State Data (August 2021).
19. State wealth based on Market Median Household Income.

# Endnotes



20. 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 such as “adjusted” results (i.e., reported results excluding “items of note”) and non-GAAP ratios to assess each of its businesses and measure overall Bank performance. The Bank believes that non-GAAP financial measures and non-GAAP ratios provide the reader with a better understanding of how management views the Bank’s performance. Non-GAAP financial measures and ratios used in this presentation are not defined terms under IFRS and, therefore, may not be comparable to similar terms used by other issuers. See “Financial Results Overview” in the Bank’s First Quarter 2023 MD&A (available at [www.td.com/investor](http://www.td.com/investor) and [www.sedar.com](http://www.sedar.com)), which is incorporated by reference, for further explanation, reported basis results, a list of the items of note, and a reconciliation of adjusted to reported results.
21. This measure has been calculated in accordance with OSFI's Capital Adequacy Requirements guideline. See slide 24.
22. As of January 31, 2023. Credit ratings are not recommendations to purchase, sell, or hold a financial obligation in as much as they do not comment on market price or suitability for a particular investor. Ratings are subject to revision or withdrawal at any time by the rating organization.
23. Canadian Peers – defined as other 4 big banks (RY, BMO, BNS and CM). All Peers are based on Q1 2023 results ended January 31, 2023.
24. North American Peers – defined as Canadian Peers and U.S. Peers. U.S. Peers – defined as Money Center Banks (C, BAC, JPM) and Top 3 Super-Regional Banks (WFC, PNC, USB), based on Q4/22 results ended December 31, 2022.
25. For the purpose of calculating contribution by each business segment, earnings from the Corporate segment are excluded. Numbers may not add to 100% due to rounding.
26. For financial reporting purposes, the Bank’s share of Schwab’s earnings is part of the U.S. Retail business segment, but it is shown separately here for illustrative purposes.
27. On October 6, 2020, the Bank acquired an approximately 13.5% stake in Schwab following the completion of Schwab’s acquisition of TD Ameritrade Holding Corporation of which the Bank was a major shareholder. On August 1, 2022, the Bank sold 28.4 million non-voting common shares of Schwab, which reduced the Bank’s ownership interest in Schwab to approximately 12.0%. For further details, refer to “How the Bank reports” in the “How We Performed” section of the Q1 2023 MD&A. The Bank’s share of Schwab's earnings is reported with a one-month lag and the Bank started recording its share of Schwab’s earnings on this basis in the first quarter of fiscal 2021.
28. Based on total assets. Source: SNL Financial, Top 50 US banks and Thrifts in the U.S.
29. Investor Economics “Retail Brokerage and Distribution Report – Canada” (Fall 2022). Online brokerage rankings as of September 2022.



# Endnotes



- 30. Investor Economics "Managed Money Advisory Service-Canada" (Fall 2022). Assets under management (AUM) as of June 2022.
- 31. Rankings based on data available from OSFI, Insurers, Insurance Bureau of Canada, and Provincial Regulators as at December 2021.
- 32. Rankings based on data available from OSFI, Insurers, Insurance Bureau of Canada, and Provincial Regulators as at December 2021.
- 33. Primary dealers serve as trading counterparties of the New York Fed in its implementation of monetary policy. For more information please visit <https://www.newyorkfed.org/>.
- 34. The FundGrade A+® rating is used with permission from Fundata Canada Inc., all rights reserved. Fundata is a leading provider of market and investment funds data to the Canadian financial services industry and business media. The Fund-Grade A+® rating identifies funds that have consistently demonstrated the best risk-adjusted returns throughout an entire calendar year. For more information on the rating system, please visit [www.Fundata.com/ProductsServices/FundGrade.aspx](http://www.Fundata.com/ProductsServices/FundGrade.aspx).
- 35. Enterprise active digital users include Canadian Personal and Commercial Banking, TD WebBroker, MBNA active users, TD Insurance active users, and U.S. Retail. Canadian active mobile users based on Canadian Personal and Commercial Banking. U.S. active mobile users based on U.S. Retail and Small Business Banking.
- 36. Canadian Personal and Commercial: based on Canadian Personal & Small Business banking. U.S. Retail: based on U.S. Retail and Small Business banking.
- 37. Active digital users as a percentage of total customer base. Canadian Personal & Small Business Banking excludes TDAF loan only customers. Active digital users are users who have logged in online or via their mobile device at least once in the last 90 days.
- 38. Canadian mobile sessions represent the total number of Canadian Personal banking and Small Business banking customer logins using a mobile device for the period. U.S. mobile sessions represent the total number of U.S. Retail banking and Small Business banking customer logins using a mobile device for the period.
- 39. Self-serve share of transactions represents all financial transactions that are processed through unassisted channels (Online, Mobile, ATM, and Phone IVR).
- 40. On February 24, 2023, the Bank reached a settlement in principle (the "settlement" or "agreement") relating to litigation involving the Stanford Financial Group (the "Stanford litigation"). Once the settlement is approved by the Court, the Bank will pay US\$1.205 billion to the court-appointed receiver for the Stanford Receivership Estate. Under the terms of the agreement, TD has settled with the receiver, the Official Stanford Investors Committee, and other plaintiffs in the litigation and these parties have agreed to release and dismiss all current or future claims arising from or related to the Stanford matter. As a result of this agreement, the Bank recorded a provision of approximately \$1.6 billion pre-tax (\$1.2 billion after-tax) in the first quarter of 2023.

# Endnotes



41. Mitigation of impact from interest rate volatility to closing capital on First Horizon acquisition includes the following components, reported in the Corporate Segment: i) mark-to-market gains (losses) on interest rate swaps, recorded in non-interest income, ii) basis adjustment amortization related to de-designated fair value hedge accounting relationships, recorded in net interest income, and iii) interest income (expense) recognized on the interest rate swaps, reclassified from non-interest income to net interest income with no impact to total adjusted net income. Refer to the "Significant and Subsequent Events, and Pending Acquisitions" section in the First Quarter 2023 MD&A for further details.
42. CRD and impact from increase in the Canadian federal tax rate for fiscal 2022 recognized in the first quarter of 2023, reported in the Corporate segment. Refer to the "Significant and Subsequent Events, and Pending Acquisitions" section in the Bank's first quarter 2023 MD&A for further details.
43. FX impact solely related to the U.S. Retail Bank. Adjusted expenses excluding the partners' share of net profits for the U.S. SCP and adjusted expenses excluding the partners' share of net profits and FX are non-GAAP financial measures. For further information about these non-GAAP financial measures, please see endnote 20.
44. Net interest margin (NIM) is calculated by dividing net interest income by average interest-earning assets. Average interest-earning assets used in the calculation of NIM is a non-GAAP financial measure. NIM and average interest-earning assets are not defined terms under IFRS and, therefore, may not be comparable to similar terms used by other issuers.
45. U.S. Retail NIM is calculated by dividing segment's net interest income by average interest-earning assets excluding the impact related to deposit sweep arrangements and the impact of intercompany deposits and cash collateral, which management believes better reflects segment performance. In addition, the value of tax-exempt interest income is adjusted to its equivalent before-tax value. Net interest income and average interest-earning assets used in the calculation of this metric are non-GAAP financial measures.
46. Adjusted non-interest expenses exclude the acquisition and integration-related charges for the First Horizon acquisition – Q1 2023: \$106 million US\$78 million (\$80 million or US\$59 million after-tax), Q4 2022: \$67 million US\$50 million (\$51 million or US\$37 million after-tax).
47. Includes net interest income TEB of \$261 million (Q4 2022: \$407 million, Q1 2022: \$525 million), and trading income (loss) of \$401 million (Q4 2022: \$153 million, Q1 2022: \$201 million). Trading-related revenue (TEB) is a non-GAAP financial measure, which is not a defined term under IFRS and, therefore, may not be comparable to similar terms used by other issuers.
48. Adjusted non-interest expenses exclude the acquisition and integration-related charges primarily for the Cowen acquisition – Q1 2023: \$21 million (\$16 million after-tax), Q4 2022: \$18 million (\$14 million after-tax).
49. Capital and liquidity measures on slide 24 are calculated in accordance with OSFI's Capital Adequacy Requirements, Leverage Requirements, and Liquidity Adequacy Requirements guidelines.

# Endnotes



- 50. FX impact on RWA has a negligible impact on the CET 1 ratio, because the CET 1 ratio is currency hedged.
- 51. U.S. HELOC includes Home Equity Lines of Credit and Home Equity Loans.
- 52. Includes acquired credit impaired loans and loans booked in the Corporate segment.
- 53. Includes loans measured at fair value through other comprehensive income.
- 54. Includes acquired credit impaired (ACI) loans.
- 55. PCL Ratio: Provision for Credit Losses on a quarterly annualized basis/Average Net Loans & Acceptances.
- 56. Net U.S. Retail PCL ratio excludes credit losses associated with the retailer program partners' share of the U.S. Strategic Cards Portfolio, which is recorded in the Corporate Segment.
- 57. Gross U.S. Retail & Corporate PCL ratio includes the retailer program partners' share of the U.S. Strategic Cards Portfolio, which is recorded in the Corporate Segment.
- 58. Coverage Ratio: Total allowance for credit losses as a % of gross loans and acceptances.
- 59. U.S. Strategic Cards Partners' Share represents the retailer program partners' share of the U.S. Strategic Cards Portfolio ACL.
- 60. Consumer instalment and other personal includes the HELOC, Indirect Auto and Other Personal portfolios.
- 61. For the purpose of calculating contribution by each business segment, earnings from the Corporate segment are excluded.
- 62. Compound annual growth rate for the five-year period ended October 31, 2022.
- 63. Corporate results in 2020 include a net gain on sale of the Bank's investment in TD Ameritrade.
- 64. Corporate results in 2022 include a net gain from mitigation of interest rate volatility to closing capital on the First Horizon acquisition and gain on sale of Schwab shares.
- 65. Total Shareholder Return is calculated based on share price movement and dividends reinvested over a trailing period.
- 66. J.D. Power 2022 Canada Dealer Financing Satisfaction Study of dealers' satisfaction. For more information about the Canada Dealer Financing Satisfaction Study, visit <https://canada.jdpower.com/financial-services/canada-dealer-financing-satisfaction-study>.
- 67. For J.D. Power 2022 award information, visit [jdpower.com/awards](https://www.jdpower.com/awards).
- 68. Source: Based on Big 5 Canadian banks from data.ai- average monthly mobile active users as of December 2022.

# Endnotes



- 69. Source: from Comscore MMX® Multi-Platform, Financial Services – Banking, Total audience, 3-month average ending December 2022, Canada, United States, Spain, France and U.K.
- 70. Similar web Traffic & Engagement, Canada for the period between October 2022 to December 2022.
- 71. J.D. Power 2022 U.S. Dealer Financing Satisfaction Study of dealers' satisfaction; among companies between 214,000 and 542,000 transactions. Visit [jdpower.com/awards](https://www.jdpower.com/awards) for more information.
- 72. Total Deposits based on total of average personal deposits, business deposits and Schwab Insured Deposit Accounts (IDAs). Total Loans based on total of average personal and business loans.
- 73. "The 2023 Globe and Mail digital broker ranking: Canada's top digital broker is TD Direct Investing, with an assist from the TD Easy Trade app" Globe and Mail, February 2023.
- 74. Total Deposits based on average wealth deposits. Total Loans based on average wealth loans.
- 75. The FundGrade A+® rating is used with permission from Fundata Canada Inc., all rights reserved. Fundata is a leading provider of market and investment funds data to the Canadian financial services industry and business media. The Fund-Grade A+® rating identifies funds that have consistently demonstrated the best risk-adjusted returns throughout an entire calendar year. For more information on the rating system, please visit [www.Fundata.com/ProductsServices/FundGrade.aspx](https://www.Fundata.com/ProductsServices/FundGrade.aspx).
- 76. Includes gross loans and bankers' acceptances related to Wholesale Banking, excluding letters of credit, cash collateral, CDS, and allowance for credit losses.
- 77. On December 8, 2023, OSFI announced a 0.50% increase to the DSB, setting the DSB at 3.0%, effective February 1, 2023.
- 78. On August 12, 2021, OSFI confirmed that the exclusion of sovereign-issued securities from the leverage ratio exposure measure will not be extended past December 31, 2021. However, central bank reserves will continue to be excluded from the leverage ratio exposure measure; Minimum leverage-based TLAC ratio is increasing to 7.25% effective February 1, 2023 as a result of the 50bps increase in the leverage ratio buffer applicable to D-SIBs.
- 79. Reflects debt outstanding as at, and converted at FX rate as at January 31, 2023.
- 80. Sums may not add up precisely due to rounding.
- 81. These measures have been calculated in accordance with OSFI's Total Loss Absorbing Capacity (TLAC) guideline.

# Endnotes



- 82. Includes par value of outstanding senior unsecured long-term debt issued after September 23, 2018 with a remaining term to maturity of greater than 1 year. Senior unsecured long-term debt with original term to maturity less than 400 days will not be eligible for bail-in and would not qualify as TLAC.
- 83. Subject to conversion under the bank recapitalization "bail-in" regime.
- 84. Ratings reflect holding company senior unsecured ratings.
- 85. This measure has been calculated in accordance with OSFI's Liquidity Adequacy Requirements guideline.
- 86. Business deposits exclude wholesale funding.
- 87. Market share ranking is based on most current data available from the Office of the Superintendent of Financial Institutions Canada (OSFI) for personal non-term deposits as at March 2023.
- 88. As at January 31, 2023.
- 89. Excludes certain liabilities: trading derivatives, other liabilities, wholesale mortgage trading business, non-controlling interest and certain equity capital such as common equity.
- 90. Bank, Business & Government Deposits less covered bonds and senior MTN notes.
- 91. Obligations related to securities sold short and sold under repurchase agreements.
- 92. Consists primarily of bearer deposit notes, certificates of deposit and commercial paper.
- 93. For wholesale term debt that has bullet maturities.
- 94. Based on first par redemption date. The timing of an actual redemption is subject to management's view at the time as well as applicable regulatory and corporate governance approvals.
- 95. Includes Limited Recourse Capital Notes, Preferred Shares and Innovative T1.
- 96. Includes Limited Recourse Capital Notes, Preferred Shares and Subordinated Debt. Subordinated debt includes certain private placement notes. These instruments are not considered wholesale funding as they may be raised primarily for capital management purposes.
- 97. Represents mortgage-backed securities issued to external investors only.
- 98. As at January 31, 2023.

# Endnotes



99. Excludes certain private placement and structured notes.
100. In Canadian dollars equivalent with exchange rate as at January 31, 2023.
101. On March 27, 2020, OSFI announced that the covered bond ratio limit is temporarily increased to 10% to enable access to Bank of Canada facilities, while the maximum covered bond assets encumbered relating to market instruments remains limited to 5.5% of an issuer's on-balance sheet assets. Effective October 21, 2020, the Bank of Canada no longer accepts own-name covered bonds for Term Repo operations. OSFI has announced the unwinding of the temporary increase to the covered bond limit effective April 6, 2021.
102. Ratings by Moody's and DBRS, respectively, as at January 31, 2023.
103. In Canadian dollars equivalent with exchange rate as at date of issuance.
104. The Covered Bond Label Foundation and its affiliates are not associated with and do not approve or endorse TD's covered bond products.
105. Current Loan to Value is calculated with the Teranet-National Bank House Price Index and weighted by balance.
106. Any non-NVCC preferred shares and non-NVCC subordinated debt issued after September 23, 2018 would also be in scope.
107. Term as defined in the bail-in regulations.
108. In determining the multiplier, CDIC must take into consideration the requirement in the Bank Act for banks to maintain adequate capital and that equally ranking bail-in eligible instruments must be converted in the same proportion and receive the same number of common shares per dollar of claim.
109. Initially, the assets held in the Trust will consist of the series of Preferred Shares issued in connection with each LRCN series. Following the issuance of the LRCNs, the assets held in the Trust may also consist of (i) common shares issued upon a Trigger Event, (ii) cash from the redemption, or the purchase by the Bank for cancellation, of the Preferred Share series, or (iii) any combination thereof, depending on the circumstances.
110. Under the OSFI Guideline for Capital Adequacy Requirements (CAR), Chapter 2 – Definition of Capital, effective November 2018, each of the following constitutes a Trigger Event: (i) the Superintendent publicly announces that the Superintendent is of the opinion that the Bank has ceased, or is about to cease, to be viable and that, after the conversion or write-off, as applicable, of all contingent instruments and taking into account any other factors or circumstances that are considered relevant or appropriate, it is reasonably likely that the viability of the Bank will be restored or maintained; or (ii) the federal or a provincial government in Canada publicly announces that the Bank has accepted or agreed to accept a capital injection, or equivalent support, from the federal government or any provincial government without which the Bank would have been determined by the Superintendent to be non-viable.

# Endnotes



111. Source: TD Economics, February 2023. For recent economic analysis and research please refer to <https://economics.td.com>.
112. Source: TD Economics, March 2023. For recent economic analysis and research please refer to <https://economics.td.com>.
113. Gross Impaired Loan formations represent additions to Impaired Loans & Acceptances during the quarter; excludes the impact of acquired credit-impaired loans.
114. GIL Formations Ratio: Gross Impaired Loan Formations/Average Gross Loans & Acceptances.
115. Gross Impaired Loans (GIL) excludes the impact of acquired credit-impaired loans.
116. GIL Ratio: Gross Impaired Loans/Gross Loans & Acceptances (both are spot) by portfolio.
117. Effective November 1, 2017, the Bank adopted IFRS 9, which replaces the guidance in IAS 39. The Bank made the decision not to restate comparative period financial information and has recognized any measurement differences between the previous carrying amount and the new carrying amount on November 1, 2017 through an adjustment to opening retained earnings. As such, fiscal 2018 and 2019 results reflect the adoption of IFRS 9, while prior periods reflect results under IAS 39.
118. PCL-impaired represents Stage 3 PCL under IFRS 9, performing represents Stage 1 and Stage 2 on financial assets, loan commitments, and financial guarantees.
119. RESL Portfolio Current Loan to Value is calculated with the Teranet-National Bank House Price Index™ and weighted by the total exposure, based on outstanding mortgage balance and/or the HELOC authorized credit limit for both insured and uninsured exposures. The Teranet-National Bank House Price Index™ is a trademark of Teranet Enterprises Inc. and National Bank of Canada and has been licensed for internal use by The Toronto-Dominion Bank's Real Estate Secured Lending team only. Teranet-National Bank House Price Index™ data and marks are used with the permission of Teranet Inc. and National Bank of Canada. The contents of this work and any product to which it relates are not endorsed, sold or promoted by Teranet, NBC nor any of their suppliers or affiliates. None of Teranet, NBC, nor their third party data licensors nor any of their affiliates make any express or implied warranties, and expressly disclaim all warranties of merchantability, fitness for a particular purpose or use, adequacy, accuracy, timeliness or completeness with respect to the work product and any product it relates to. Without limiting the foregoing, in no event shall Teranet, NBC, their third party licensors or their affiliates shall be subject to any damages or liabilities for any errors, omissions or delays of the dissemination of the Index nor be liable for any direct, special, incidental, punitive or consequential damages, even if they have been advised of the possibility of such damages, whether in contract, tort, strict liability or otherwise.
120. The territories are included as follows: Yukon is included in British Columbia; Nunavut is included in Ontario; and Northwest Territories is included in the Prairies region.

# Endnotes



- 121. Average Bureau score is exposure weighted.
- 122. Excludes the revolving portion of HELOC.
- 123. Investor RESL reflects RESL where collateral is a non-owner-occupied investment property.
- 124. Gross Loans and Banker's Acceptances outstanding and percentage of Gross Loans and Banker's Acceptances outstanding.
- 125. Includes Small Business Banking and Business Credit Cards.
- 126. Consumer includes: Food, Beverage and Tobacco; Retail Sector.
- 127. Industrial/Manufacturing includes: Industrial Construction and Trade Contractors; Sundry Manufacturing and Wholesale Banking.
- 128. Other includes: Power and Utilities; Telecommunications, Cable and Media; Transportation; Professional and Other Services; Other.
- 129. Excludes acquired credit-impaired loans.
- 130. Loan To Value is calculated with the Loan Performance Home Price Index as of August 2022, based on outstanding mortgage balance and/or the HELOC authorized credit limit. FICO Scores updated September 2022.
- 131. Other includes: Agriculture; Power and utilities; Telecommunications, cable and media; Transportation; Resources; Other.
- 132. Pre-tax, pre-provision earnings (PTPP) is a non-GAAP financial measure that is typically calculated by subtracting expenses from revenues. At the total Bank level, TD calculates PTPP as the difference between adjusted revenue (U.S. Retail in \$US) net of fair value changes in investments supporting insurance claims liabilities, and adjusted expenses (U.S. Retail in \$US), grossed up by the retailer program partners' share of PCL for the Bank's U.S. strategic card portfolio. Collectively, these adjustments provide a measure of PTPP that management believes is more reflective of underlying business performance.
- 133. Operating leverage is a non-GAAP ratio that is typically calculated by dividing revenue growth by expense growth. At the total bank level, TD calculates operating leverage as the difference between the % change in adjusted revenue (U.S. Retail in source currency) net of fair value changes in investments supporting insurance claims liabilities, and the % change in adjusted expenses (U.S. Retail in source currency) grossed up by the retailer program partners' share of PCL for the Bank's U.S. strategic card portfolio. Collectively, these adjustments provide a measure of operating leverage that management believes is more reflective of underlying business performance.



# Endnotes



- 134. Adjusts for the impact of foreign exchange on the U.S. Retail Bank by using source currency figures. These adjustments are done to reflect measures that the Bank believes are more reflective of underlying business performance.
- 135. For quarters ended January 31, 2023 and October 31, 2022: U.S. Retail reported expenses included acquisition and integration-related charges for the First Horizon acquisition (pre-tax) of C\$127-million and C\$85 million, respectively, which were reported as items of note.
- 136. Adjusts for fair value changes in investments supporting insurance claims liabilities, as reported on page 6, line 14 of the Bank's Q1 2023 Supplementary Financial Information package (Income (loss) from Financial Instruments designated at FVTPL – Related to Insurance Subsidiaries).
- 137. Adjusts for the impact of the accounting requirements for the U.S. strategic card portfolio. Eliminating the partners' share of the PCL removes a source of volatility that is not reflective of the Bank's underlying economic exposure. This can be done by adding Corporate PCL (which consists solely of the partners' share of the PCL) back to non-interest expenses.
- 138. Line 13 metrics reflect the adjustments described in lines 9 through 12 on slide 68.
- 139. Excluding only the impact of the US Strategic Card Portfolio partners' share, year-over year expense growth would have been 12.7% (\$5,920MM in Q1 2022 and \$6,672MM in Q1 2023, representing a year-over-year increase of \$752MM).



# Investor Relations Contacts

**Phone:**

(416) 308-9030 or 1 (866) 486-4826

**Email:**

[tdir@td.com](mailto:tdir@td.com)

**Website:**

[www.td.com/investor](http://www.td.com/investor)