

## OUR VISION

# To be the better bank

## OUR GUIDING PRINCIPLES

Be customer driven • Respect each other • Execute with excellence  
 Know our business • Enhance our brand • Increase shareholder value

### PERFORMANCE INDICATORS

Performance indicators help guide and benchmark TDBFG's accomplishments. They communicate our priorities and demonstrate how the Bank drives shareholder value. The following tables highlight performance against these indicators in 2005 and the priorities for 2006.

2005 PERFORMANCE INDICATORS	RESULTS <sup>1</sup>
<b>Shareholder<sup>1</sup></b> <ul style="list-style-type: none"> <li>Grow economic profit.</li> <li>Deliver above peer average total return to shareholders.</li> <li>Grow earnings per share by 7-10%.</li> <li>Grow revenue faster than expenses in each of our businesses.</li> <li>Earn a return on risk-weighted assets that exceeds that of all other banks.</li> </ul>	<b>19% growth</b> <b>16.9% return, peer average 12.9%</b> <b>10% growth</b> <b>Achieved in 3 of 4 businesses</b>  <b>2.33% return, highest peer 1.99% return</b>
<b>Individual business<sup>1</sup></b> <ul style="list-style-type: none"> <li>Deliver consistent double-digit earnings growth over time in Canadian Personal and Commercial Banking.</li> <li>Grow assets in Wealth Management by 10%.</li> <li>Earn a return on invested capital of 15-22% in Wholesale Banking.</li> </ul>	<b>16% annualized compounded growth over 3 years</b> <b>13% AUA<sup>2</sup> growth, 12% AUM<sup>2</sup> growth</b> <b>22% return</b>
<b>Employee</b> <ul style="list-style-type: none"> <li>Enhance the employee experience to create an increasingly engaged workforce.</li> </ul>	<b>Employee engagement score rose to 4.08 in Fall 2005 from 4.03 in Spring 2005 (out of 5)<sup>3</sup></b>
<b>Customer</b> <ul style="list-style-type: none"> <li>Enhance the customer experience as measured by achieving 86% in our overall Customer Satisfaction.</li> </ul>	<b>86.8%</b>
<b>Community</b> <ul style="list-style-type: none"> <li>Support the communities in which we work and live through all of our actions including supporting employee volunteerism and donating a minimum of 1% of domestic, pre-tax profits (three year average) to Canadian charitable and nonprofit organizations.</li> </ul>	<b>1.2%, \$27.5 million</b>

### 2006 PERFORMANCE INDICATORS

#### Financial

- Grow economic profit.
- Deliver above peer average total return to shareholders.
- Grow earnings per share by 7% to 10%.

#### Business operations

- Grow revenue faster than expenses.
- Enhance the risk profile of the Bank (as measured by a return on risk-weighted assets that is above the peer average).
- Invest in core businesses to improve efficiency and effectiveness.

#### Customer

- Invest in core businesses to enhance customer experience.
- Grow percentage of employees in customer-facing roles.
- Increase Customer Satisfaction.

#### Employee

- Enhance the employee experience by:
  - Providing a healthy, safe and flexible work environment;
  - Providing competitive pay, benefits and performance-based compensation;
  - Investing in training and development;
  - Building employment diversity;
  - Listening to our employees.
- Improve employee engagement score year over year.

#### Community

- Support our communities by:
  - Promoting children's health and education;
  - Protecting and preserving the environment;
  - Volunteering time for social services organizations and initiatives.
- Donate minimum of 1% of domestic pre-tax profits (three-year average) to Canadian charitable and not-for-profit organizations.

A more detailed report of the Bank's performance against the 2005 shareholder indicators is available on page 15.

<sup>1</sup> Performance Indicators and results, as applicable, are based on full year earnings before amortization of intangibles and items of note.

<sup>2</sup> Assets under administration and assets under management.

<sup>3</sup> Scale is 1 to 5.