Cautionary Statement Regarding Disclosure on Emission Targets

This document is not required to be prepared or filed by the Toronto-Dominion Bank (the "Bank" or "TD") 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 a determination of materiality for 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 year ended October 31, 2022, which is available at www.td.com. No representation or warranty, express or implied, is or will be made in relation to the accuracy, reliability or completeness of the information contained in this document

Because of the limitations and uncertainties inherent in climate and sustainability science, 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 interim Scope 1 and 2 greenhouse gas ("GHG") reduction targets and initial reduction targets for Scope 3 financed emissions (collectively, "Initial GHG Emissions Targets"). However, there are many factors that are the subject of ongoing climate and sustainability science and that the Bank may not foresee or be able to accurately predict, which may impact TD's ability to achieve these Initial GHG Emissions Targets. Those factors include the availability of comprehensive and high-quality GHG emissions data (including from TD's clients), the assumptions underlying third-party decarbonization scenarios, the applicable domestic and international regulatory and legislative regimes, the need for active and continuing participation of stakeholders (including enterprises, financial institutions and governmental and non-governmental organizations), the development and deployment of new technologies and production methods, border measures, and the availability of sector-specific solutions, among other unforeseen events or conditions. These and other factors may cause actual results to differ materially from the Bank's Initial GHG Emissions Targets and may require the Bank to adapt its Initial GHG Emissions Targets to reflect a changing climate and regulatory context.

In particular, readers should be aware that in order to set its Initial GHG Emissions Targets: TD has assumed, among other things, ordinary growth in its real estate portfolio (both owned and leased), ordinary growth in its use of vehicle fleet and company aircraft, future energy efficiencies, the feasibility of available third-party decarbonization scenarios, and the ability of clients, regulators, utility companies and energy suppliers to meet and report on their publicly stated emissions and energy efficiency targets and commitments. If these assumptions prove to be inaccurate, it may impact TD's ability to meet its Initial GHG Emissions Targets.

- TD has also assumed ordinary rates of growth and development of the business. Changes in TD's business (including in its lending and underwriting activities and its ownership and control of subsidiaries) or geographic footprint (including through relocations, mergers, acquisitions, or dispositions) could have a material effect on TD's Initial GHG Emissions Targets.
- In addition, there could be changes to the methodologies that regulators, the financial sector, the Bank and its clients use to measure, report on and verify their GHG emissions. We note that the International Sustainability Standards Board is actively involved in setting such standards. Any such changes, if material, may result in TD resetting its baselines, calculated GHG emissions and its Initial GHG Emissions Targets.
- To set, track and report on progress toward meeting its Initial GHG Emissions Targets, TD must rely on production, emissions, trends, and other data obtained from clients and other third-party sources. TD's use of third-party data shall not be taken as an endorsement of the third-party or its data or be construed as granting any form of intellectual property. Although TD believes these sources are reliable, the Bank has not independently verified any third-party data, or assessed the assumptions underlying such data, and cannot guarantee the accuracy of such third-party data or assumptions. The data needed to estimate the Bank's Initial GHG Emissions Targets may therefore be limited in quality, unavailable, or inconsistent across certain sectors. Certain third-party data, such as Scope 3 emissions and emissions factors, may also change over time as standards, measurement and estimation methodologies evolve. These factors and related uncertainties could have a material effect on TD's Initial GHG Emissions Targets and TD's ability to meet these targets.
- For the Bank to meet its target of achieving net-zero GHG emissions by 2050 for its operations and financing activities, and for TD's clients to meet their GHG emissions reduction goals, TD and its clients may need to purchase voluntary and/or compliance carbon and renewable energy instruments ("Carbon Compliance Instruments"). The market for these instruments is still developing and their availability may be limited. Some Carbon Compliance Instruments are also subject to the risk of invalidation or reversal, and TD provides no assurance of the treatment of any such Carbon Compliance Instruments in the future. There may also likely be changes to applicable regulations and standards that impact the market for Carbon Compliance Instruments. The maturity, liquidity and economics of regulated and voluntary carbon markets may make it more difficult for TD and its clients to achieve their goals and may impact TD's ability to reach its target of achieving net-zero GHG emissions by 2050.
- "Carbon neutral" and "net zero" GHG emissions legislation, regulations, methodologies taxonomies, standards, and definitions are also evolving. As a result, the Bank's use of these terms may vary over time with reference to such changes.

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