

Investor Intelligence Report TD Bank Financial Group

"Voice of the Shareholder"

3Q 2023

Brendan Wood International
First Intelligence

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Brendan Wood & Partners

The Brendan Wood Shareholder Confidence Panel

BWI Panel
Institutional
&
Private Wealth Investors

Secondary Markets
Professionals
Research, Sales & Trading

GLOBAL PANEL
 2000+ Debriefs with Decision
 Makers
 >\$56 Trillion in Assets
 70% Sector Specialists
 30% Generalists
 Average 9 Yrs Professional
 Experience, 25% more than 15
 Years

+/- 600 Professionals, including...
 +/- 400 TopGuns

GLOBAL RESOURCES PANEL
 350+ Debriefs with Decision
 Makers
 >\$15 Trillion in Assets
 80% Sector Specialists
 20% Generalists
 Average 11 Yrs Professional
 Experience, 35% more than 15
 Years

+/- 100 Professionals, including...
 +/- 100 TopGuns

Geographic Breakdown of the BWI Panel 2023:

US	42%
Canada	21%
Europe/Middle East/Africa	32%
Pacific Rim	4%
Latin America	1%+

Global Resources Panel:

35%
34%
27%
3%
1%+

WHAT DO BRENDAN WOOD COMPANY SCORES MEAN?

METHODOLOGY

The core mission of BWI performance and quality metrics is to illustrate and explain the emerging investor “commitment to own” particular stocks.

Eleven critical performance metrics are used to determine the relative strength of investor commitment to a company as an investment target. To help investors rate companies in a sector on a relative basis “one metric at a time”, a visual technique is used. For example, the visual tool shows investors a consensus vertical hierarchy representing how each investment target company in a sector is rated by investors against a criterion such as “Quality of Strategy” ... AS AN INFLUENCE ON THE INVESTOR COMMITMENT TO OWN THE NAME. The investor is then asked to adjust the consensus rating hierarchy to match their own particular view of how each company scores against the “Quality of Strategy” criterion. They may agree or disagree with the consensus. The investor then makes their personal adjustments which are added to our cumulative data instantly. To make this task fast and accurate the visual scoring hierarchy is broken down into top decile, four quartiles and a bottom decile, therefore six potential levels of performance against each investment selection criterion. The quartile display is instantly recognizable by investors as indicating both absolute and relative bases of the influence of a company’s level of competitive performance against a critical investment selection criterion.

The above methodology forces the (dependent variable) absolute benchmark of “commitment to own” on each quality of a corporate investment target.

WHY A COMPANY SCORE MAY BE FIRST IN ITS SECTOR BUT RATE IN THE SECOND QUARTILE?

This means that the sector itself (all companies included) ranks in the second quartile or below of investor selection attractiveness against a particular criterion of investability.

ADVANTAGE OF BRENDAN WOOD INTERNATIONAL METHODOLOGY?

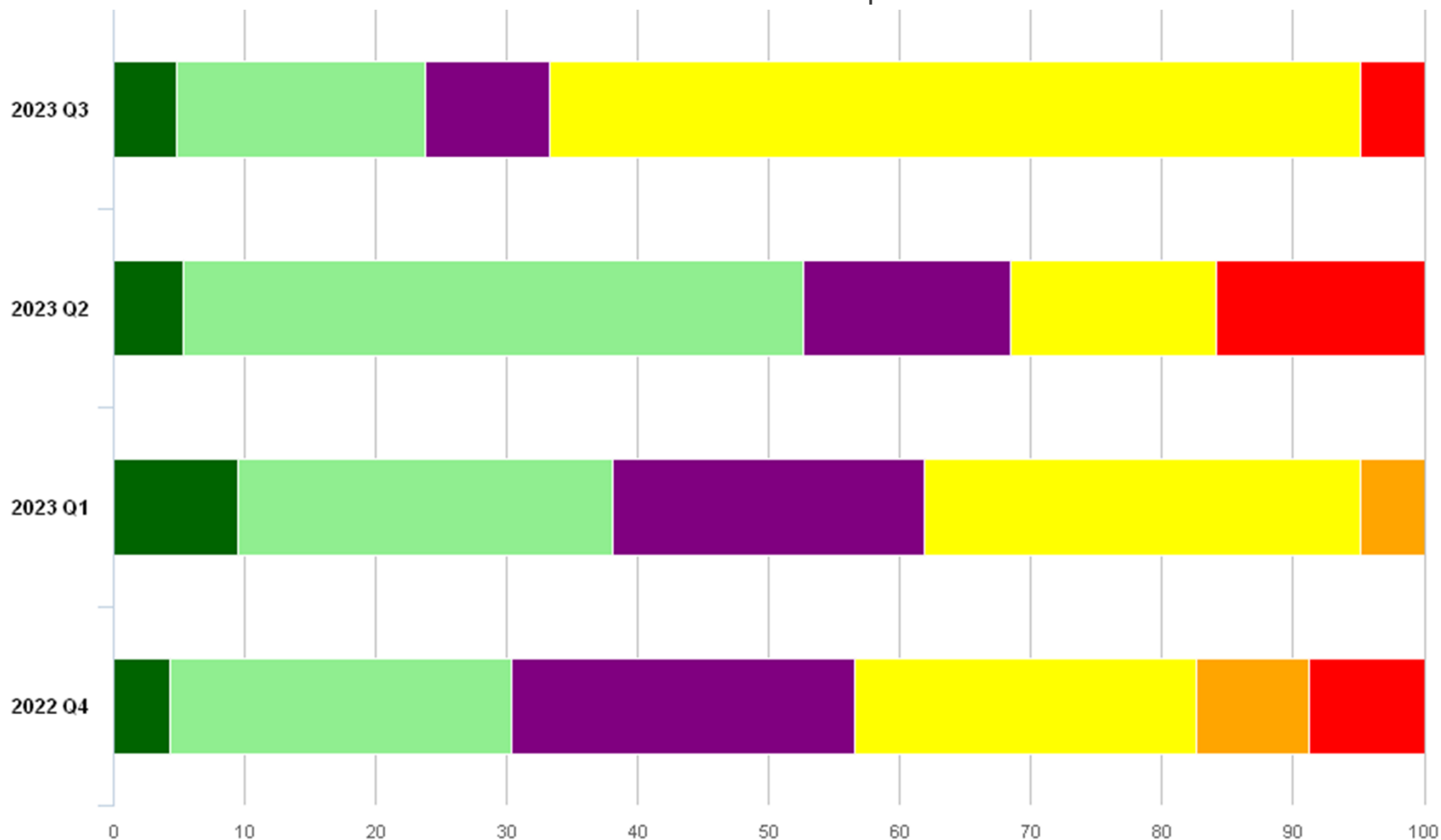
This process identifies the emerging competitiveness of individual sectors, sub-sectors and most importantly of companies as investment targets on both an absolute and relative ‘best in sector’ basis against investors’ selection criteria for the year ahead. Such calibrated data allows BW partners to help corporate management to accurately analyze their company’s attractiveness as a target for the year ahead as an individual story and relative to its comparables and sector. The isolation of performance against individual metrics enables management to identify and address the key metrics which drive the “commitment to own” their particular stock.

APPARENT CONDICTION BETWEEN QUARTERLY RESULTS AND ROLLING YEAR RESULTS?

Quarterly results = the results in the quarter. Rolling years results = the results for a full year of data.

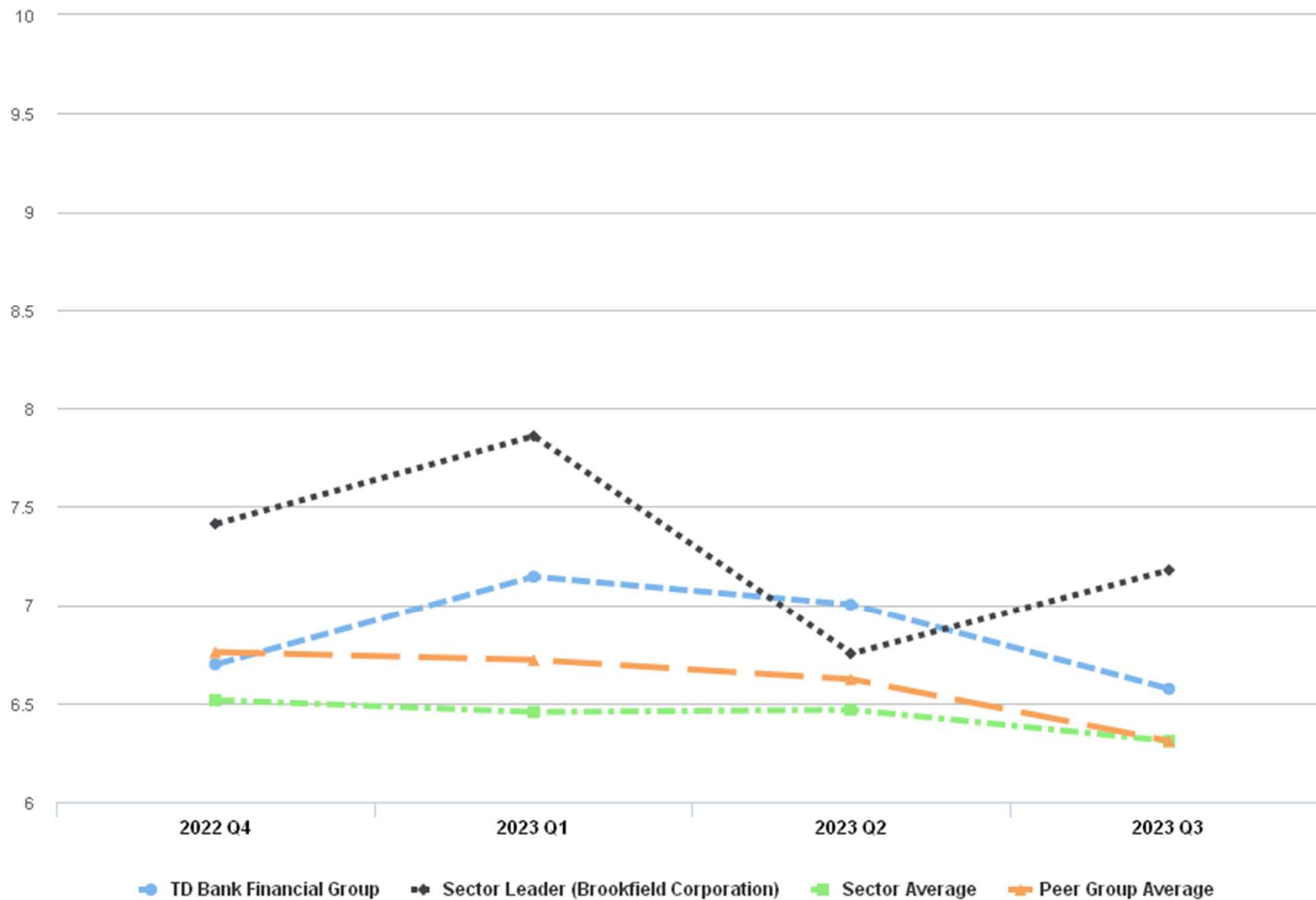
What is Your Commitment to Own This Stock in The Year Ahead?

TD Bank Financial Group



- 1. Do not Own, Serious Lack Confidence in the Company
- 2. Do not Own, Lack Confidence in the Company
- 3. Own it, Selling it due to Decreasing Confidence
- 4. Neutral, Benchmark it but DO NOT see company as a Target
- 5. Own it with Confidence BUT DOWNSIZING to re-weight portfolio
- 6. Own it or Intend to Own it
- 7. Own it with Increasing Confidence

What is Your Commitment to Own This Stock in The Year Ahead?



Shareholder Confidence Metrics

TD Bank Financial Group's Performance Vs TD Bank Financial Group Peer Group

TD Bank Financial Group Peer Group

Bank of Montreal

Bank of Nova Scotia

Canadian Imperial Bank of Commerce

Canadian Western Bank

Laurentian Bank of Canada

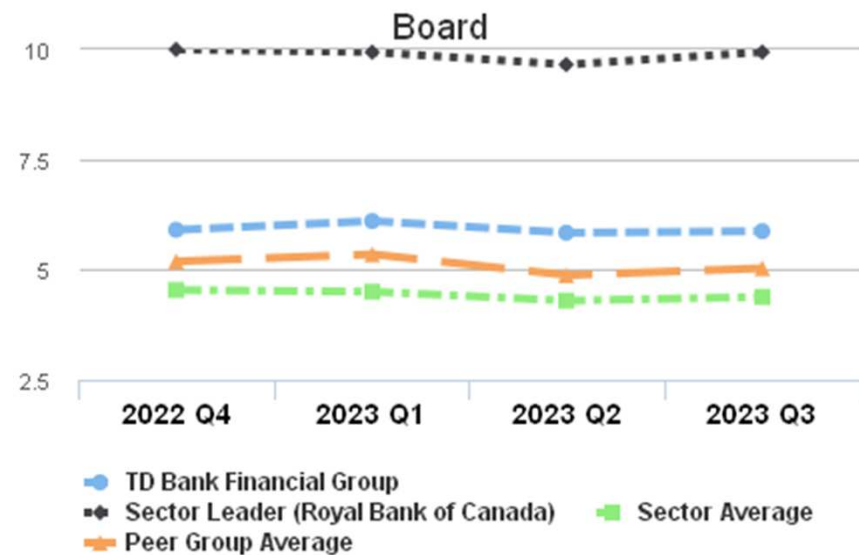
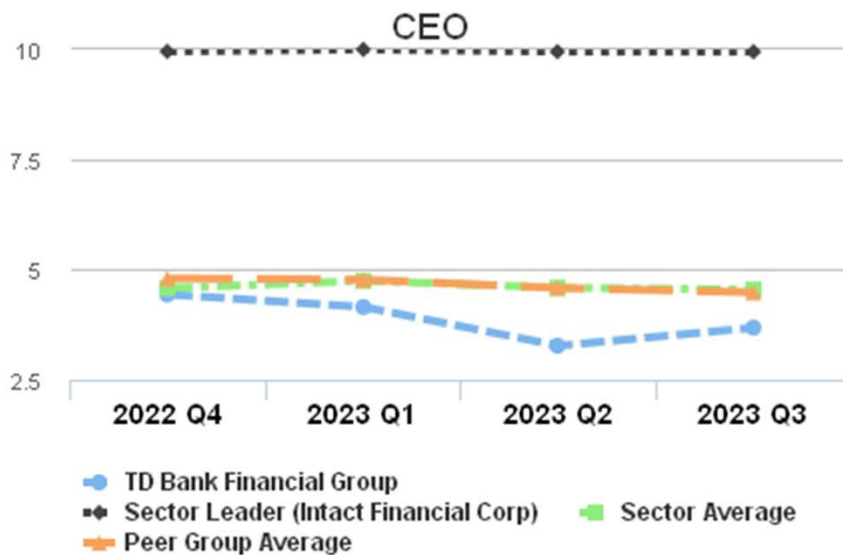
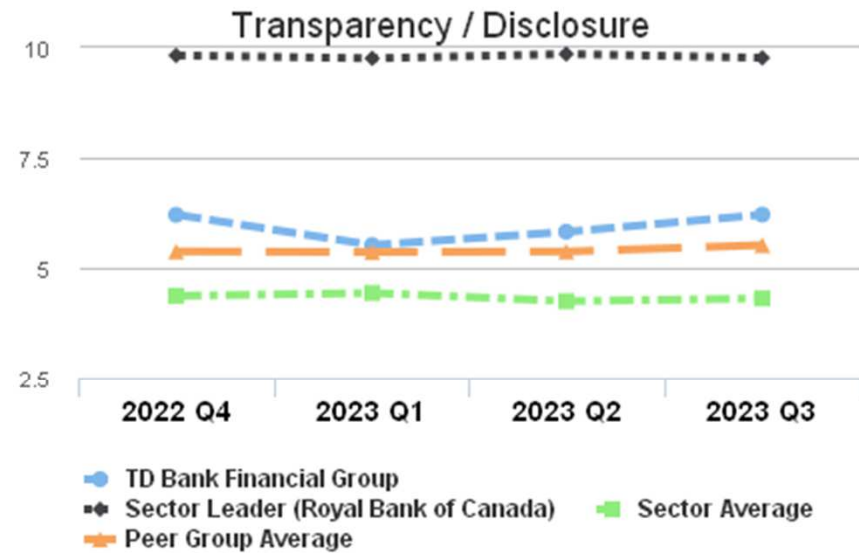
National Bank of Canada

Royal Bank of Canada

TD Bank Financial Group

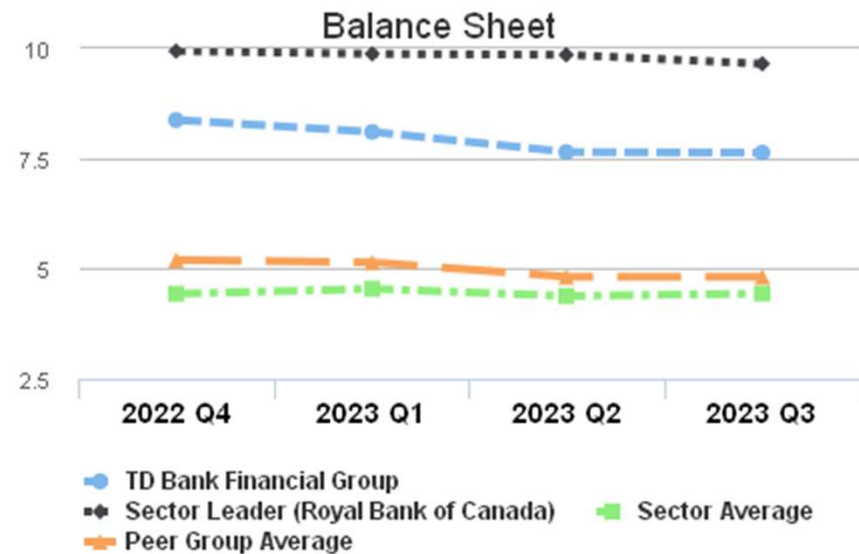
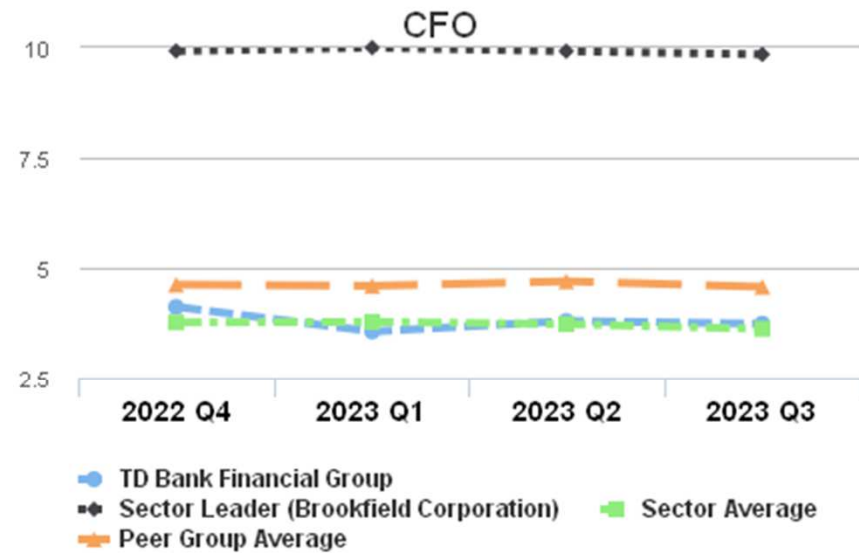
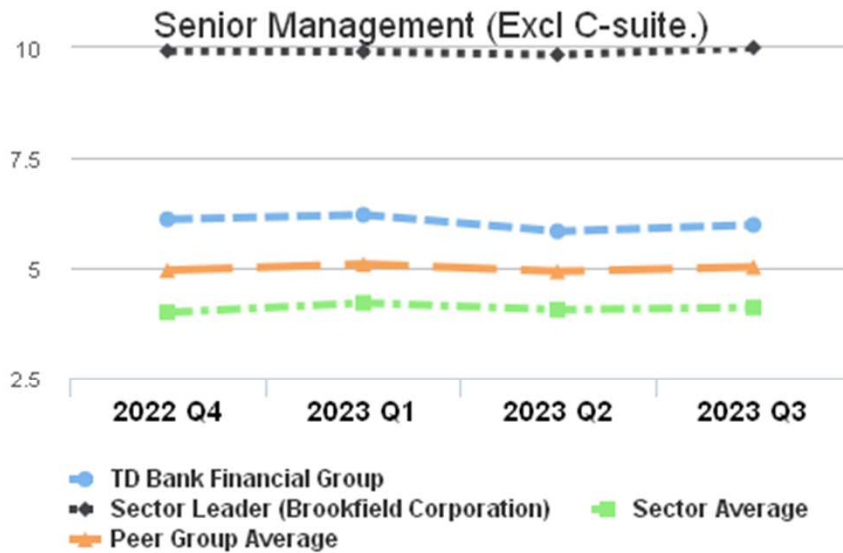
Shareholder Confidence Metrics Forecast for the Year Ahead

Quarter over Quarter Results



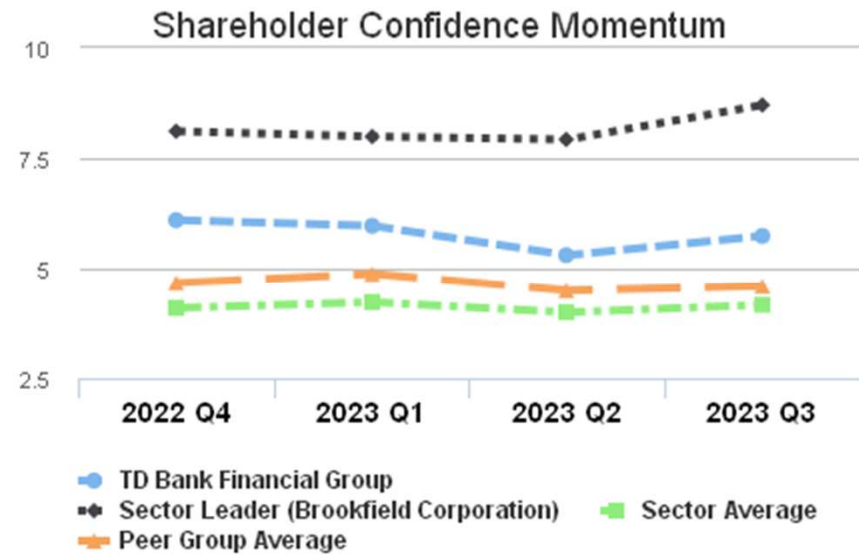
Shareholder Confidence Metrics Forecast for the Year Ahead

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Shareholder Confidence Metrics Forecast for the Year Ahead

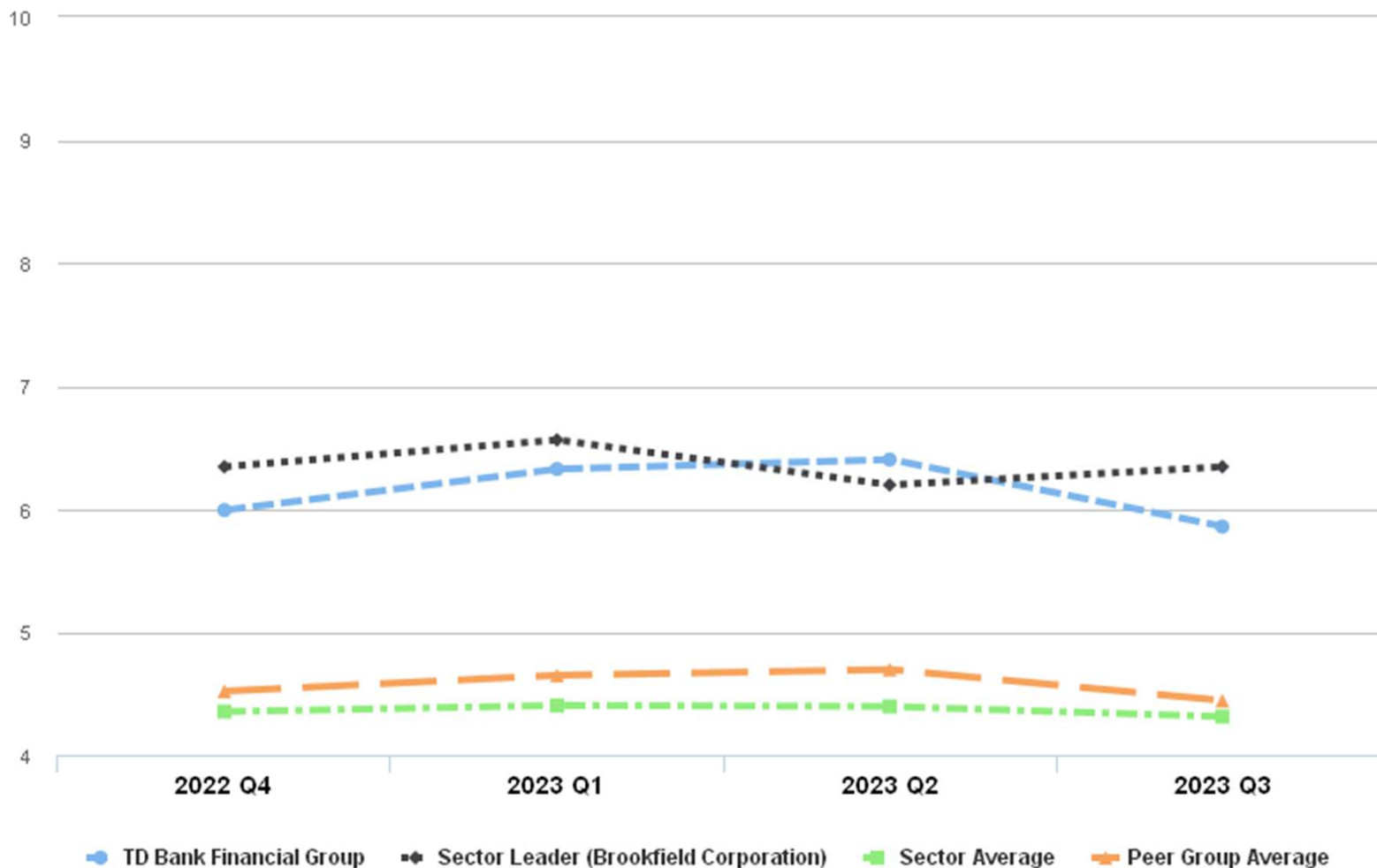
Quarter over Quarter Results



Shareholder Confidence Metrics Forecast for the Year Ahead

Quarter over Quarter Results

Price Appreciation Potential



Typical Investor Verbatim

Positive Momentum Verbatim

"TD should have EPS growth in the short term with the acquisition they made."

"TD Bank Financial benefits more from rising interest rates than Royal Bank of Canada."

"TD Bank Financials' IR is very good. They get back to you quickly and are open to discussions."

"I'd much rather be in a US aimed bank like TD, BMO or Royal, and get out of Central and South America, and the far East. I'm sure other people are thinking exactly the same thing."

"TD Bank Financial Group has been pretty successful in the US, and they should be able to continue that."

"TD Bank Financial Group's board is one of the most proactive boards in doing shareholder engagement directly with their board members; that's a positive. The same thing is true about Element Fleet Management. They invited us to attend a board meeting and talk to them about ESG; that company wants to be world-class."

"TD Bank has a strong board."

"TD Bank Financial has been beaten down so much lately, there's so much upside. The stock got beaten up on fears about capital and the closing of the First Horizon deal."

"Despite my issues, TD has a tremendous amount of value."

"It's disappointing to see people lose confidence in TD Bank's CEO, but I understand what's happening. The market seems to have lost faith in them."

Typical Investor Verbatim

Positive Momentum Verbatim

"TD Bank's CEO, Bharat Masrani doesn't get the credit he deserves. It's because he's not as warm and cuddly as Ed Clark was, but he does a good job."

"TD Bank has good management in the US. I don't know the Canadian management as well."

"Royal Bank of Canada, TD Bank and the Bank of Montreal have all executed acquisitions. They have more growth than National Bank which doesn't have any acquisitions in the pipeline. For them, it's probably more uncertain where the growth will come from than the other banks that made acquisitions."

"When it comes to the TD Bank and First Horizon deal, it's not necessarily bad it didn't close because they have access to capital. They can wait for the banking sector in the US to settle down and pick up other assets for cheaper valuation."

"We look at compensation relative to earnings because that makes more sense than just looking at the dollar amount of compensation. Relative to earnings, TD Bank is below its peers."

"BMO and TD's US strategy is the right one for the near term. They don't need to focus more on the Canadian markets."

"TD Bank's capital and ability to stay the course will greatly help them, especially in Canada."

Typical Investor Verbatim

Neutral Momentum Verbatim

"Bank of Montreal and National Bank are more well positioned for rate increases than TD Bank and Canadian Imperial Bank of Commerce."

"It's in TD's culture and style to not say a lot, and people don't get that."

"TD Bank has the retail side, but they have their issues."

"Nothing looks all that compelling; I suggest broadly sticking with the higher quality, larger diversified names. From a sector perspective, I'm still underweight banks. The multiples look good, but earnings must be rewritten lower. The life insurance names are looking okay, but the IFRS 17 news is a little confusing and so that has to get played out a little bit. As it stands, I don't have any real confidence in any of the estimates right now; just on IFRS 17 basis for the insurers. They're still exposed to the market headwinds as well. P&C looks okay."

"The Government of Canada is saying we have to break the psychology of inflation, so these rates might have to go even higher, and you guys' better play ball and not do a reverse bailout of customers. You made so much money over the years; if you want us coming down hard on you from a regulation perspective, you better play nice with your clients to ensure you don't take their homes. The banks are forgoing some earnings today but will get more money for longer if they send out the amortization period."

Typical Investor Verbatim

Negative Momentum Verbatim

"TD Bank has a ton of issues."

"Banks like TD, the Bank of Montreal, the Bank of Nova Scotia, and CIBC are not receiving as much credit as expected, resulting in the provisions being imposed. This includes changes in Basel Three Endgame, Basil Four, RWA density changes, FRTB review, and other factors that increase capital requirements. Many banks are trying to optimize RWA and other aspects of their businesses. However, with the possibility of worsening credit concerns, predicting a significant increase in EPS growth is difficult, especially if it comes from share buybacks and stuff that might not materialize."

"TD Bank's Investor Relations team could improve by increasing their responsiveness."

"TD Bank has been uncertain with their pending transactions, specifically First Horizon. There's limited visibility on when and if this will happen and the implications on the strategy. They will have to negotiate a lower price, lower than 25. The market has changed a lot with SVB's failure. They want to extend the closing date with First Horizon, but they are committed to the transaction."

"TD Bank's acquisition has been delayed."

"There's lost confidence in TD Bank's CEO, Bharat Masrani."

"I don't have confidence in banks with international banking exposure, like US or Latin American exposure, like TD Bank, the Bank of Nova Scotia, and the Bank of Montreal. I have more confidence in National Bank, which focuses on Canada and Capital Markets and Wealth Management; there's more growth in those types of businesses."

"TD Bank has terrible disclosure and terrible guidance."

Typical Investor Verbatim

Negative Momentum Verbatim

"TD Bank's IR team is far less helpful than any other bank."

"Beyond TD Bank's interest rate story, their acquisition potential in the US is somewhat compromised for the foreseeable future."

"TD Bank doesn't have a strong bench. They do not have a solid pool of potential successors for management positions. There have been so many changes, and there isn't a rock star out of TD from a management perspective. The only exception could be the head of capital markets."

"TD Bank had clear issues with compliance in the US, which hurt them. Some of the capital allocation decisions before First Horizon were not good. There were questions about how much due diligence was done on First Horizon and why they seemed to scramble to get something done. The board went along with it, and that's questionable."

"On conference calls, TD Bank never really answers questions straight. It's hard to get answers from them."

"The credit provision is going to be normalized, which means that for the next few quarters, the banks will have to readjust their operating leverage and incur some charges. This will make the next few months tough for the banks. However, the next 12 months could be a good time to buy bank stocks as things are expected to worsen."

"When it comes to reporting, TD Bank doesn't give you anything. I'm not saying it's the IR department. It could be Bharat Masrani telling them not to say anything."

"TD Bank's CFO, Kelvin Tran, is just too inexperienced."

Typical Investor Verbatim

Negative Momentum Verbatim

"TD Bank hasn't been able to communicate a good enough plan after the First Horizon deal."

"There are some uncertainties around TD Bank."

"TD Bank needs to do a better job reaching out to investors."

"The Canadian banks like Royal Bank of Canada, TD Bank, Bank of Montreal, and CIBC have over earned a lot. Over a three-to-five-year period, I don't have confidence in their long-term growth potential."

"TD Bank's communication has been atrocious. They went through a bad lawsuit, and management lost a lot of credibility because no one believed them on their capital plan. Then they had disputes with Charles Schwab's relationship. It's a lot going on quickly, and they lost its premium valuation. It was always with the Royal Bank of Canada, the premium valuation name, and that's lost because of poor execution and poor communication. There's still a tremendous amount of value, and a premium franchise despite poor execution."

"TD Bank has a lot of lawyers in their IR that refuse to be helpful; that's exasperated the problem."

"I lack confidence in TD Bank's corporate strategy due to a lack of vision and strategy in regard to US and integration with the wealth sector. Additionally, the TD Ameritrade Schwab deal was a failure, as it was hastily accepted without proper consideration. It is unacceptable that management did not anticipate the impact on a fundamental aspect of their business, such as capital allocation and earnings power. Furthermore, the First Horizon deal lacked vision and was completed in an overly competitive environment, making it incomparable to BMO. Purchasing physical assets in 2023 seems impractical, and the acquisition was not well thought out."

Typical Investor Verbatim

Negative Momentum Verbatim

"I am skeptical about TD Bank's future growth prospects unless they replace their current CEO. The board should actively search for someone with a different profile, particularly in their ability to communicate effectively with investors."

"I am not impressed with what TD Bank is doing; they are not responsibly managing their balance sheet."

"TD Bank has completely changed everything. Their CEO has been there for ten years, and there is no visibility on a succession plan."

"While I have been impressed with some of the individual board members I have met from TD Bank, I am disappointed with their collective decision-making process and apparent lack of accountability. I have spoken to some of them, and they give us the right answers but at the end of the day, their actions need to align with their words. If nothing changes, there is a problem."

"TD Bank's reporting is really bad. I follow Synchrony, which has the same kind of client agreements on the expenses and provisions, for some reason, TD has to make them super complicated; it's unbearable."

"We're heading into a recession, so banks will most likely continue to go nowhere or down, and then, at some point, they will go to the roof. No one has the crystal ball to say whether we will finish our recession in one year."

"TD Bank is terrible when it comes to reporting."

Typical Investor Verbatim

Negative Momentum Verbatim

"We are heading into a recession, and banks do not grow in a recession."

"TD Bank's reporting is the worst of all the banks. They have awful disclosure."

"TD Bank's IR team is very weak. It's like they go out of their way to be difficult."

"I don't have confidence in TD Bank's balance sheet. They recently messed up trying to do that deal in the US, which didn't work."

"TD Bank's CFO is not experienced. When you ask him a question, I can't tell whether he doesn't know the answer or refuses to answer. TD Bank and Sun Life's CFOs are weak. If a CFO can't or won't provide the basic disclosure necessary to make the model work, then that's on them. I've been doing this for a long time; believe me, I know how to build a model. If I can't build a good one, it means the problem is them."

"Compared to its peers, TD Bank has the weakest strategy. One example is the whole mess with the First Horizon acquisition, and we don't know what they are doing in the US."

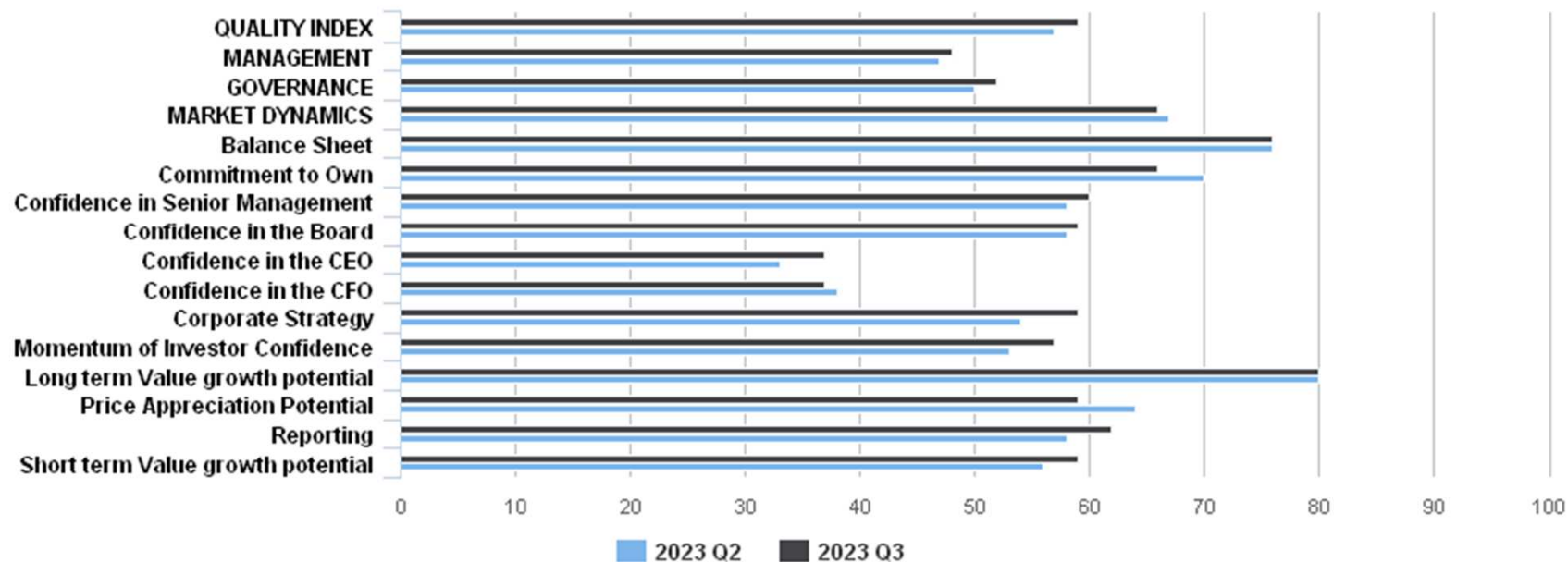
"I don't see why people would get excited about TD Bank over the next year."

"I don't have confidence in TD Bank's board after the fallout from their failure to close First Horizon. The board needs to hold management accountable for it."

Quarter over Quarter Results

Forecast for the Year Ahead

TD Bank Financial Group



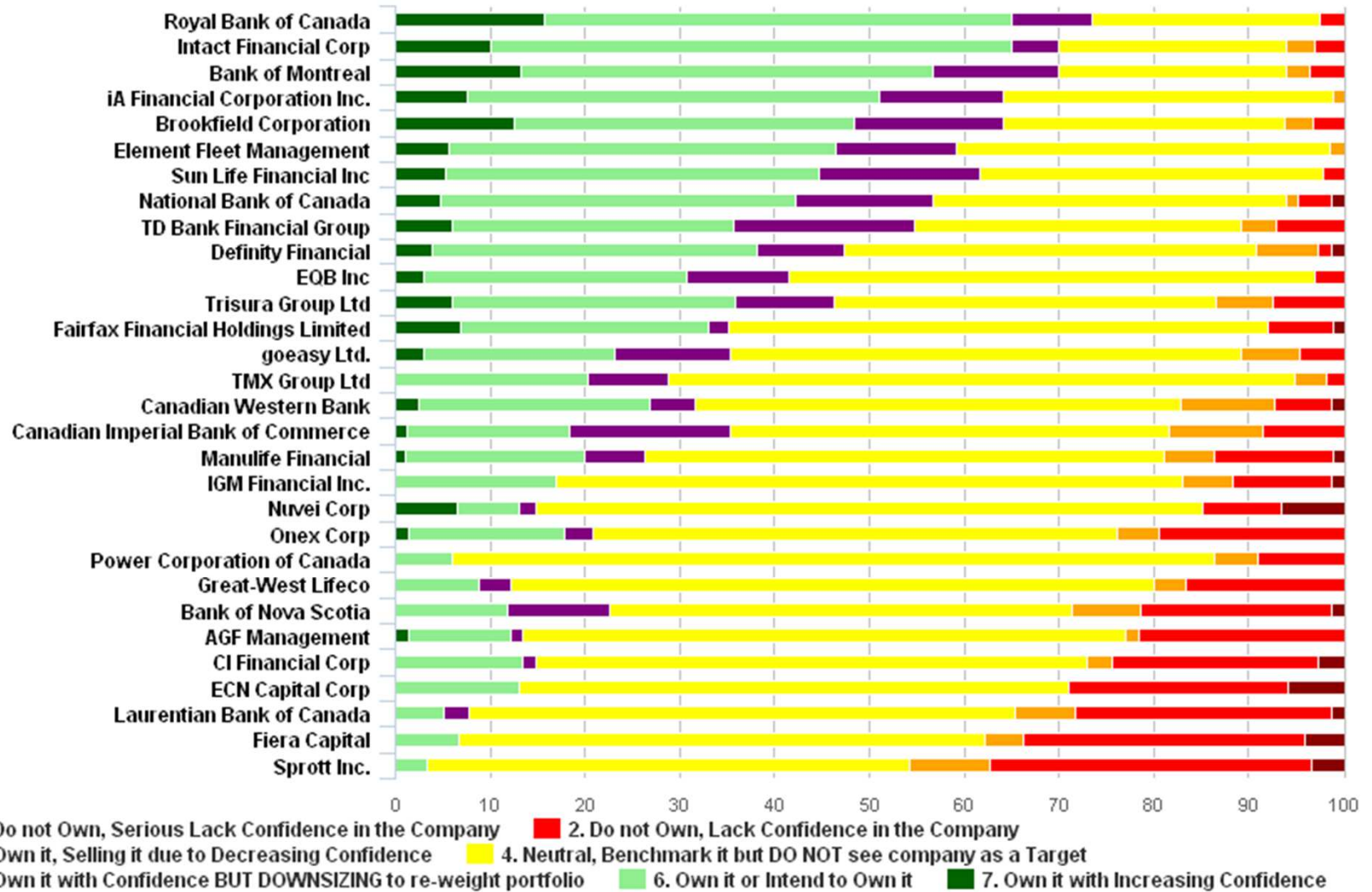
Rolling Year Data*

*Rolling Year Data = Accumulation of the rolling 12 month intelligence from the BWI Shareholder Confidence Panel

What is Your Commitment to Own This Stock in The Year Ahead?

Rolling Year Data

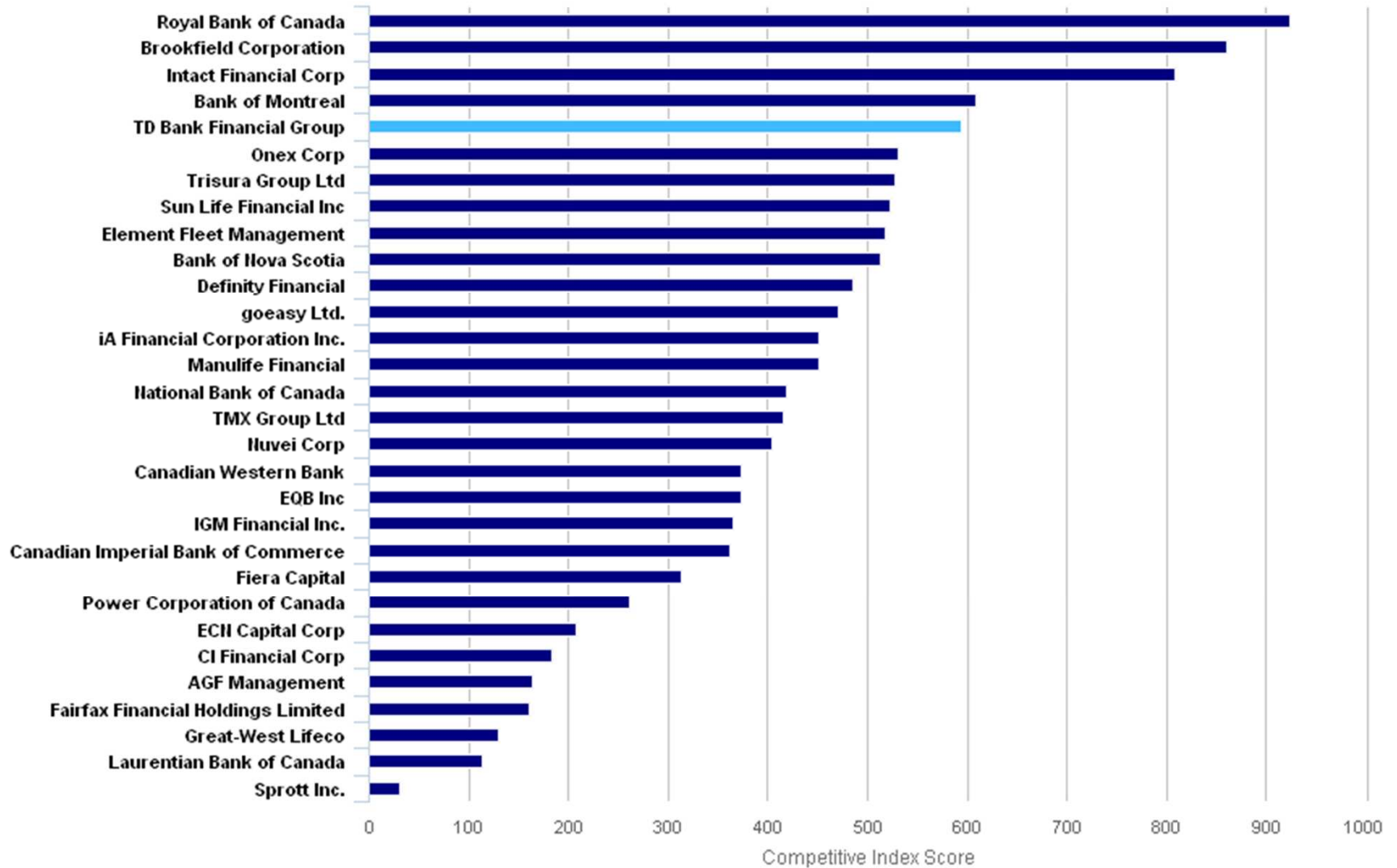
Buyers/Sellers by Sector



Shareholder Confidence Competitive Index

Rolling Year Data

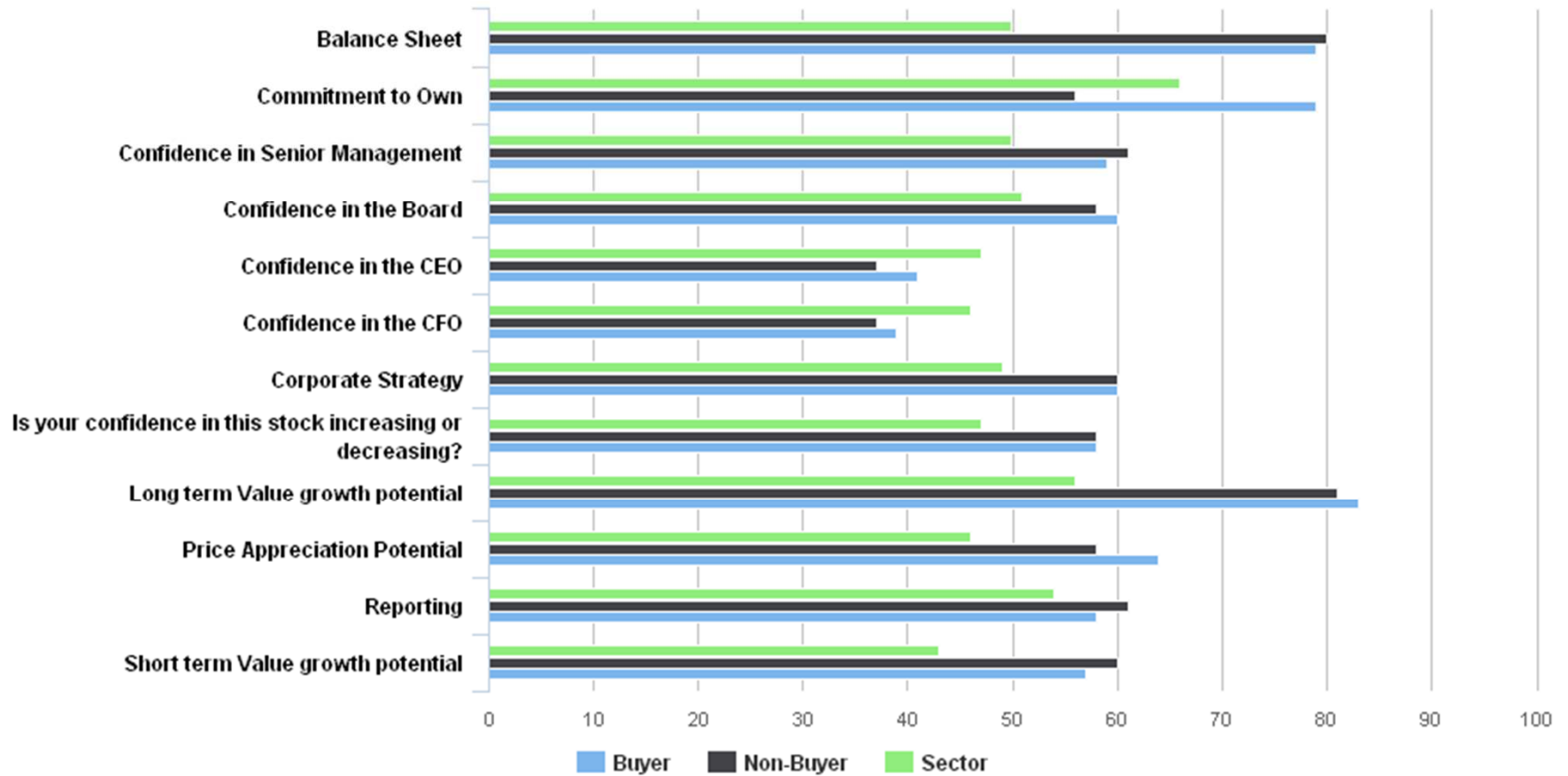
Global Investors - Investment Quality Index



Investment Target: Buyer Ratings Vs Non-Buyer Ratings Forecast for the Year Ahead

Rolling Year Data

TD Bank Financial Group



Shareholder Confidence Ratings by Categories Forecast for the Year Ahead

Rolling Year Data

Company Name	Strategy	Management - CEO, CFO, Senior Management, Board	Market Dynamics - Commitment to Own, Momentum, Price Appreciation Potential, Balance Sheet, Short and Long Term Growth	Governance - Reporting & Disclosure, Board, CFO
Royal Bank of Canada	1st	2nd	1st	1st
Intact Financial Corp	2nd	3rd	4th	2nd
Brookfield Corporation	3rd	1st	2nd	3rd
Element Fleet Management	4th	10th=	7th	11th
Bank of Montreal	5th=	4th	6th	4th
Sun Life Financial Inc	5th=	5th=	11th	7th=
TD Bank Financial Group	7th=	9th	3rd	10th
Trisura Group Ltd	7th=	10th=	5th	13th
Onex Corp	9th	5th=	9th=	5th
Bank of Nova Scotia	10th	12th	9th=	14th
National Bank of Canada	11th	16th	16th	15th
iA Financial Corporation	12th	7th	15th	7th=
goeasy Ltd.	13th	13th	12th=	7th=
Definity Financial	14th=	8th	12th=	12th
TMX Group Ltd	14th=	18th=	14th	16th
Canadian Imperial Bank of	16th=	18th=	20th	17th=
IGM Financial Inc.	16th=	21st	18th=	17th=
Manulife Financial	16th=	17th	8th	17th=
Nuvei Corp	16th=	14th	18th=	20th
Power Corporation of Cana	20th	23rd	23rd	26th
Canadian Western Bank	21st	20th	17th	21st
ECN Capital Corp	22nd=	27th	22nd	28th
Fiera Capital	22nd=	22nd	25th	22nd

Shareholder Confidence Ratings by Categories Forecast for the Year Ahead

Rolling Year Data

Company Name	Strategy	Management - CEO, CFO, Senior Management, Board	Market Dynamics - Commitment to Own, Momentum, Price Appreciation Potential, Balance Sheet, Short and Long Term Growth	Governance - Reporting & Disclosure, Board, CFO
EQB Inc	24th	15th	21st	6th
Fairfax Financial Holding	25th	28th	24th	27th
Great-West Lifeco	26th	29th	26th=	29th
AGF Management	27th	25th=	28th	25th
CI Financial Corp	28th	24th	26th=	23rd
Sprott Inc.	29th	30th	30th	30th
Laurentian Bank of Canada	30th	25th=	29th	24th

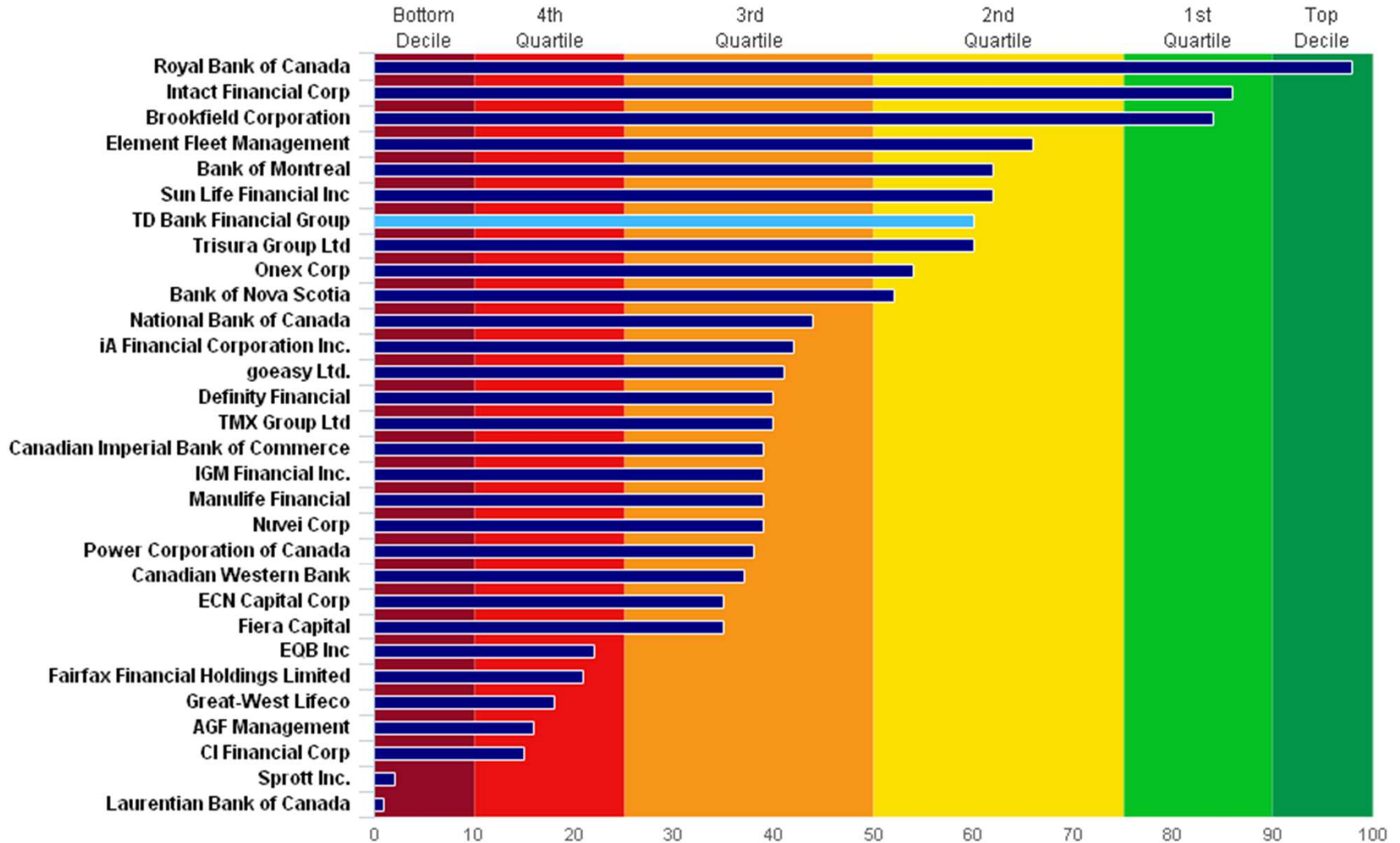
Advance Proxy Poll - Strategy Forecast for the Year Ahead

Rolling Year Data

What is Your Vote or Recommended Vote* to Retain/Replace the Existing Strategy?

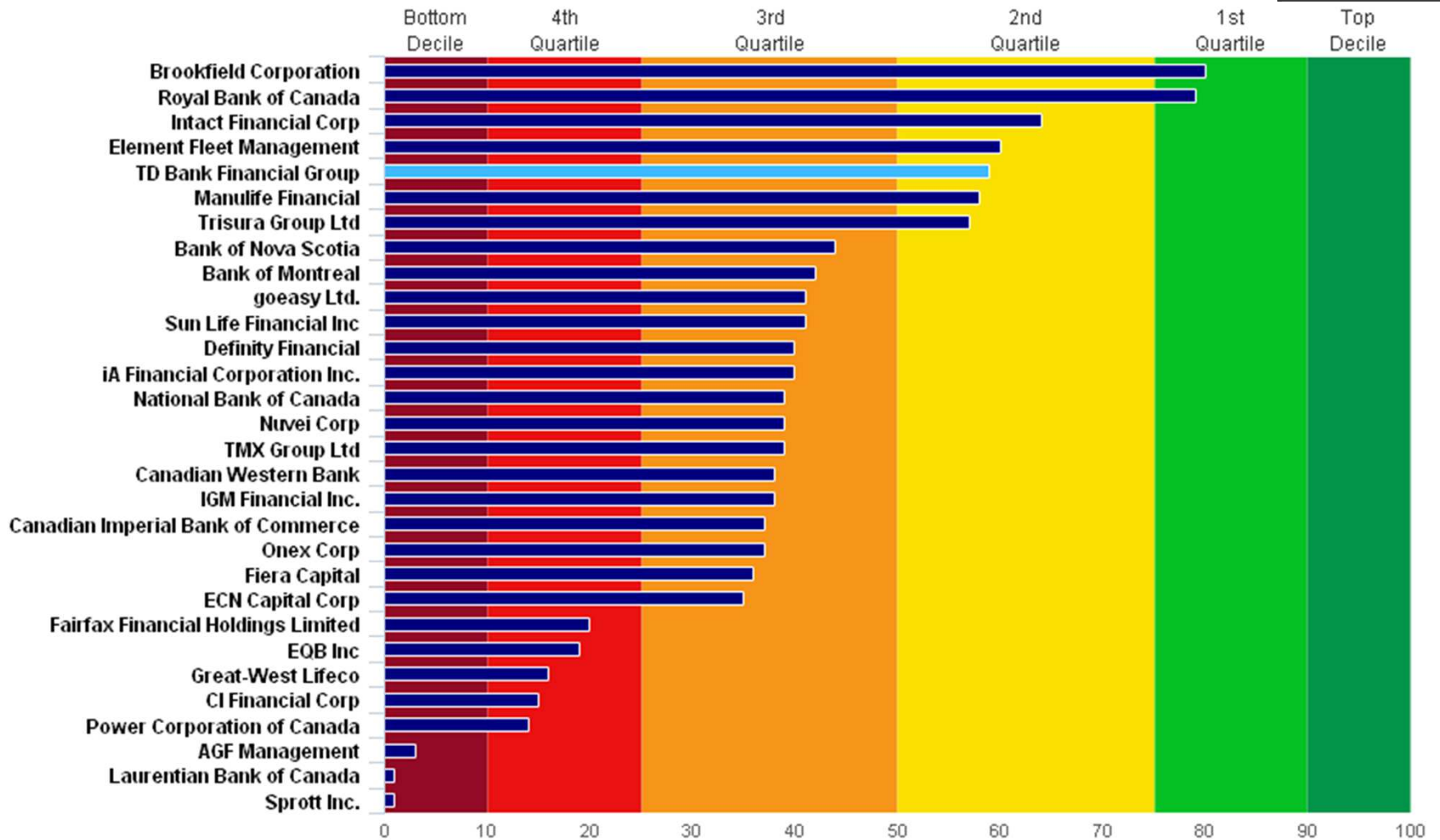
(*Applies to cases where compliance/administration executes the proxy.)

(TD: Very Strong Vote to Retain, Q1: Strong Vote to Retain, Q2: Vote to Retain, Q3: Vote to Replace, Q4: Strong Vote to Replace, BD: Very Strong Vote to Replace)



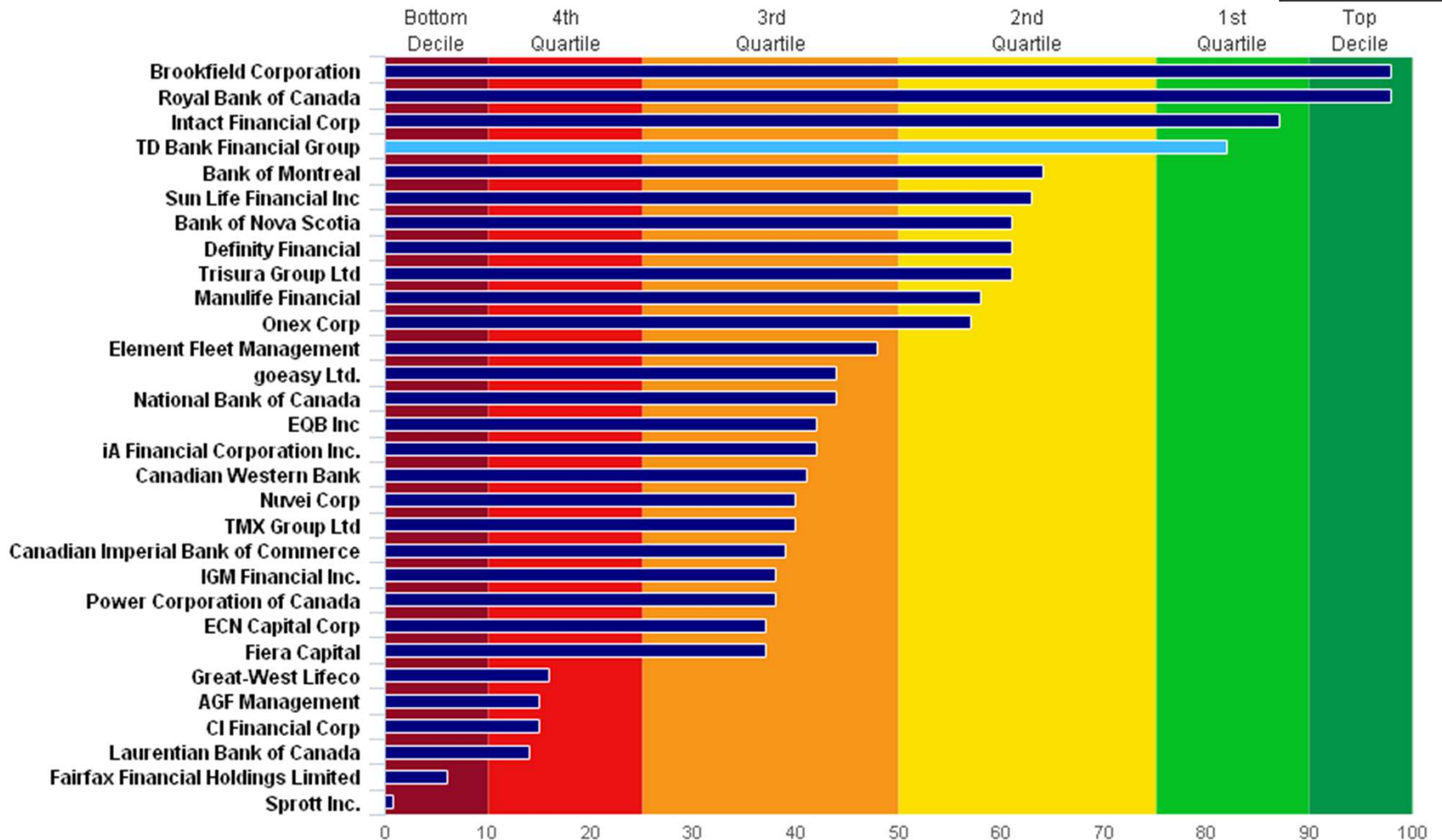
Confidence in Short Term Growth Forecast for the Year Ahead

Rolling Year Data



Confidence in Long Term Growth Forecast for the Year Ahead

Rolling Year Data



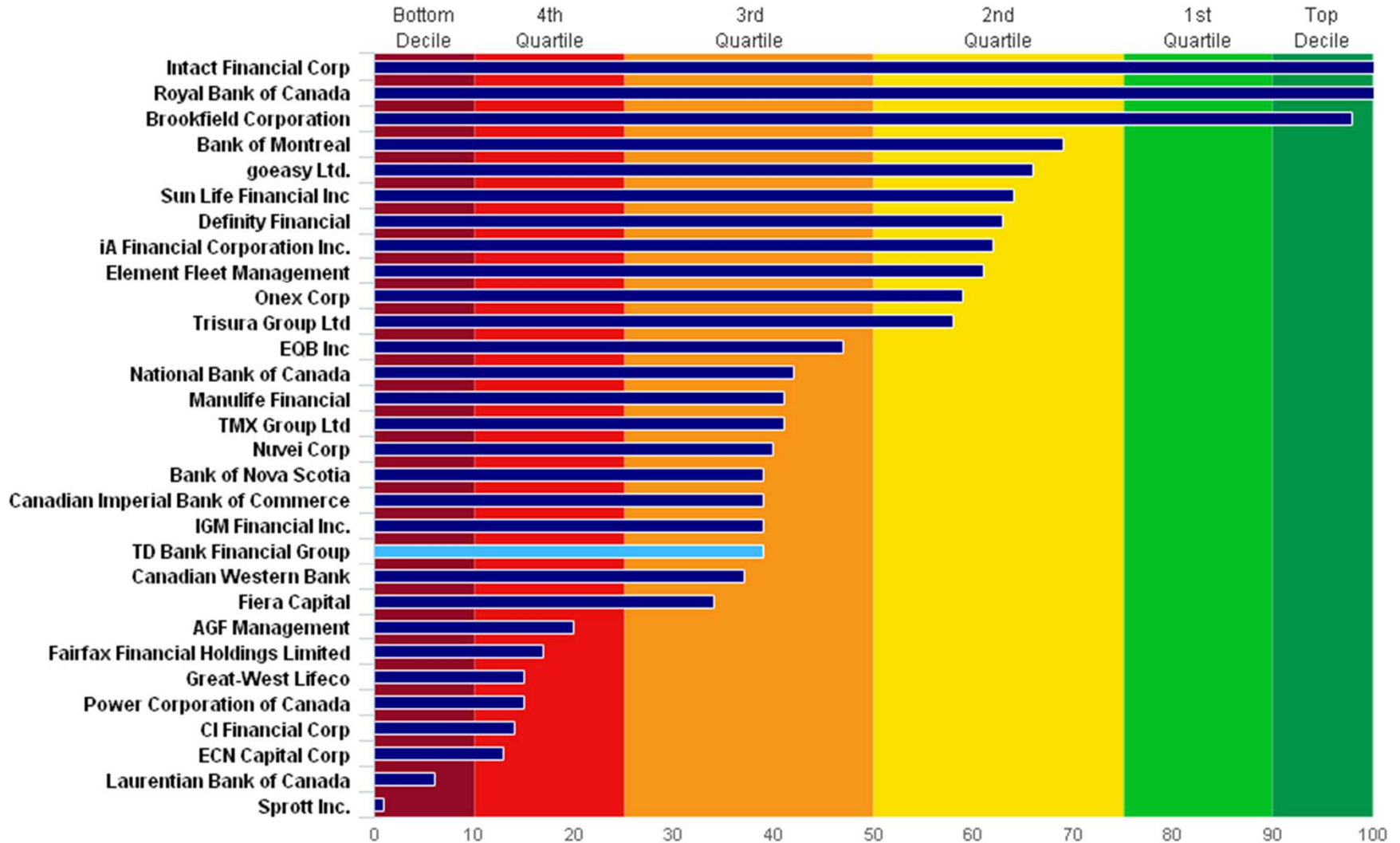
Advance Proxy Poll - CEO Forecast for the Year Ahead

Rolling Year Data

What is Your Vote or Recommended Vote* to Retain/Replace the Existing CEO?

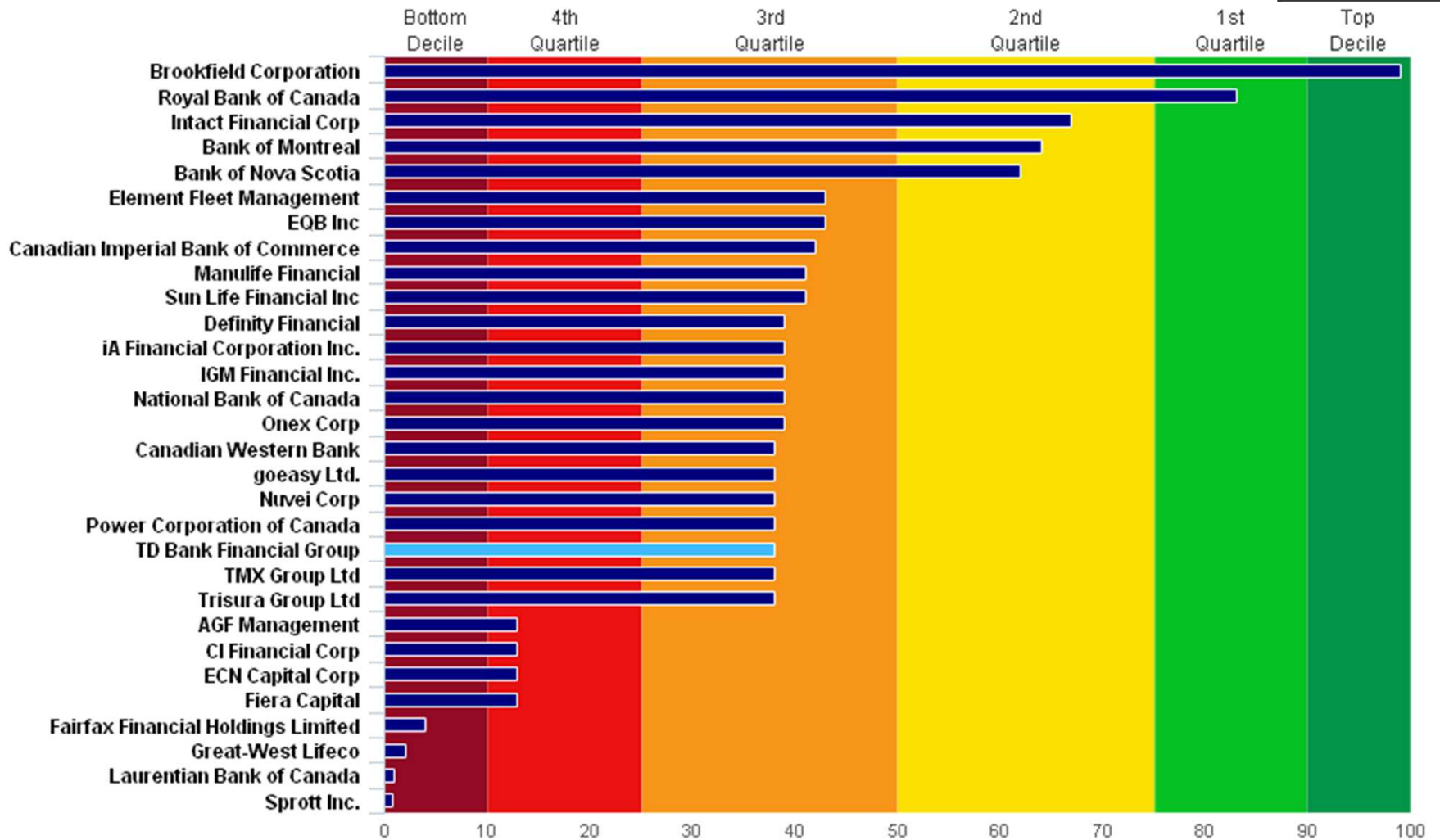
(*Applies to cases where compliance/administration executes the proxy.)

(>80 Very Strong Vote to Retain, 70-80 Strong Vote to Retain, 60-70 Neutral, 50-60 Strong Vote to Replace, <50 Very Strong Vote to Replace)



Confidence in CFO Forecast for the Year Ahead

Rolling Year Data



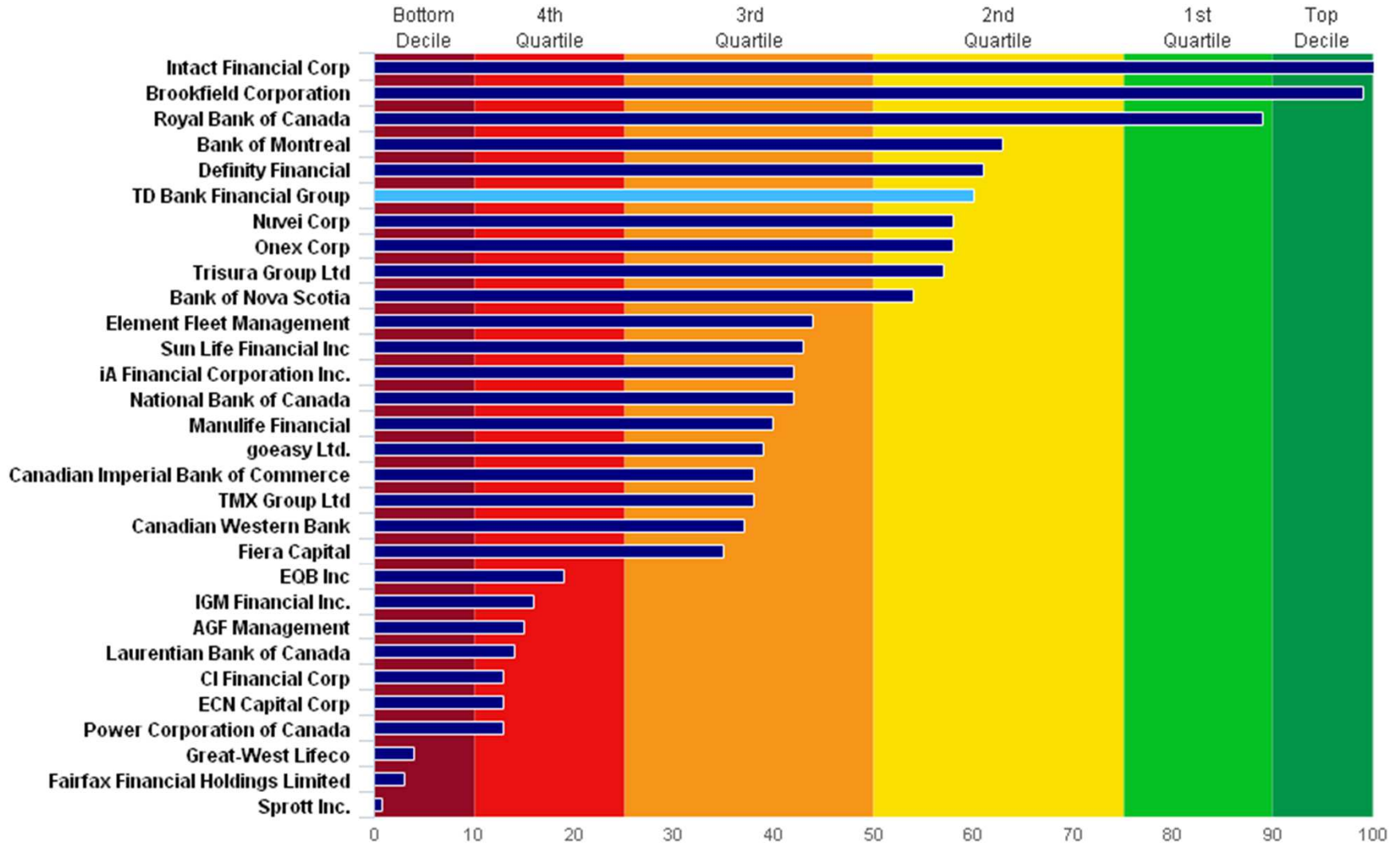
Advance Proxy Poll - Senior Management Forecast for the Year Ahead

Rolling Year Data

What is Your Vote or Recommended Vote* to Retain/Replace the Existing Senior Management?

(*Applies to cases where compliance/administration executes the proxy.)

(>80 Very Strong Vote to Retain, 70-80 Strong Vote to Retain, 60-70 Neutral, 50-60 Strong Vote to Replace, <50 Very Strong Vote to Replace)



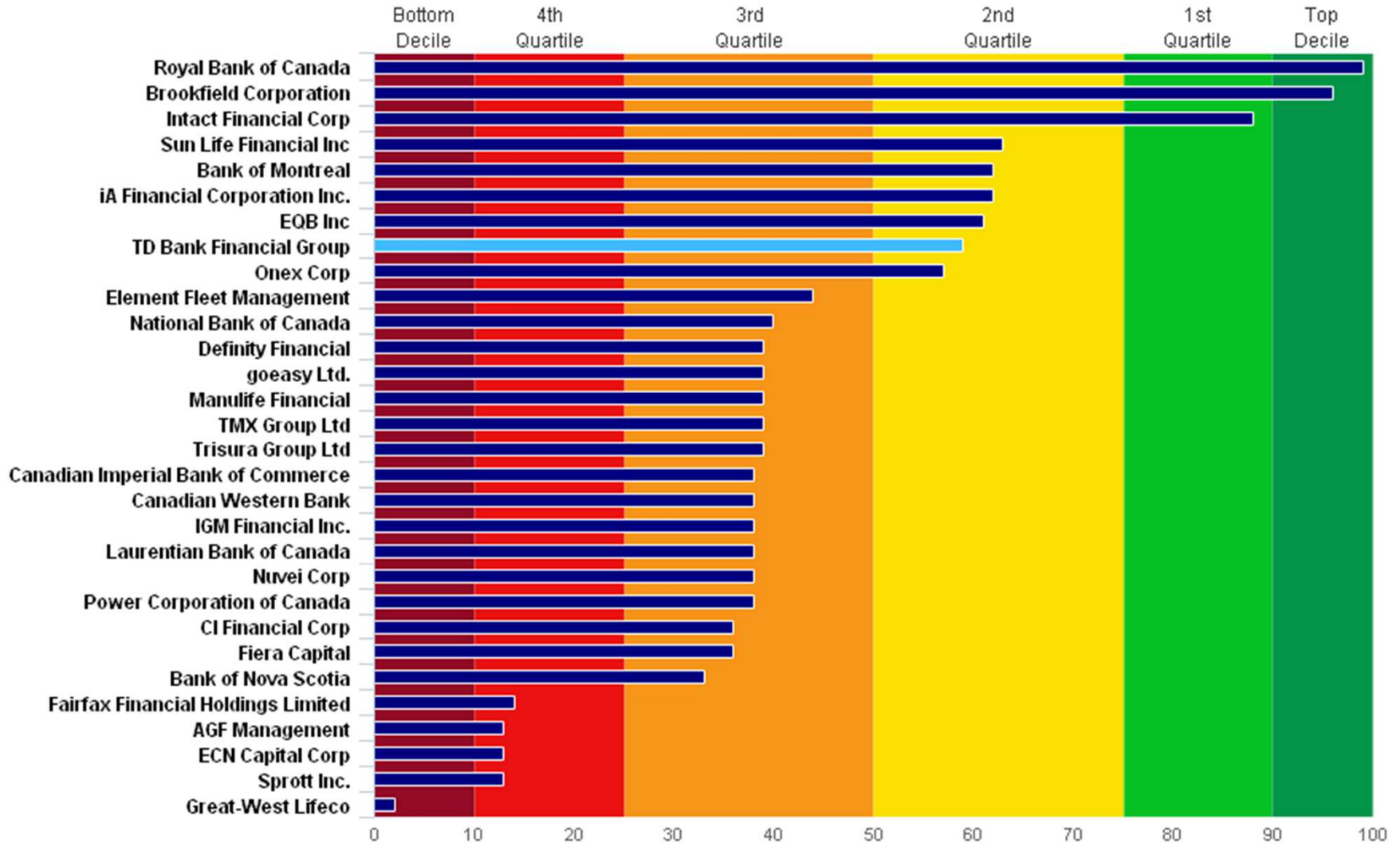
Advance Proxy Poll - Board Forecast for the Year Ahead

Rolling Year Data

What is Your Vote or Recommended Vote* to Retain/Replace the Existing Board?

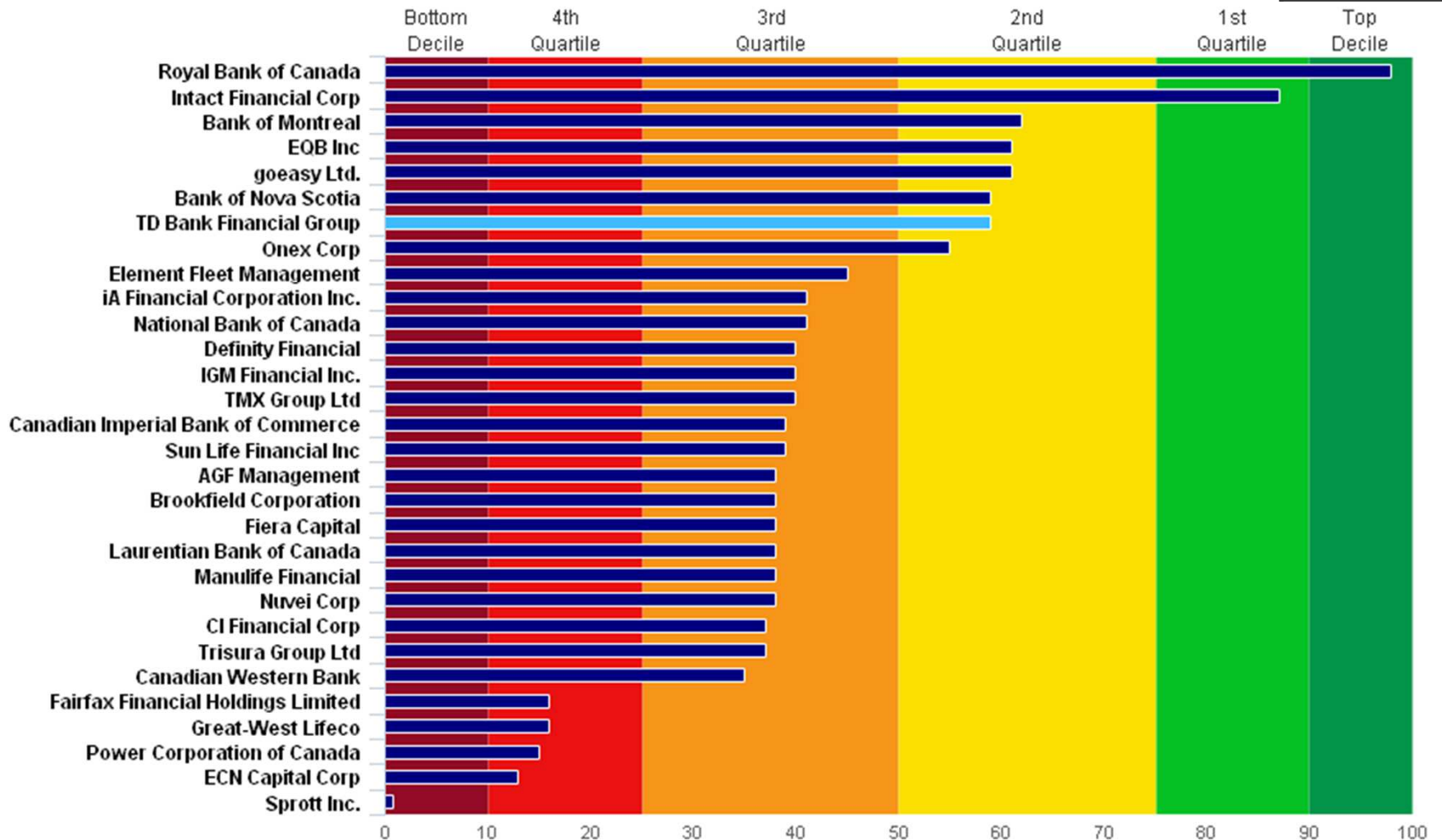
(*Applies to cases where compliance/administration executes the proxy.)

(>80 Very Strong Vote to Retain, 70-80 Strong Vote to Retain, 60-70 Neutral, 50-60 Strong Vote to Replace, <50 Very Strong Vote to Replace)



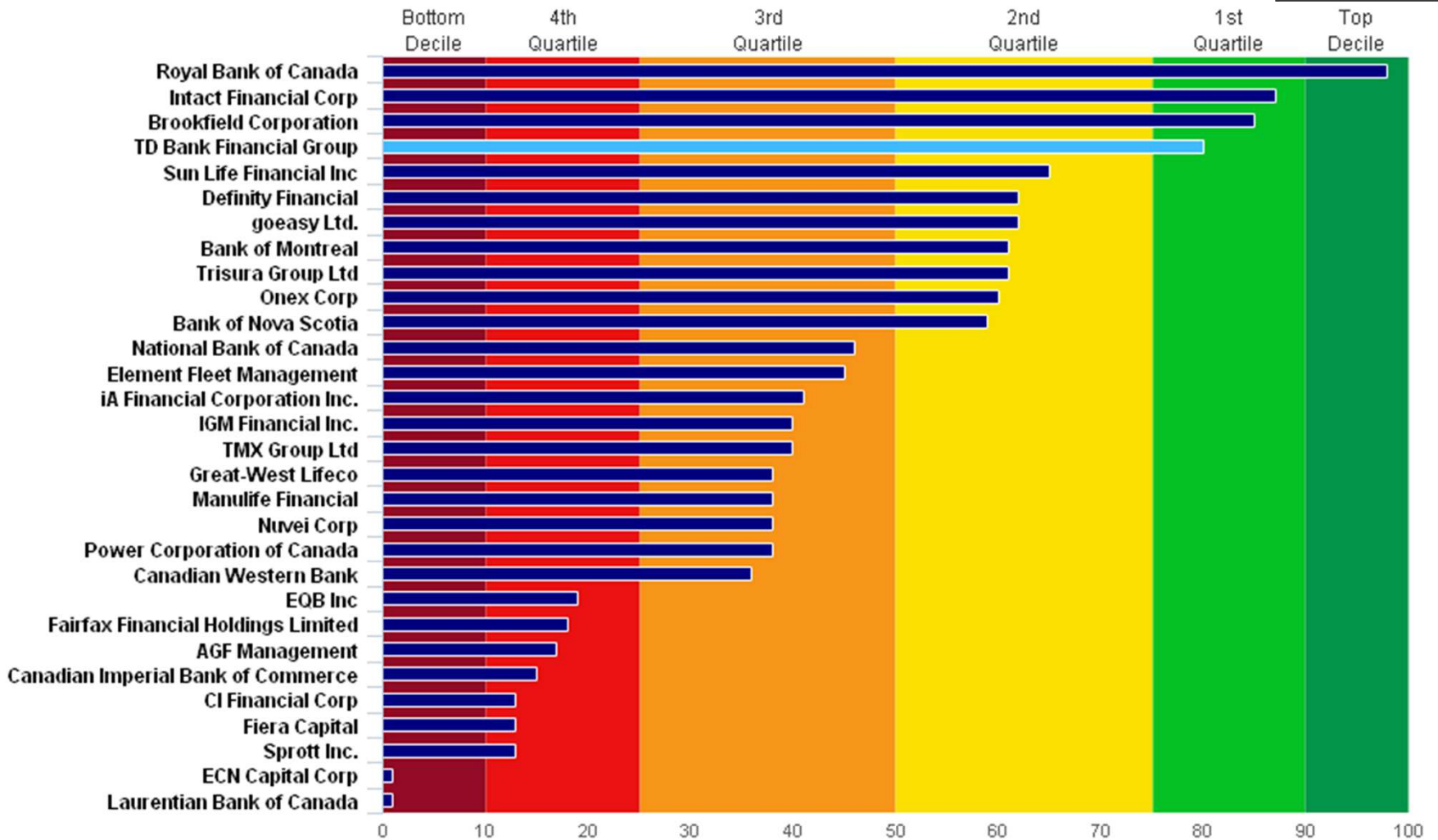
Confidence in Reporting Forecast for the Year Ahead

Rolling Year Data



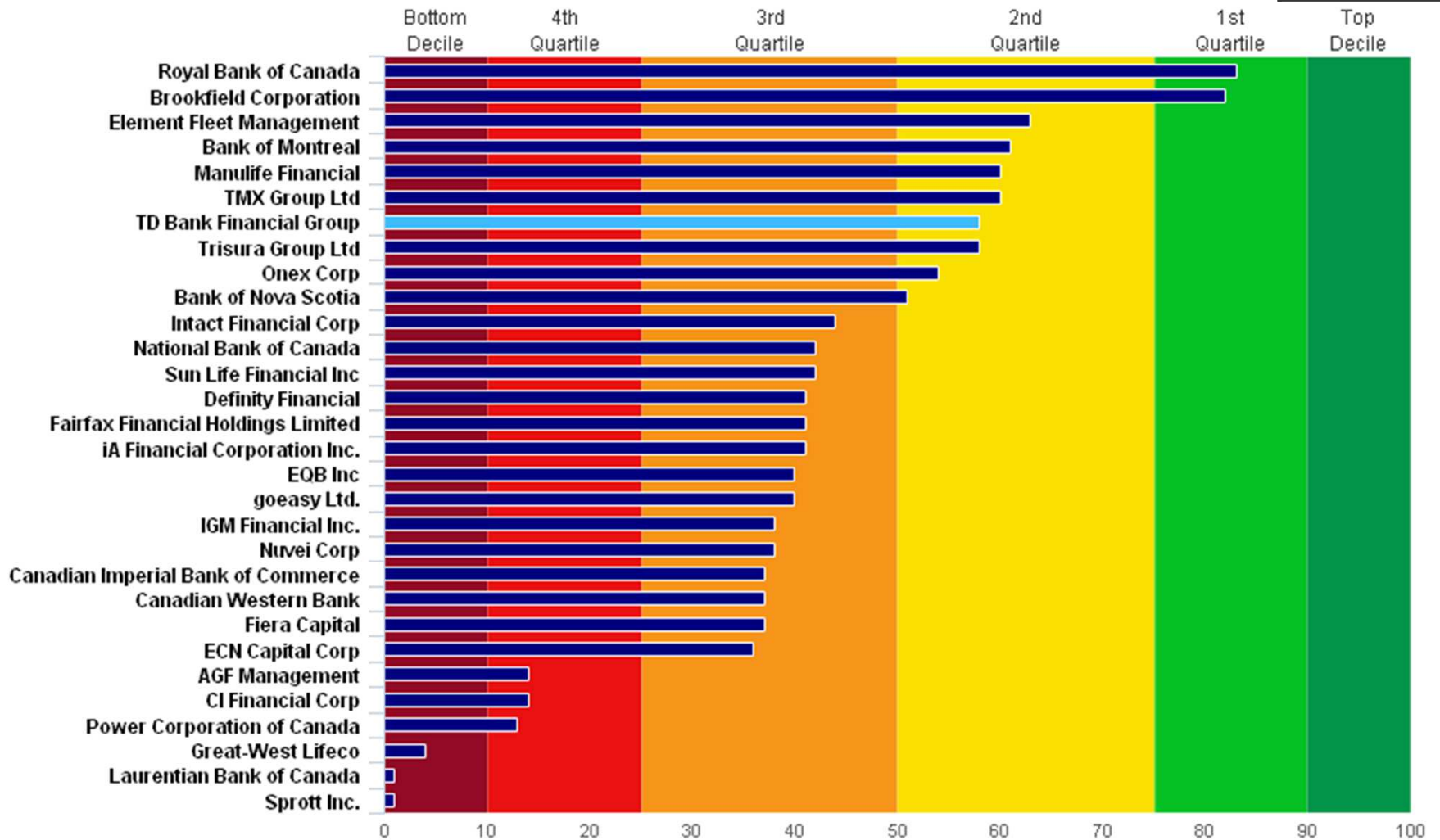
Confidence in Strength of Balance Sheet Forecast for the Year Ahead

Rolling Year Data



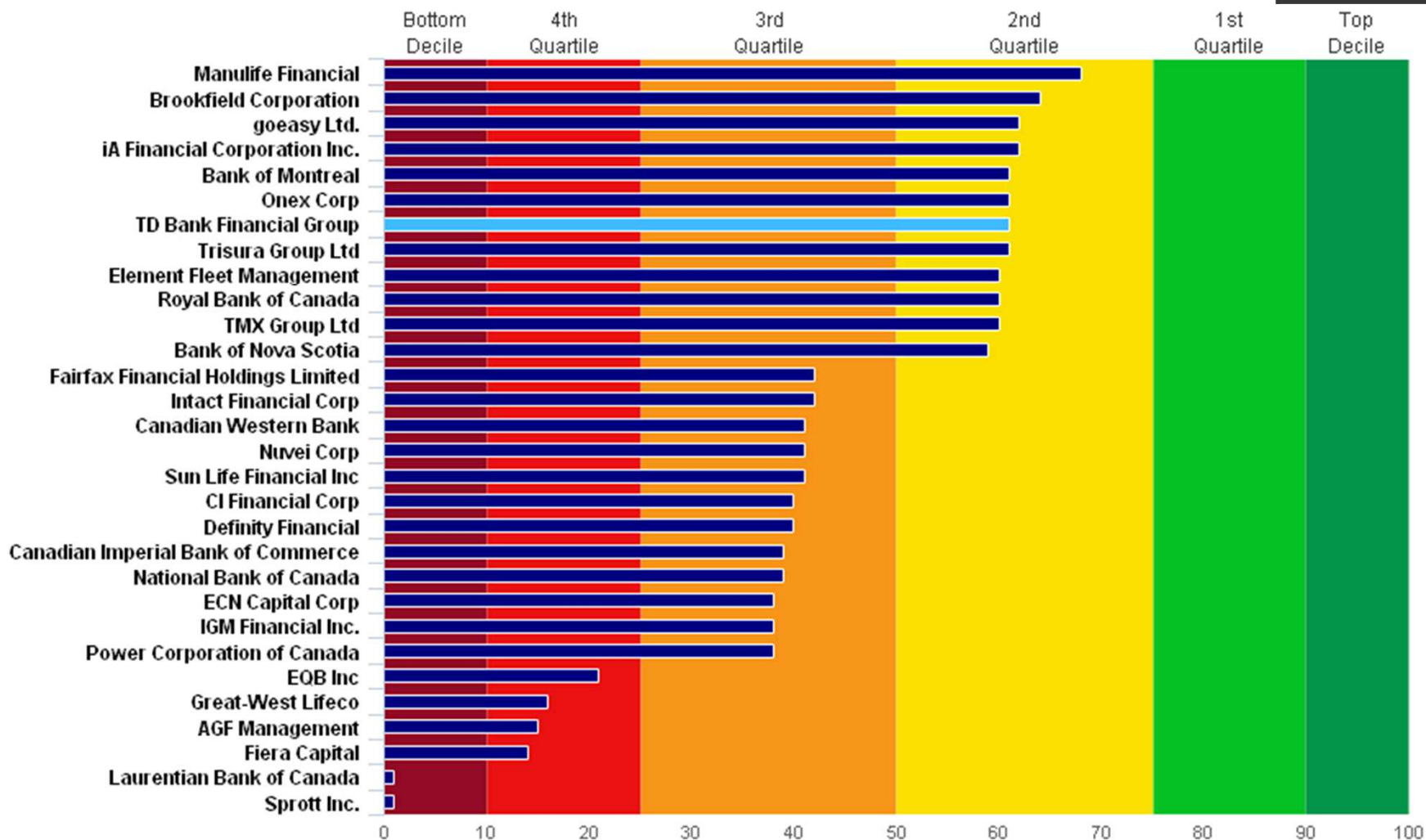
Momentum of Investor Confidence Forecast for the Year Ahead

Rolling Year Data



Price Appreciation Potential Forecast for the Year Ahead

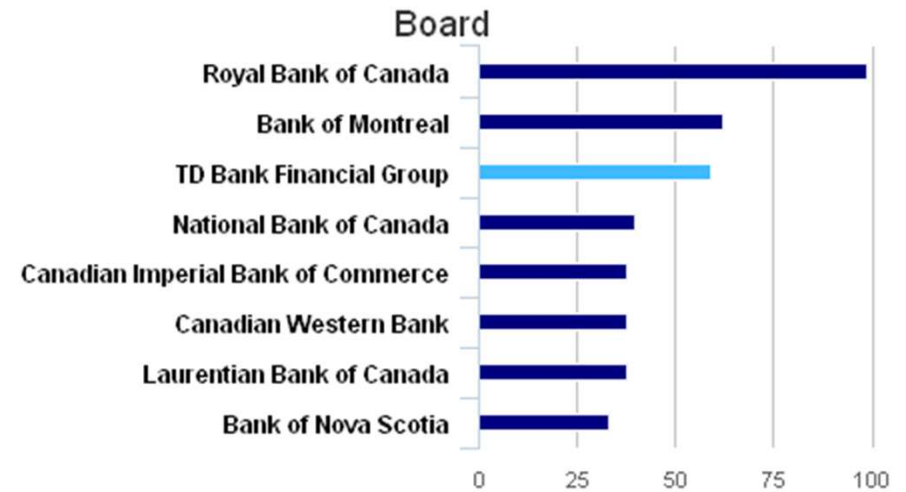
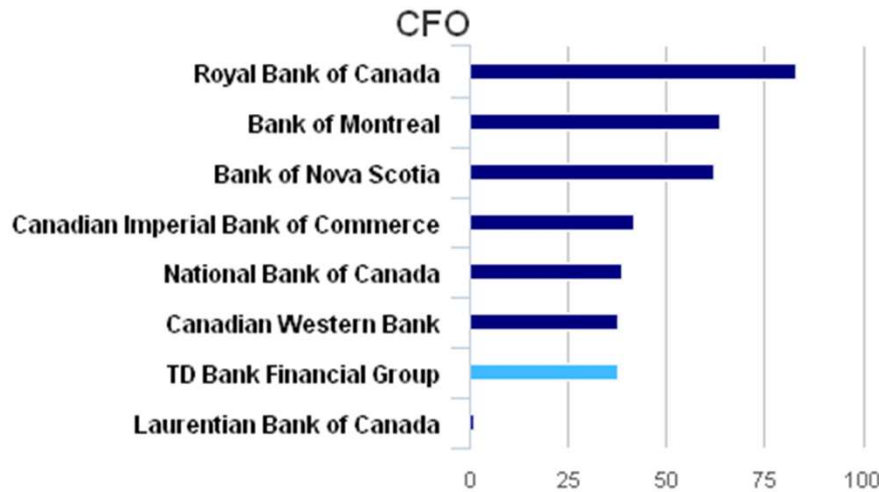
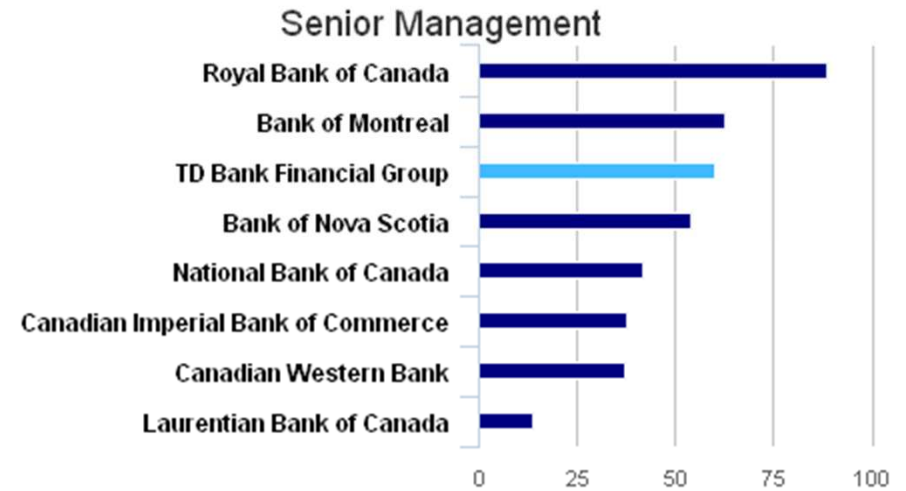
Rolling Year Data



TD Bank Financial Group vs. Comparables

Forecast for the Year Ahead

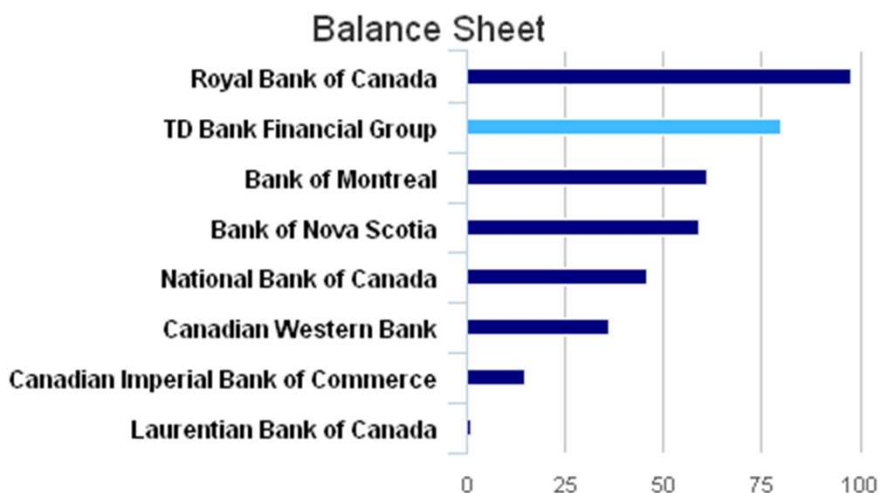
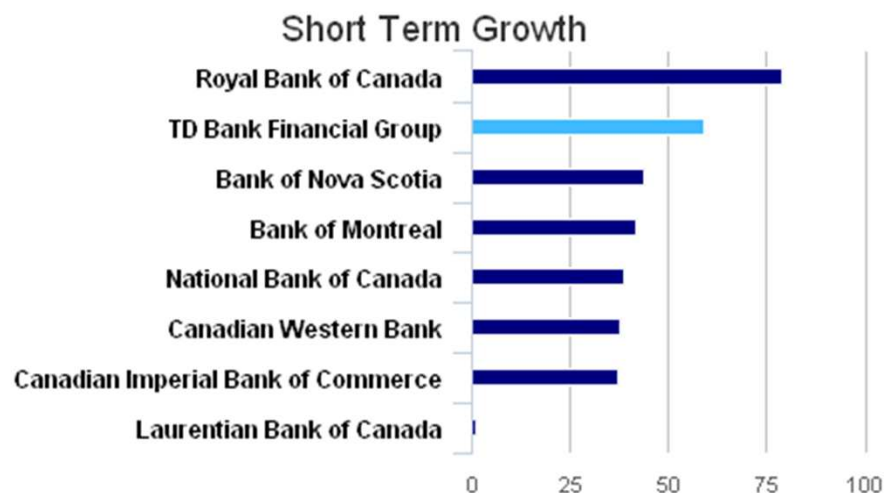
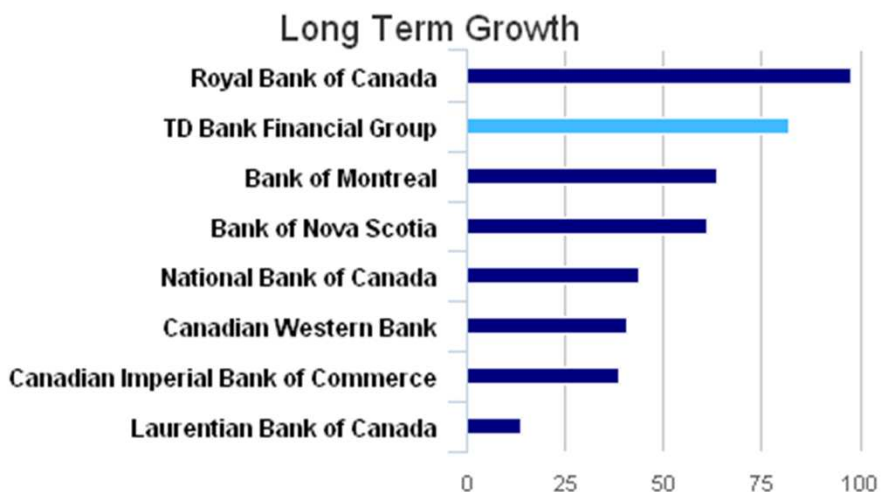
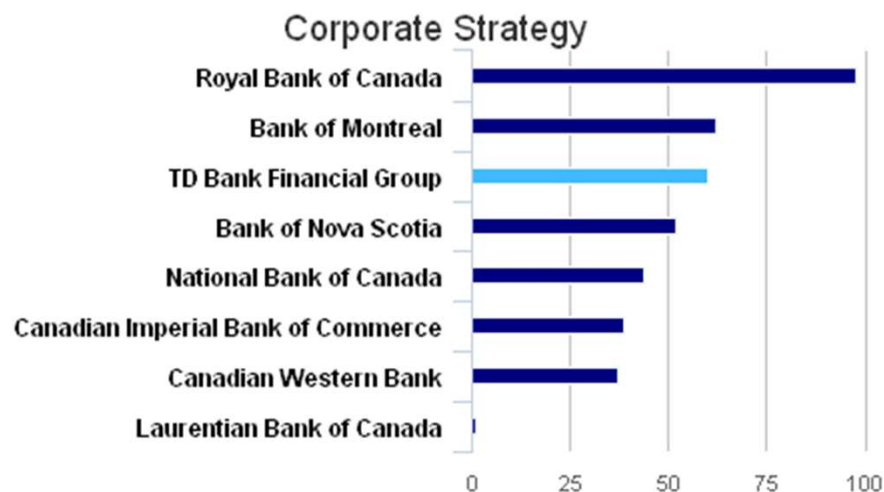
Rolling Year Data



TD Bank Financial Group vs. Comparables

Forecast for the Year Ahead

Rolling Year Data



TD Bank Financial Group vs. Comparables

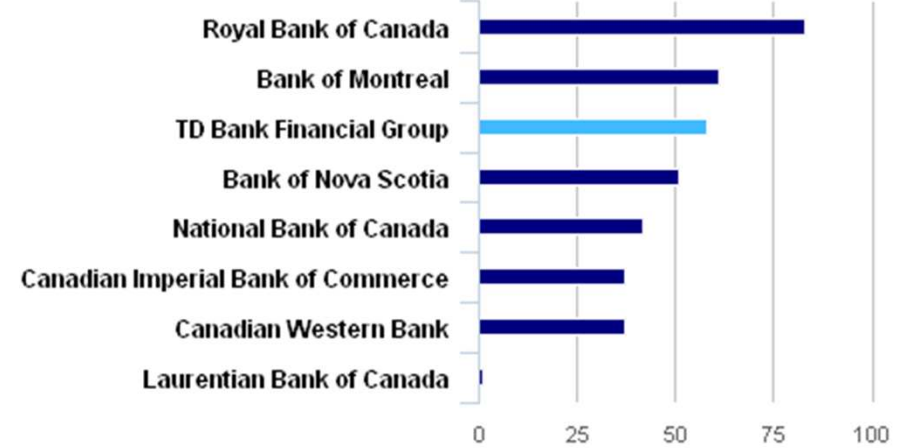
Forecast for the Year Ahead

Rolling Year Data

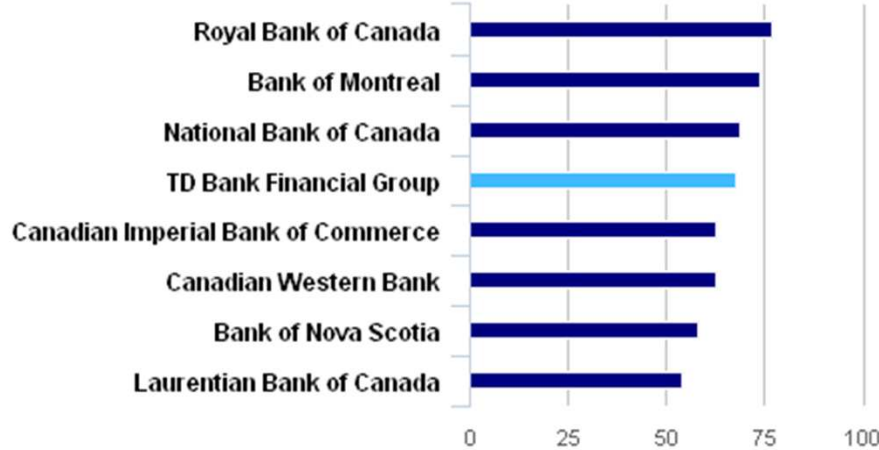
Price Appreciation Potential



Momentum



Commitment to Own



Reporting & Disclosure

