

Cautionary Statement Regarding Thermal Coal Position

There are many factors that the Bank may not foresee or that it may be unable to predict accurately, which may impact TD's ability to achieve the commitments and stakeholder expectations associated with its Thermal Coal Position. Those factors include the availability of comprehensive and high-quality data regarding company revenue, production, capital planning and GHG emissions, the development and deployment of new technologies and industry-specific solutions, legislative and regulatory changes and other unforeseen events or conditions. These and other factors may have a material impact on whether and how TD meets the commitments and expectations associated with its Thermal Coal Position.

Because of the limitations inherent in climate risk analysis and reporting, the Bank has relied upon prevailing climate change quantification guidance and made reasonable and good faith approximations and assumptions in establishing its Thermal Coal Position including regarding, among other things: the regulatory and policy changes that may impact these sectors (including in respect of their GHG emissions and operating costs), trends in the revenue, production and energy supply mix of companies operating in these sectors, the capacity of these companies to accurately measure and report on their revenue and production, the plans and abilities of these companies to transition away from thermal coal and/or to achieve Net Zero GHG emissions, and the development of technologies to mitigate GHG emissions from these sectors. Actual results may differ materially from these assumptions, which may prevent the Bank from achieving the commitments set out in its Thermal Coal Position, or result in the Bank altering the timelines associated with meeting those voluntary commitments to reflect a changing climate and regulatory context.

In addition, readers should be aware of the following:

- In assessing whether new clients or existing thermal coal mines or unabated coal-fired power generation plants meet the criteria set out in its Thermal Coal Position, TD must rely on information obtained from clients and other third-party sources (including publicly available data regarding revenues, production, capital projects and GHG emissions, and public information regarding transitions away from thermal coal and/or toward Net Zero emissions). Although TD believes these sources are reliable, TD does not verify, or require an independent audit of, any such third-party information or the assumptions underlying such information and cannot guarantee its accuracy. Any inaccuracies in the information supplied by third parties may impact the Bank's assessment of whether new clients or existing thermal coal mines or unabated coal-fired power generation plants meet criteria in its Thermal Coal Position, which may in turn impact TD's ability to meet the voluntary commitments and expectations associated with this position.
- In developing its Thermal Coal Position, TD assumed ordinary rates of growth and development of the business. Changes in TD's operations (including in the ownership of subsidiaries) or geographic footprint, including through relocations, material acquisitions or dispositions, could have a material effect on whether and how TD meets the commitments and expectations associated with its Thermal Coal Position.
- TD's processes, timelines and controls for evaluating, reporting on and phasing out exposure to thermal coal are continuously evolving. Changes in these processes, timelines or controls may require TD to modify its Thermal Coal Position or prevent TD from achieving the voluntary commitments therein.
- Methodologies for achieving, and definitions relating to, "net zero" emissions and "science-aligned" emissions reductions, are continuously evolving. As a result, the Bank's use of these terms may not be comparable to similar terms used by others.

This document has been prepared to assist our stakeholders in understanding the steps we are taking to support the transition to a low-carbon future. This document is not required to be prepared or filed by the Bank under Canadian or U.S. securities laws. While the information provided in this document may be relevant and of interest to our stakeholders, it should not be read as rising to the level of materiality of disclosure required in our securities law filings. This document also contains statements that are forward-looking, and subject to the Bank's caution regarding forward-looking statements as set out in the Bank's Report to Shareholders for the quarter ended October 31, 2021, which is available at www.td.com.

