



CHECK AGAINST DELIVERY

Ed Clark, Group President and Chief Executive Officer, TD Bank Group

Annual General Meeting, April 3, 2014, Calgary

Thank you Brian.

Good morning.

As Brian mentioned, this is my last AGM as CEO.

I'll talk a bit more about my time at TD, and what we set out to build a little later. But let me just say it has been a privilege to lead this great institution, and to be part of its exciting journey.

Cela a été toute une aventure.

TD is proud to be a part of Alberta's success story. We operate in 46 communities, serving close to 1.8 million customers and more than 130,000 businesses.

We have rapidly expanded our local presence to support Alberta enterprises – TD operates 6 commercial banking centres – up from 2 just 6 years ago.

More than \$5 billion in loans have been made to Alberta business.

And our Global Energy & Power Group actively supports this city's growing global reputation as an energy hub – which is so vital to our national economy.

Calgary is a special point of pride for us.

It is home to 2,000 TD employees – about half of our entire Alberta team. And they have built a great franchise here for us.



Indeed, one out of every two Calgarians has a banking relationship with TD.

This is the first city we chose to host our AGM outside of Toronto. That was back in 1998. And we have held it here three times – more than any other city in Canada.

Returning to Calgary takes on special meaning for both TD and me.

This city – and much of southern Alberta – suffered greatly during last year's floods.

Your resilience was a source of inspiration for all Canadians. We saw the very best of the human spirit – people coming together to overcome incredible amounts of adversity.

Many of our employees – coping with their own losses -- descended into hard hit communities like Okotoks and High River to distribute water, food and cleaning supplies. Their efforts reached more than 135,000 Albertans. And they also helped raise hundreds of thousands of dollars for the relief efforts.

In all of this, we'd like to recognize seven of these employees for their exceptional contributions to their teams, their customers and their communities.

I'll ask them to please stand so that we can thank them for their support.

We also wanted to express our admiration to the people of Alberta. And so, yesterday, we announced a half million dollar donation to the Ingelwood Bird Sanctuary, which will help revitalize an area significantly impacted by the floods.

Let's now turn to our 2013 performance.



For the fifth consecutive year, TD had record-setting earnings.

Total earnings reached a new high of almost \$7.2 billion.

TD Canada Trust produced record earnings of \$3.8 billion, up 11 percent from last year.

TD Bank – America’s Most Convenient Bank topped \$1.6 billion in earnings.

Our Wealth business, which includes TD Ameritrade, also delivered its best earnings to date -- \$937 million – up 16 percent.

Insurance had a challenging year due to the impact of severe weather-related claims and an increase in reserves for our Ontario auto business, delivering earnings of \$216 million.

While disappointing, we know this business can solidify our competitive position with the Canadian consumer and deliver good returns. It has the right leadership team, a superior business model, and remains the number one direct writer of home and auto insurance in Canada. It is also a leading provider of critical illness and direct life and health insurance to Canadians.

Our securities dealer produced a solid performance in earnings and a good 16 percent Return on Equity. Its franchise model also helped attract key clients including the marquee financing of Nalcor Energy – the largest infrastructure government financing mandate in Canadian history.

In 2013, we also found new ways to grow and take market share.

TD is now the primary credit card issuer for Aeroplan – providing our customers with even more choice, and solidifying our position as the number one card issuer in Canada.



And with the completed acquisition of Target's US credit card portfolio, we are the 6th largest card issuer in North America.

We also completed the acquisition of Epoch Investment Partners, a best-in-class asset management firm. This strengthens our competitive position in the US, and expands our offering for our institutional and retail clients in Canada.

Now, when you take a step back, and think about our growth story – it is really pretty remarkable.

The first time we held our AGM here, we announced annual profits for the entire bank of about \$1 billion. TD Canada Trust alone earned almost four times that amount in 2013.

But even more remarkable is how we changed -- building a better business model – expanding into the US – fostering a performance culture that values the diversity of our people.

We set out to create a business model that is difficult to duplicate and delivers organic growth year in and year out.

A model underpinned by the great traditions of old fashioned banking – focusing on the customer's wants and needs -- building long-term relationships - earning their trust and then their business.

This can mean different things to different customers and clients – achieving financial goals or growing a business. But, at the end of the day, it is about creating real value in the real economy.

Our franchise model is built upon a unique and compelling proposition - better service, great locations, longer hours – no matter where or when our customers choose to interact with TD. In simple terms, we try to think like a customer or a client.



In Calgary, for instance, we have more locations – 46 in total – and operate longer hours -- than any other major bank. Across Canada, TD is open about 50 percent longer than our competitors. It's like we have 50 percent more branches.

Over the past 8 years, TD has opened 1 out of every 3 new branches in Canada. In the US, we opened 24 new stores last year and expect to open a further 34 in 2014.

Our customers love our service. TD Canada Trust has been the number one bank in Canada for customer service for 8 years in a row according to JD Power. No other bank in Canada has ever earned this JD Power award.

We're gaining loyal fans in the US too. In 2013, Florida and the northeast region added two more JD Power wins to our mantel. And for the third year in a row, *Money* magazine has put us on top – this year, as the America's best big bank.

We are rightfully proud of our performance – but being the Better Bank means we must always strive to elevate the customer experience.

And so we are redefining what it means to be a leader of service and convenience in the digital age.

We believe we can own the digital space the same way that we own better branches and better call centres. And, indeed, our online offering is number one in Canada according to JD Power. We are also number one in mobile users. For us, it's all about a seamless combination of high tech – with high touch and finding ways to distinguish our customer experience.

Throughout our history, we have made bold moves on this front – TD introduced the first full-service ATMs in Canada, and we were the first



to offer live, 24-7 telephone banking. We've also learned that little things can make a big difference.

So that's why we have things like umbrellas for the day you forget yours -- and dog biscuits for your canine friends. We're going to enhance your mobile, online and tablet experience using the same kind of approach.

In the digital space, the key is -- to make banking more intuitive, simple, fast and easy. So that no matter where or when our customers choose to interact with us -- they are reminded that TD stands for comfort and convenience.

Our business model wasn't just made in Canada for Canadians. We proved we could compete, win and grow in the most competitive market in the world -- the United States.

As you know, we have more retail locations in the US than Canada -- close to 1,300 from Maine to Florida. We are clearly a top 10 US bank.

I invite everyone here to visit New York City and see how we have painted that town green. Indeed, TD has opened close to half of all net new stores in the Big Apple over the past three years.

Now, in all this growth, we never went out the risk curve -- we earn above-peer-average return on risk-weighted assets.

Taking risk, of course, is the nature of our business. It's what we do. But we derive a competitive advantage by managing risks better. TD is repeatedly ranked as the safest bank in North America and one of the strongest banks in the world.

So what were the tough choices that we made, which helped define our risk culture?



Despite being a top 10 global player, we exited the structured credit derivatives business, the cause of so much grief during the financial crisis.

We were the only bank in Canada not to sell structured Asset Backed Commercial Paper.

We refused to do sub-prime mortgage lending when we entered the US.

We transformed our securities dealer into a franchise player. In what today would be called a Volcker dealer – long before it was in vogue - - we focused on adding value to our clients – not treating them as counterparties to a proprietary trade.

These kind of choices meant giving up profit in the short-term to avoid risks in the future and to protect our clients and customers. In hindsight, we made the right moves. We managed through the financial crisis dramatically better than most banks in the world – expanding our footprint, growing our book of business, and taking market share.

More importantly than anything else, we focused on culture – and our employees. You can't have a great growth strategy without great and motivated employees – people who believe in our vision -- and bring it to life.

Valuing the diversity of our people is central to all of this. It's critical to our leadership and business strategies.

We work hard at making TD inclusive to all – so that we can attract and develop employees from groups traditionally under-represented at leadership levels.



Two years ago, we set out to increase the representation of women in leadership positions to 35 percent by 2014. I am proud to say we met this objective last year.

Additionally, being inclusive allows us to better reflect and support the diverse communities we serve. By making a stand about diversity and equal opportunity to the outside world, we both make an impact, and develop stronger ties in the market.

For instance, in 2013, TD supported 21 Pride festivals across Canada, including here in Calgary, and 16 in the US. We also became the official bank of World Pride 2014.

Bharat Masrani, who will succeed me as CEO, and who joins us here today, has been a big champion of our Diversity focus. But he has been much more than that. He has been a key business partner during my time as CEO. He has played a central role in all of the major decisions that fuelled our transformation into one of the largest financial institutions in North America.

He was the natural successor, and we couldn't be more excited that Bharat is taking over the reins. You are going to be in very good hands with Bharat.

So, let's take a step back and consider how you -- our shareholders -- have benefited from this past decade of growth.

Our stock price -- has tripled since 2002. It reached an all-time high in 2013.

We announced a two-for-one split in our stock. Dividends paid rose 12 percent.

And just last month we announced a further dividend increase of 4 cents -- which will result in an increase of more than 13 percent in our dividends paid for fiscal 2014.



Since 2002, TD has delivered compounded earnings growth of close to 16 percent. This was 30 percent higher than the second ranked Canadian bank during this time frame and 73 percent higher than US peer averages.

During that same period, we have delivered a total shareholder return of 15.2 percent -- the best of the Big 5 Canadian banks -- indeed, 20 percent higher than our Canadian peers, more than five times higher than our US peers and incidentally, that's more than seven times higher than the 20 largest European banks.

There are obviously two drivers: TD had both the highest share price appreciation and our dividend growth averaged 10 percent over that period.

To put that into perspective, if you made a \$1,000 investment in TD stock and reinvested dividends since 2002, it's now worth close to \$4,800 -- or almost \$600 more than the next best performing Canadian bank -- and \$1,000 more than if you had invested evenly in the other four big Canadian banks. Back then, that \$1,000 investment paid you \$38 in annual dividends. Today, it pays you \$128.

Our momentum continues in 2014, based on our first quarter results.

Total earnings for the first time reached \$2 billion, up 6 percent from the first quarter of 2013. This represents excellent earnings contributions from all of our business lines.

Our combined retail businesses reported earnings of \$1.8 billion, an increase of 8 percent over the first quarter of 2013.

Our Wholesale business reported \$230 million in earnings, an impressive 44 percent increase from last year's first quarter -- driven primarily by higher trading-related revenue, advisory and underwriting fees.



We are off to a very good start. And the market has recognized our excellent performance. TD shares are up **8** percent since the end of the 2013 fiscal year.

Let me take a few minutes to talk about the future and the context in which TD will be operating in the next few years.

The world is a very different place since our last AGM here in 2008.

At that time, the US economy was contracting. Unemployment rates were rising. Consumer spending was slowing down. And the housing market was in shambles.

Fast forward to today. The big news is that the US is back.

Indeed, America, which was once described as the epicenter of the global financial crisis is now viewed as the potential growth engine of the world.

A number of factors are fuelling the American resurgence.

Clearly all the monetary accommodation and fiscal stimulus stabilized the economy.

The US real estate recovery has gained momentum.

This is increasing personal wealth and reducing the number of Americans that owe more than their house is worth. Americans are starting to borrow again -- fuelling consumer spending.

Another factor -- as you are well aware -- is the transformative change in America's energy position.

The energy revolution and strong productivity growth are enhancing the competitive position of American manufacturing.



So are labour reforms. The US is now seeing the on-shoring of jobs.

Now, America's recovery is not without challenges.

But the prospect for stronger growth in our largest trading partner is a positive for Canada.

Unfortunately, in non-commodity exports, Canada is losing its competitive edge. Our market share of US non-commodity imports has dropped by about 30 percent over the past 10 years.

Our small business sector is not as engaged in exports as it is in many countries. Less than 10 percent of Canada's Small and Medium-sized Enterprises are engaged in exporting goods or services. In Canada, 50 companies represent 50 percent of our exports.

And so we have to focus on ways to help our firms, especially smaller ones, compete outside of Canada.

We also have to build on our strengths. We have a best-in-class oil and gas sector that knows how to compete around the world.

We, as a nation, must endorse the importance of this sector, and commit to an energy transportation strategy that will ensure we are not vulnerable to one nation holding our resources hostage. This is not Alberta's problem – this is Canada's problem.

As we look forward and see the challenges that Canada will face and the changing economic circumstances, complacency is not an option for Canada. Neither is it an option for TD.

We will continue to operate in a tough, low interest rate, slow growth environment for some time.



We anticipate being able to meet our medium term target of 7-10 percent earnings per share growth this year. But, we are going to have to work hard to do so.

We will continue to face many headwinds: an increasingly competitive marketplace - including new and disruptive competitors – the growing political and regulatory demands -- and new threats like cyber terrorism.

But I remain absolutely confident that we will sustain our winning ways.

Our positive operating leverage -- combined with our focus on the franchise and investment in growth businesses -- will enable us to produce results within our medium term target range.

Our business model is an organic growth machine – we can compete and win in good and tough times – and we have the scale and capabilities to grow in the most competitive markets in the world.

We are going to continue to reinvest in the areas that provide us with a competitive edge -- helping us define what it means to be the Better Bank with old fashioned values in the modern world.

Our brand promise earns us trust and loyalty. It is why the TD shield is considered a top global brand. And why we were recently named one of the World's Most Admired Companies.

We possess the strength and stability to weather the toughest storms.

And TD's focus on a diverse and inclusive culture enables us to attract and retain highly motivated employees.

This includes a very important group of people in the audience today -- our Vision in Action Award recipients. They represent TD's best of the best. It's not easy to stand out at TD - we have so many great employees - but this group does – and this award is presented to just



one in a thousand employees each year. To receive this honour is truly a remarkable feat.

I'll ask them now to please stand, so that we can congratulate them on their achievements.

Serving as CEO of this great institution has been a privilege.

It has allowed me the opportunity to work alongside the best people in banking. I have benefitted from a wonderful team who have made me look good. I'm grateful for the friendships it has forged and the colleagues it has brought into my life, all of whom have helped and supported me along the way.

Thank you colleagues – I owe you a lot.

I also want to thank my Board – both past and present. Being a Board member is a difficult task in today's world. It's a complicated and demanding role. But you always found the right balance – you pushed back on me when needed, you pointed out areas where we could do better, but you supported us when we made tough decisions.

Thank you.

We have built an institution where success does not depend on any single person -- nor for that matter -- on any single decision. No one can make our employees show up every day wanting to build the Better Bank – the relentless pursuit to raise the bar, to go the extra mile and deliver on our promises. They do this because they believe in our vision and mission. And as our success shows – they bring it to life each and every day.

And so our winning ways are firmly embedded in TD.

Notre attitude gagnante est solidement ancrée dans la TD.



Bharat and I are both confident that the TD in which you have put your trust and loyalty will continue to be the TD you can rely on in the future.

Let me leave by saying, it has been an honour to be part of this incredible journey and I look forward to our road ahead.

Thank you.

Caution Regarding Forward-Looking Statements

From time to time, TD Bank Group (the Bank) makes forward-looking statements, including in this document, in filings with regulators, in other communications, and in statements to analysts, investors, the media and others. All such statements are made pursuant to the “safe harbour” provisions of, and are intended to be forward-looking statements under, applicable Canadian and U.S. securities legislation. Forward-looking statements are typically identified by words such as “will”, “should”, “believe”, “expect”, “anticipate”, “intend”, “estimate”, “plan”, “may”, and “could”.

By their very nature, forward-looking statements require the Bank to make assumptions and are subject to inherent risks and uncertainties, general and specific. Such risks and uncertainties – many of which are beyond the Bank’s control and the effects of which can be difficult to predict – may cause actual results to differ materially from the expectations expressed in the forward-looking statements. For more information about the material assumptions underlying the forward-looking statements, and the risk factor that could adversely affect the Bank’s results, please see the Bank’s 2013 Management’s Discussion and Analysis, as may be updated in subsequently filed quarterly reports to shareholders and news releases (as applicable).

Forward-looking statements represent the views of management and are presented for the purpose of assisting the Bank’s shareholders and analysts in understanding the Bank’s financial position, objectives and priorities and anticipated financial performance, and



may not be appropriate for other purposes. The Bank does not undertake to update any forward-looking statements, whether written or oral, that may be made from time to time by or on its behalf, except as required under applicable securities legislation.