April 17, 2020

Dear Business and Human Rights Resource Centre,

Thank you for notifying us that you plan to include Rainforest Action Network's "Banking on Climate Change: Fossil Fuel Finance Report Card 2020" in your next Weekly Update. We value and respect the diverse views held by our stakeholders and appreciate the opportunity to provide additional information about TD's perspective on climate and human rights.

We believe that there is an intrinsic link between economic growth and environmental sustainability and as a North American bank, we have a responsibility to foster both. That is why we balance supporting conventional energy sources that fuel our current economic vitality with investing in low-carbon innovation aimed at supporting a more inclusive and sustainable tomorrow.

* TD has maintained carbon neutral operations since 2010, embedded environmental considerations into key business segments and operations, and established an enterprise-wide strategy to target $100 billion, in total, towards low-carbon initiatives through lending, financing, asset management and internal corporate programs by 2030. We have contributed over $43 billion so far towards meeting this target.  Please see TD's [2019 Environmental, Social and Governance (ESG) Report](https://www.td.com/document/PDF/ESG/2019-ESG-Report.pdf) for more information on our approach.

* TD's approach to evaluating environmental and social risk during financing activities is outlined in this document: [https://td.com/document/PDF/ESG/2019-TD-Environmental-and-Social-Credit-Risk-Process-Equator-Principles.pdf](https://staging.td.com/document/PDF/ESG/2019-TD-Environmental-and-Social-Credit-Risk-Process-Equator-Principles.pdf)

* TD has been a signatory to the Equator Principles (EP) since 2007. As a signatory to the EP, TD reports annually on projects assessed according to the EP framework. TD participated in the consultation on updates to the principles (EP4), which included discussions about how to align the principles with evolving E&S risk practices.
* TD believes that strong Board and executive oversight of climate-related issues is essential for assessing and managing potential impacts on our business strategies and financial performance now and in the future. That is why we are integrating climate-related risk and opportunity considerations even further into our existing comprehensive governance structures.
* In 2019, we developed new metrics to help assess our credit exposure to carbon-related industries, as defined by TCFD.  We used the metrics identified to assess our gross credit exposures to carbon-related assets, as well as to power generation by energy source. Please refer to TD's [2019 TCFD report](https://www.td.com/document/PDF/ESG/2019-TCFD-Report.pdf), page 20 for more information.

TD's 2019 ESG Report also highlights how TD supports and respects the protection of human rights. For instance, in 2019, we updated our [Supplier Code of Conduct](https://www.td.com/document/PDF/ESG/2019-Supplier-Code-of-Conduct.pdf) to better communicate to our suppliers our expectations regarding human rights, with a focus on discrimination and human trafficking. This commitment to respect the protection of human rights extends to how we recognize Indigenous rights and support the principle of free, prior and informed consent (FPIC) as applied in Canada in the development of new projects. For more information, please see our [2019 Slavery and Human Trafficking Statement](https://www.td.com/document/PDF/ESG/2019-TD-Bank-Group-Slavery-Human-Trafficking-Statement.pdf).

We continue to approach stakeholder engagement proactively, which enables us to have ongoing dialogues with customers, employees, investors, governments, Indigenous communities and other stakeholders. Additional details on our approach to stakeholder engagement and how we use this feedback can be found in our [ESG reporting summary](https://www.td.com/document/PDF/ESG/2019-ESG-Reporting-Details.pdf).

Thank you again for writing to us.