Resolved: Shareholders request that The Toronto-Dominion Bank ("TD" or the "Company") adopt company-wide, quantitative, time-bound targets for reducing greenhouse gas (GHG) emissions associated with the Company's underwriting and lending activities, and issue an annual report, at reasonable cost and omitting proprietary information, discussing its plans and progress towards achieving these targets.

Supporting Statement:

TD says that the "risks stemming from environmental issues and circumstances . . . include: regulatory, strategic, financial, operational, and reputational risks." However, long-term shareholders of TD are exposed to these risks as TD is the second biggest funder of fossil fuel activities in Canada and the 8th biggest in the world.[1]

Governor Poloz of the Bank of Canada said in 2019, "The importance of climate-related issues for financial stability and monetary policy have become increasingly clear. This is particularly true for Canada, where resources play a vital role in our economy and where the natural environment is a defining feature of our national identity."

The Intergovernmental Panel on Climate Change recently underscored the harm of climate change, announcing that "rapid, far-reaching" changes are necessary to avoid disastrous levels of global warming; net emissions of carbon dioxide must fall 45 percent by 2030, reaching "net zero" by 2050.

Banks' financing choices have a major role to play in promoting these goals. Bank underwriting activities allow carbon-intensive industries and projects to raise significant amounts of external capital. Lending can enable the purchase or creation of long-lived fossil fuel assets whose operation thwarts the achievement of climate goals.

TD is a reporting institution of the Task Force on Climate-Related Disclosures (TCFD) which says, "Now more than ever it is critical for companies to consider the impact of climate change and associated mitigation and adaptation efforts on their strategies and operations and disclose related material information. Companies that invest in activities that may not be viable in the longer term may be less resilient to risks related to climate change; and their investors may experience lower financial returns. Compounding the effect on longer-term returns is the risk that present valuations do not adequately factor in climate-related risks because of insufficient information. As such, investors need better information on how companies—across a wide range of sectors—have prepared

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[1] "Top investment banks provide billions to expand fossil fuel industry," *The Guardian,* October 13, 2019 at https://www.theguardian.com/environment/2019/oct/13/top-investment-banks-lending-billions-extract-fossil-fuels and "Banking on Climate Change," Rainforest Action Network, at https://www.ran.org/wp-content/uploads/2019/03/Banking_on_Climate_Change_2019_vFINAL1.pdf.

or are preparing for a lower-carbon economy; and those companies that meet this need may have a competitive advantage over others."

Proponents believe establishing time-bound, quantitative reduction targets for GHG emissions associated with the bank's lending and underwriting activities would serve to align new and existing initiatives, mitigate risk, and enhance shareholder value.

We urge shareholders to vote FOR this proposal.