TD’s Board of Directors and management have established corporate governance practices that are appropriate for one of the world’s leading financial institutions. The Board of Directors oversees the management of the business and affairs of the Bank. The Board's duties and objectives are to protect the assets of the Bank and assure its viability, to enhance profitability and facilitate the development of business, and to ensure the effective operation of the Bank. Each Director is accountable to the shareholders and the other Directors.

The Board makes all major policy decisions for the Bank, including those set out below. Many Board functions are carried out by the five committees of the Board. The Board and its committees perform these main functions:

- Monitoring the effectiveness of the Bank’s corporate governance practices and approving any necessary changes,
- Approving the performance of officers and overseeing their implementation,
- Setting performance objectives and purchasing the Bank's strategies and overseeing their implementation,
- Setting performance objectives and monitoring results,
- Approving compensation for senior officers and compensating policies for the Bank,
- Approving operating and capital budgets, and specific requests for major capital expenditures,
- Overseeing the proper management of business risks, and approving decisions involving significant risks to the Bank,
- Ensuring proper financial reporting and financial control systems are operating, and approving the quality and sufficiency of information provided to the Directors,
- Ensuring proper inspection, control and audit systems are operating,
- Overseeing communications with shareholders and other stakeholders, including reviewing the quarterly financial statements, and approving the annual financial statements, annual report and annual information form,
- Overseeing succession planning and approving succession decisions for senior officers,
- Establishing general Bank policies, and
- Performing other tasks required by law.

The effectiveness of the Board and the committees is assessed annually by each Director. The Corporate Governance Committee considers Directors’ comments and then proposes modifications to improve the Board and committee functions, and the Bank’s corporate governance processes.

The Directors are elected to exercise their independent judgment on all issues concerning the Bank. At least two-thirds of all Directors are unaffiliated with and unrelated to the Bank. The determination of each Director’s status is made in accordance with the Bank Act affiliation rules and by reviewing whether the size and importance of the business or other relationships of the Director and the Director’s spouse with the Bank could reasonably give rise to a perception of a lack of independence for the Director. The Board and committees can meet in the absence of management at their discretion. In accordance with the Bank’s corporate governance policies the Board, committees, and individual Directors can retain independent advisors for any matter relating to the Bank. No Bank officers may be appointed to the Audit, Corporate Governance, Management Resource and Compensation Advisory or Conduct Review committees.

The Board expects the Chief Executive Officer and the Bank’s other officers to manage all aspects of the Bank’s business and affairs to achieve the Bank’s objectives, and rates their performance accordingly. Management’s discussion and analysis of the Bank’s operating performance is included in this Annual Report, commencing at page 13.

The Bank’s Shareholder Relations department provides information to and responds to inquiries from shareholders. Shareholder inquiries or suggestions that are addressed to the Board or a specific department or person are forwarded to the intended recipient. Others are forwarded to the appropriate committee or person. The Bank has established toll-free lines by which shareholders, customers and others can receive information from and contact the Bank: various telephone numbers are provided on page 80 of this Annual Report. The Bank has also appointed an Ombudsman to assist customers with the resolution of complaints or disputes with the Bank.

The Bank’s corporate governance practices comply with the Guidelines for Improved Corporate Governance in Canada adopted by The Toronto Stock Exchange and the Montréal Exchange.
Corporation and Government

Board of Directors

Richard M. Thomson
Chairman and Chief Executive Officer
A. Charles Baillie
President
William T. Brock
Vice Chairman
M. Norman Anderson
Vancouver
President, Norman Anderson & Associates Ltd.
Philippe de G. Beaubien
Montreal
Chairman of the Board
Telemedia Inc.
G. Montegu Black
Toronto
Chairman and President
Txibanguan Limited
Andre Chagnon
Montreal
Chairman of the Board and Chief Executive Officer
Le Groupe Videotron limitee
Marshall A. Cohen
to counsel
Cassels Brock & Blackwell
Gail Cook-Bennett
Toronto
Vice Chair
Benneco Ltd.
Wendy K. Dobson
Toronto
President and CEO
Empire Company Limited
Robert J. Richardson
Chairman
IPSCO Inc.
Chief Executive Officer
G. Montegu Black
Chairman and President
Toronto
G. Montegu Black
Chairman
Rogers Communications International Forest Products Limited
M. Norman Anderson
President
IMAX Corp.
Donald R. Sobey
Chairman
IBM Corporation
George W. Watson
Chairman

Candidates to fill vacancies on the Board, which occur between Annual Meetings.

This committee reviews the conducted duties.

The committee regularly meets with the shareholders' auditors, Superintendent of Financial Institutions, the Bank's Chief Financial Officer, Chief Auditor and Vice President, Corporate Compliance in the conduct of its duties.

Conduct Review Committee

Membership:
G. Montegu Black
Chairman
Wendy K. Dobson
Marsha P. Hanen
Brian F. MacNeill
Roger Phillips
Helen K. Sinclair
George W. Watson

This committee establishes procedures for the review of transactions with related parties of the Bank, as defined by the Bank Act, reviews related party transactions, and ensures that any such transactions which have a material effect on the stability or solvency of the Bank are identified.

Corporate Governance Committee

Membership:
Robert J. Richardson
Chairman
Andre Chagnon
Marshall A. Cohen
Gail Cook-Bennett
James A. Pattison
Edward S. Rogers
Michael D. Sopko
Adam H. Zimmerman

This committee is responsible for corporate governance issues, including structures and procedures for the independent functioning of the Board. It recommends criteria for the composition of the Board and the number of Directors. It also identifies candidates to be Directors, reviews their qualifications, annually assesses the contribution of each Director, recommends to the Board a slate of Directors for election at the Annual Meeting and recommends to the Board candidates to fill vacancies on the Board which occur between Annual Meetings.