

TD Global Finance Governance Disclosure

For the Fiscal Year Ended October 31, 2020

Introduction

The following document outlines the governance structure and practices for TD Global Finance, Ireland (“TDGF”).

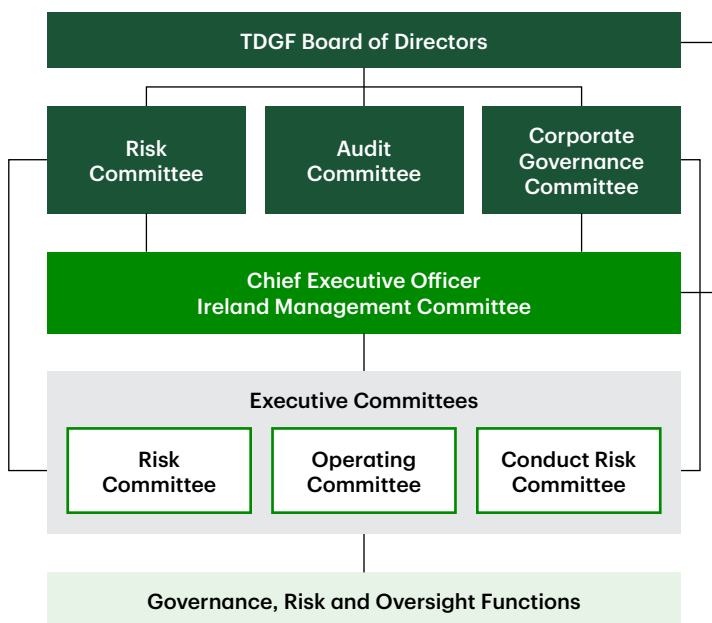
TDGF Governance Structure

TDGF’s business is conducted by its employees under the guidance of the senior executive management team (Ireland Management Committee “IMC”) and with oversight from the TDGF Board.

TDGF’s Governance framework emphasises and balances clear ownership for operations and risk control by the IMC with strong independent oversight by the TDGF Board. TDGF also has appropriate representation on key regional and global committees to challenge and support effective decision-making. This contributes to increased awareness, evaluation and mitigation of risks to enhance overall supervision and management.

The TDGF Board and Board Sub-Committee mandates include clear accountabilities, roles and responsibilities, reporting relationships and escalation protocols.

The diagram below outlines the governance structure of TDGF.



TDGF Board & Board Sub-Committees Composition & Responsibilities

TDGF Board

Name	Role
Patrice McDonald-Pryer	Independent Non-Executive Director (Chair)
Paul FitzGerald	Independent Non-Executive Director
Deirdre Flannery	Independent Non-Executive Director
John Moore	Non-Executive Director, Vice Chair & Regional Head of EAP TDS Executive MD & Head of International Fixed Income & Global SSA, TDS SVP, TD Bank Group
Kevin Ahern	Executive Director, CEO TDGF
Jonathon Lowey	Executive Director, COO TDGF

The Board is responsible for setting the strategy for TDGF and for the overall stewardship of the entity through oversight of TDGF’s operations and management. Specific duties include but are not limited to:

- **Culture & Conduct and Tone at the Top:** Set the tone for a culture of integrity and compliance including promoting awareness of applicable regulatory requirements.
- **Strategy and Governance:** Approval and oversight of TDGF’s strategy including review and approval of all major product and policy recommendations escalated to the Board’s attention as appropriate.
- **Operations:** Oversee TDGF’s operations, management, and safety and soundness consistent with TDGF and TD approved strategy and policies.
- **Risk Management & Compliance:** Oversee significant liquidity, capital, and funding matters, including review and approval of capital and liquidity risk management practices. Review, challenge and approve the ICAAP, ILAAP, Contingency Funding Plan and Recovery Plan documents.
- **Talent Management, Development and Succession:** Oversee changes to TDGF’s organisational structure and to the key management appointments, particularly those containing specific regulatory obligations.
- **Communication:** Ensure satisfactory dialogue with all stakeholders based on the mutual understanding of objectives as well as open and prompt communication with all regulators as required.

The TDGF Board meets quarterly.

Risk Committee

Name	Role
Paul FitzGerald	Independent Non-Executive Director (Chair)
Deirdre Flannery	Independent Non-Executive Director
Patrice McDonald-Pryer	Independent Non-Executive Director

The purpose of the Risk Committee is to assist the Board to fulfil its governance and oversight responsibilities in relation to the management of risk within TDGF and on any other matters as directed by the Board. Specific duties and responsibilities include but are not limited to the following:

- **Risk Framework and Risk Appetite:** Review and approve the Risk Framework and associated policies which set the direction for how TDGF manages risk to its business operations in alignment with the overall strategy.
- **Risk Management Oversight:**
 - Review all risk dashboards and management’s actions pertaining to new risks and escalating risks
 - Review and recommend for approval TDGF’s risk-based and leverage-based capital requirements and the determination of such as part of TDGF’s ICAAP
 - Review and recommend for approval TDGF’s liquidity requirements and the determination of such as part of TDGF’s ILAAP
 - Review and assess TDGF’s ongoing compliance with internal and regulatory capital and liquidity thresholds and limits including any breaches of such thresholds or limits and associated mitigating actions taken on by management
- **Compliance:** Review and discuss regular reports prepared by the Chief Compliance Officer and MLRO including with regard to reports by supervisory authorities related to Compliance, together with management’s response and follow-up on outstanding issues as necessary.

The Risk Committee meets six times per year.

Audit Committee

Name	Role
Deirdre Flannery	Independent Non-Executive Director (Chair)
Paul FitzGerald	Independent Non-Executive Director

The purpose of the Audit Committee is to assist the Board to fulfil its governance and oversight responsibilities in relation to external and internal audit functions, financial reporting, internal controls and risk management systems, and, on any other matters as directed by the Board. Specific duties and responsibilities include but are not limited to the following:

- **External Audit:** Provide the necessary oversight, of all aspects of the external statutory audit including selecting

the statutory auditors, reviewing their independence, monitoring the audit process and reporting on the audit to the Board.

- **Internal Audit:** Monitor and ensure effectiveness of the TDGF internal audit function in the context of the TDGF overall risk management system.
- **Financial Reporting:** Through review of the annual audited financial statements, ensure compliance with accounting and financial reporting standards, and consistency and appropriateness of the accounting policies, practices and financial reporting disclosures.
- **Internal Controls Framework and Risk Management Systems:** Through oversight of the internal and external audits, monitor the effectiveness of TDGF’s internal control and risk management systems. The Committee reviews procedures for detecting fraud and the remediating actions for any fraud that is uncovered. The Audit Committee periodically assesses that whistleblowing procedures and reporting mechanisms are operating effectively in ensuring that any such matters may be reported to the Central Bank of Ireland.

The Audit Committee meets quarterly.

Corporate Governance Committee (“CGC”)

Name	Role
Deirdre Flannery	Independent Non-Executive Director (Chair)
Paul FitzGerald	Independent Non-Executive Director
Patrice McDonald-Pryer	Independent Non-Executive Director
John Moore	Non-Executive Director, Vice Chair & Regional Head of EAP TDS Executive MD & Head of International Fixed Income & Global SSA, TDS SVP, TD Bank Group

The CGC assists the Board to fulfil its corporate governance and oversight responsibilities with regard to TDGF including conduct, and on any other matters as directed by the Board. Specific duties and responsibilities include but are not limited to the following:

- **Conduct and culture:** Provide effective oversight of adherence to TDGF’s corporate values and conduct of business practices.
- **Board committee and structure composition:** Make recommendations to the Board with respect to the appropriate structure and composition of the Board and its Committees to fulfil their functions and comply with all legal requirements.
- **Nomination, Resignation and Removal of Directors and Members of the IMC:** Make recommendations to the Board with respect to the nomination process for directors and members of the IMC.

- **Director Induction and Education:** Oversee the establishment of and monitor an induction program for new directors and continuing education for directors.
- **Board Functioning:** Consider and assess the functioning of the Board.
- **Remuneration:** Provide effective oversight of remuneration policy and practices, ensuring that remuneration and compensation processes and practices are in line with TDGF's risk appetite and regulatory requirements.

The CGC meets twice per year.

Corporate Governance

In ensuring that TDGF meets its corporate governance requirements, a suite of TDGF-specific policies have been drafted. These include:

- TDGF Corporate Governance Policy
- TDGF Board Suitability Policy
- TDGF Board Diversity Policy

These policies detail how TDGF monitors and assesses the effectiveness of governance arrangements both on an ongoing and periodic basis. A summary of the content of each policy is detailed in the following sections.

TDGF Corporate Governance Policy

The purpose of this policy is to set out the governance and the principles and practices which enable the Board of TDGF to effectively supervise management's operation of the company and to responsibly advance the long-term interests of shareholders and other relevant stakeholders.

The key requirements set out in this policy include the following:

Board Composition

- The TDGF Board is comprised of:
 - A minimum of six directors
 - A majority of non-executive directors, of whom a minimum of 3 shall be independent
 - Comprised of sufficient representation by executive directors to ensure that it is not dominated by one individual executive
- Diversity is considered annually and when making changes to the composition of the Board.
- The maximum number of directorships per Director shall be in accordance with Title III, Section 5 of the joint EBA/ESMA guidelines on the assessment of the suitability of members of the management body and key function holders under

Directive 2013/36/EU and Directive 2014/65/EU (the Suitability Requirements). TDGF also considers the time commitments associated with such directorships in conjunction with that required by TDGF.

- Where an independent non-executive member has served on the Board for more than nine years, his or her membership will be subject to a formal review and, if applicable, rationale for continued service will be documented.
- Director independence is assessed annually by the CGC.
- Directors shall not be eligible for election if they have a potential or actual conflict of interest that is incompatible with service as a director.

Director Responsibilities

- The obligations of the Chairperson and the Chief Executive Officer are to be carried out in line with the job descriptions which have been developed for these roles.
- Non-executive and independent non-executive directors are responsible for ensuring an effective senior management team is in place and for ensuring ongoing oversight of senior management through robust challenge.

Director Induction and Education

Directors are provided with an induction when newly elected and thereafter with continuing education opportunities and unfettered access to management. The induction programme comprises a combination of face to face meetings with the CEO, members of TDGF's executive management and Board Committee Chairs, as relevant, and written material. The Corporate Governance Committee oversees continuing education for directors and serves as a resource for ongoing education about directors' duties and responsibilities.

Director Remuneration

The Corporate Governance Committee is responsible for reviewing director compensation periodically and satisfying itself that it is competitive in the marketplace and aligns directors' and shareholders' interests. The Board determines the adequacy and form of director compensation based on the recommendation of the Corporate Governance Committee.

Role of the Board

The Board is elected to oversee the management of activities and to assure that the long-term interests of TDGF's shareholders are advanced responsibly while addressing the concerns of other relevant stakeholders and interested parties including its employees, clients, regulators, communities and the public.

The TDGF Corporate Governance Policy also covers the requirements pertaining to Committee composition, annual effectiveness assessments and succession planning.

TDGF Board Diversity Policy

This policy outlines TDGF's recognition that having a diverse board is important in providing a range of perspectives, insights and challenge necessary to support good decision making and to achieve more for our clients and our business. To ensure an inclusive, fair process when making nomination/appointment decisions, the CGC considers all aspects of diversity, including skills, industry experience, background, age, race and gender in reviewing the composition of the Board. In relation to gender diversity specifically, the Board maintains documented representation targets.

As part of the Board's annual performance review and evaluation, compliance with targets set and measurable objectives, is also assessed with details as to how such were achieved/not achieved being noted.

TDGF Board Suitability Policy

The TDGF Board Suitability Policy sets out the high-level approach to the composition, nomination, selection, appointment, re-appointment and succession planning of members of TDGF's Board.

To adequately fulfil its role and responsibilities, the Board as a whole is required to possess the necessary balance of skills, experience and independence and also considers professional background, gender, age and geographical provenance. The majority of members of the Board will be independent non-executive directors. Independence shall be defined in accordance

with the criteria set out in the Central Bank of Ireland's Corporate Governance Requirements for Investment Firms and Market Operators 2018 and other applicable European legislation.

With regard to Board nominations, the CGC leads the process for such nominations and makes recommendations to the Board in this respect. All relevant individual fitness and probity criteria are considered in conjunction with the wider skillset of the Board as a whole as part of any proposed recommendation.

TDGF, led by the Head of HR, monitors on an ongoing basis the collective and individual suitability of the members of the Board and a reassessment is performed as required.

The assessment considers the expertise and capability of each director under the following key areas in addition to director independence:

- Governance, organisation and communication
- Products, services and markets within the enterprise's scope of activities
- Sound and controlled operational policies and processes
- Balanced and consistent decision-making

The results are amalgamated by the Head of HR and reported to the Chairperson of the Board, who ascertains any training and development needs of the individuals and the Board as a whole.

A Board Training Plan is presented to the CGC and the Board for approval annually.