

Schedule A

A May 2021 survey of Black Canadian entrepreneurs¹ reported that Black-led/owned businesses face barriers to growth resulting from systemic racism. 76% of Black entrepreneurs surveyed said their race makes it harder to succeed, with the lack of access to capital being the greatest barrier.

An April 2021 survey of Black Business and Professional Association (BBPA) members in Ontario contrasted the views of Black business owners on pandemic effects against a survey conducted by the Canadian Independent Business Association (CIBA), noting significant disparities²:

Statement	CIBA Survey Respondents	BBPA Survey Respondents	Difference
I can survive less than a month under current conditions:	25%	85%	-60%
I have no more capacity to take on debt during this emergency:	56%	98%	-42%
I do not have cash flow to pay this month's bills*:	30%	80%	-50%
I am worried about permanent closure*:	39%	85%	-46%

* Subset of those businesses that are fully open.

Under/Unbanking in Minority Communities

A recent academic review commissioned by the BCSC³ found estimates of unbanked Canadians (no official relationship with a bank) ranged from 3%-6%, and underbanked Canadians (rely on fringe financial institutions like payday lenders) ranged from 15%-28%. The review also found that under/unbanking has a disproportionate effect on Indigenous peoples, and that "financial access has been cited by researchers as an endemic problem in 'low-income communities of color'".

¹ <https://abacusdata.ca/wp-content/uploads/2021/06/Inclusive-Entrepreneurship-Senator-Deacon-English-Deck.pdf>

² <https://bbpa.org/wp-content/uploads/2021/06/black-business-survey-by-the-bbpa.pdf>

³ <https://bcbasicincomepanel.ca/wp-content/uploads/2021/01/Financial Inclusion in British Columbia Evaluating the Role of Fintech.pdf>

TD Performance on Racial Equity

TD's actions on race include

- the TD Community Resilience Initiative \$100M equity fund supporting minority-owned small businesses in the United States
- 94% of employees completed training anti-Black racism training
- participating in the Black Entrepreneurship Loan Fund
- creating a roadmap to attract and retain Black professionals
- committing to doubling Black executives by 2022 and increasing minority executive representation by 50% by 2025
- supporting financial coaching to under/unbanked families in three U.S. states.

TD faced negative publicity in April 2021 after a Black TD customer of over 20 years reported repeated experiences with racism in Ottawa.⁴ In March 2021 the Committee for Better Banks assessed the U.S. banking sector on diversity data disclosure, representation and advancement and stated following regarding TD U.S.⁵:

TD Bank received a final grade of D+. TD Bank underperformed industry and peers in terms of advancement and promotion for Black and Latino employees from professional through executive job levels, and in promotion of Asian workers to executive management.

U.S. Racial Equity Initiatives

Public companies in the U.S. have commissioned independent and objective reviews of their organizations' effectiveness at combating systemic racism (racial equity audits).

In October 2021, Citigroup became the first Wall Street bank to announce a racial equity audit. In October 2020 JPMorgan Chase committed \$30B to racial equity efforts, including addressing heightened levels of under/unbanking in Black and Latinx communities.⁶

RESOLVED that shareholders request the Board commission and publish an independent racial equity audit analyzing the efficacy of TD's efforts to

- (i) better support minority business owners,
- (ii) address heightened under/unbanking in minority communities, and
- (iii) improve advancement of visible minority employees.

⁴ <https://www.cbc.ca/news/canada/ottawa/td-bank-racism-1.5999029>

⁵ https://www.bankaccountability.org/system/files/cbb_di_analysis_0.pdf

⁶ <https://www.jpmorganchase.com/news-stories/jpmc-commits-30-billion-to-advance-racial-equity>