

# Building on Our *Commitments*



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**Bank Financial Group**

TD wants to be the better bank. That includes being a sustainable and responsible business. We strive to operate consistently with integrity and respect. We understand that when we integrate corporate responsibility into every facet of our business the benefits go beyond the financial bottom line. Despite all the complexities and challenges of 2009, we supported our customers, employees and communities and continued to build on our commitments.

“Corporate responsibility is part of everything we do – from how we serve our customers to how we manage our operations and our support of community issues and causes.”

Ed Clark, President and CEO, TD Bank Financial Group

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#### LEARN MORE AT [WWW.TD.COM](http://WWW.TD.COM)

This summary provides highlights from our 2009 Corporate Responsibility Report. Visit [td.com/corporateresponsibility](http://td.com/corporateresponsibility) to view the full online Corporate Responsibility Report, our Public Accountability Statement and our Canadian and U.S. Snapshots.

Unless noted otherwise, references to “2009” mean our 2009 fiscal year (November 1, 2008–October 31, 2009). References to “TD Bank” mean the information is specific to TD Bank, America’s Most Convenient Bank.

# About TD Bank Financial Group

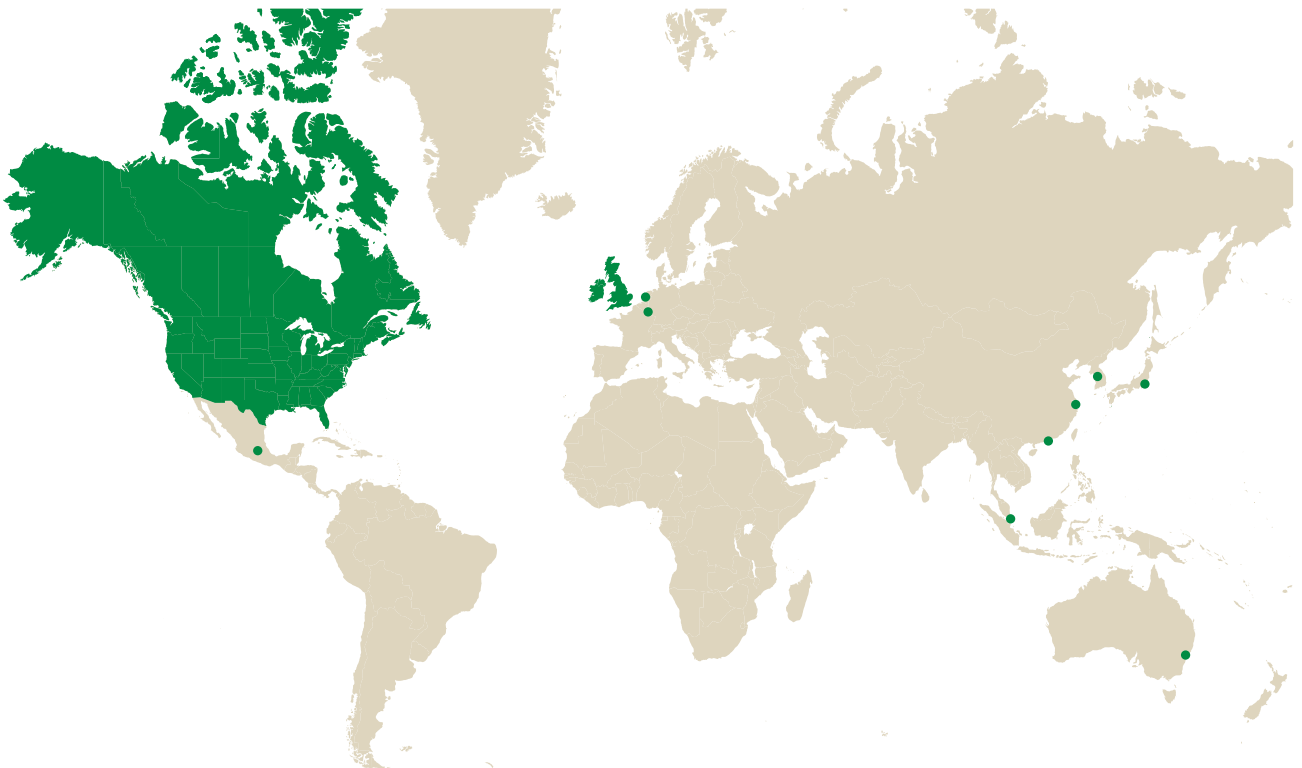
The Toronto-Dominion Bank and its subsidiaries are collectively known as TD Bank Financial Group and are headquartered in Toronto, Canada. We are a conservatively run bank with strong risk-management practices. TD is the sixth largest bank in North America, as measured by branches. With more than 2,300 retail locations in Canada and the U.S., we serve over 18 million customers worldwide.

In 2009, TD earned a reputation for running a bank the way it should be run. Buoyed by a strong balance sheet and a commitment to growth without taking on risks that we don't understand, TD has secured an enhanced competitive position within the North American arena.

Our mission is to be the best run, customer-focused, integrated financial institution, with a unique and inclusive employee culture.

Our business strategy is simple. We aim to produce long-term profitable growth by building great franchises and delivering value to our customers, shareholders and communities.

## WHERE WE OPERATE



### AMERICAS

Canada  
USA  
Mexico City, Mexico

### EUROPE

Amsterdam, The Netherlands  
Ireland  
Luxembourg  
United Kingdom

### ASIA-PACIFIC

Hong Kong  
Seoul, South Korea  
Shanghai, China  
Singapore  
Sydney, Australia\*  
Tokyo, Japan

\*Accurate as of October 31, 2009. The Australian office closed in January 2010.

# A Message from Ed Clark

We sat down with Ed Clark, President and CEO of TD Bank Financial Group, to ask him about TD's corporate responsibility (CR) strategy, its CR achievements in 2009 and its priorities for 2010.



## WHAT IS TD'S CORPORATE RESPONSIBILITY STRATEGY AND HOW DOES IT RELATE TO THE BANK'S LONG-TERM ORGANIZATIONAL STRATEGY AND SUCCESS?

Our mission to be the better bank means we're never satisfied. No matter how good we are, we can always be better. And the only way we can be the better bank is to take corporate responsibility as seriously as every other part of our business strategy. So for us it has always been both a corporate commitment and a part of everyone's job. Our Guiding Principles and Leadership Profile make it clear that we expect our leaders and employees to do the right thing and think about the impact of their decisions and actions.

Corporate responsibility is part of everything we do – from how we serve our customers to how we manage our operations and our support of community issues and causes.

## WHAT WERE THE BROAD TRENDS IN 2009 THAT AFFECTED TD AND INFLUENCED YOUR CORPORATE RESPONSIBILITY PRIORITIES?

Two trends stand out for me. One was the economic downturn that made 2009 a stressful time for many. Through no fault of their own, some of our good customers struggled to protect their businesses, their homes or their retirement plans. Our surveys told us they were worried about paying debts or supporting their families. But they were uncomfortable raising the subject. So we invited them to come in and talk to us before things got worse. By year-end, more than 24,000 customers with financial challenges had found relief through our new program, TD Helps. We made sure our employees had access to the same program.

It's been a tough year, too, for not-for-profit agencies, who struggle to deliver vital services even when times are good. We built new community partnerships and increased our donations, investing over \$50 million in important community programs. This isn't about another big donation from another big bank – the real story is the help given to one child, one family, one community at a time through all the programs we support. That's what making a difference together is all about.

The second trend was the continued aftershock of the global financial industry crisis of 2008. People wanted straight answers about risk management and executive compensation practices. TD is fortunate to be a successful player in the Canadian banking system, one of the strongest in the world. That's thanks in part to astute government actions and prudent regulation. We were able to reassure our customers and investors in both Canada and the United States. We also listened when growing numbers of investors said they wanted a "say on executive pay." At our annual meeting in 2010 shareholders will be able to vote in an advisory capacity on our executive compensation practices.

#### WHAT WERE THE KEY ACHIEVEMENTS, EVENTS AND DISAPPOINTMENTS THAT TD EXPERIENCED IN 2009?

First, when many banks around the world were retrenching, we continued to deliver record business results and to stand by our customers, employees and communities.

We integrated our two U.S. banks in 18 months, bringing together approximately 23,000 employees and over 1,000 branches from Maine to Florida. While there was a problem with overnight batch processing as we completed the integration, it was quickly resolved and TD Bank, America's Most Convenient Bank, emerged as a stronger organization, with customer loyalty intact. I'm immensely proud of our U.S. employees who tirelessly delivered the legendary service for which TD stands. Amazingly, in the midst of all this we received the Highest Rating in Customer Satisfaction by J.D. Power and Associates in both the U.S. Mid-Atlantic region and Canada for the fourth year in a row.

Being the better bank means we can always improve. Two specific corporate responsibility areas come to mind. The first is that with integration activities absorbing our employees' time and capacity for change, we had to put the development of a more integrated North American corporate responsibility approach on the back burner. It will be a priority in 2010.

The second is that, while we are recognized on Best Employer lists, there are some diverse communities where we've had difficulty recruiting employees. In 2009 we got a better understanding of why that was the case. Quite simply, those communities often don't see banking as a career option. So we'll be working even harder in 2010 to raise our profile, particularly within black and Aboriginal communities, in the hope that they will begin to see TD as a great potential employer.

#### HOW WELL DID TD PERFORM AGAINST ITS CORPORATE RESPONSIBILITY TARGETS?

We believe that our corporate responsibility efforts in 2009 made a meaningful difference and we know that where we set specific targets, we are on track.

For example, we know that our diversity initiatives are having a positive impact. We conducted our 2009 Diversity Inclusiveness Survey to find out if TD employees feel they are included regardless of gender, ethnicity, religion, sexual orientation, abilities or disabilities. And 89% of respondents indicated they felt TD was inclusive, which shows progress since our 2007 survey. As well, the diversity initiatives outlined in this report helped rank TD, once again, as a Best Employer in Canada.

One of our goals is to be an environmental leader among our peers. This involves reducing our operational footprint and building environmental programs across North America. We're well on track for our global operation to become carbon-neutral in 2010. An open-door approach helps us have constructive dialogue with all constituents, including environmental groups, government and the energy sector. Over almost two decades TD Friends of the Environment Foundation has helped thousands of grassroots environmental organizations by funding projects in local communities.

#### WHAT ARE TD'S MAIN CHALLENGES AND TARGETS FOR 2010 AND ITS GOALS FOR THE COMING THREE TO FIVE YEARS?

One of the key challenges in the short to mid term is that while we're seeing signs that the economy is recovering, the issues our customers and communities faced in 2009 are likely to continue for some time. Last year, we began to show that legendary customer service is about more than standing by customers in good times. It's about being there for them when they face hardships. In 2010 we'll work to find more ways to do that.

Our growth means we're now serving more diverse markets. The challenge is that while there are benefits to taking an integrated approach wherever possible, we don't want to lose sight of what matters to local communities.

In 2009, we built tremendous business momentum despite a very difficult economy. Our goal is to sustain that momentum as we invest for the future. We will build on our commitments to our customers, our employees and the communities we serve as we work to be the better bank.



**Ed Clark**  
President and Chief Executive Officer

# Year in Review

Despite unprecedented times, we continued to build on our momentum in 2009.

## HIGHLIGHTS: NOVEMBER 1, 2008–OCTOBER 31, 2009

### NOVEMBER–DECEMBER 2008

- TD Canada Trust opens 1,100th branch
- TD named among Canada's 50 Top Employers (Hewitt Associates)
- 500,000 children receive a book as part of TD Canadian Children's Book Week



### JANUARY–FEBRUARY 2009

- Canadian banks recognized as the most sound in the world (World Economic Forum)



- TD named one of the world's most sustainable companies (Corporate Knights)
- TD confirms it will increase ownership in TD Ameritrade

### MARCH–APRIL 2009

- TD Annual Meeting, Saint John, New Brunswick
- Launch of TD Helps, a program for Canadian customers experiencing financial hardship
- TD ranked one of the world's safest banks (Global Finance)
- TD Waterhouse Discount Brokerage celebrates 25th anniversary
- TDAM USA Inc. launches a new Global Sustainability Fund
- Competitive new pension plan launched for Canadian employees



### MAY–JUNE 2009

- Ed Clark addresses U.S. Senate Committee on the Canadian banking system
- TD Bank receives J.D. Power and Associates award for "Highest in Customer Satisfaction with Retail Banking in the Mid-Atlantic Region" for the fourth year in a row\*
- Jantzi-Maclean's ranks TD among Canada's Most Socially Responsible Corporations
- TD announces \$1 million donation to the University of British Columbia in support of Aboriginal business education
- TD Insurance launches RoadSafetyFirst.com to help protect Canadians from the "accidents of life"



### JULY–AUGUST 2009

- *Euromoney* magazine names TD Best Bank in North America
- TD Waterhouse launches financial planning tool for same-sex couples
- Boston arena renamed TD Garden
- TD Canada Trust receives J.D. Power and Associates award for "Highest in Customer Satisfaction Among the Big Five Retail Banks" for the fourth year in a row\*



- TD ranked in the top 1% of companies internationally for corporate governance by GovernanceMetrics International for the third time in a row

### SEPTEMBER–OCTOBER 2009

- TD selected as a 2009 Climate Disclosure Leader (Conference Board of Canada, the Carbon Disclosure Project)
- TD makes *Maclean's* Top 100 Employers list for third year running
- TD Mutual Funds reports strongest September on record for net sales of long-term funds
- TD donates \$1 million to Queen's University for Arctic environmental research
- Completed the integration of TD Bank, America's Most Convenient Bank



Unveiling of TD Bank sign at 1 Portland Square, Portland, MA

# Corporate Responsibility at TD

TD's Guiding Principles represent our most important values. They are *"the way we do things around here."*

- Deliver Legendary Customer Experiences
- Be an Extraordinary Place to Work
- Operate With Excellence
- Understand Our Business
- Take Only Risks We Understand and Can Manage
- Enhance Our Brand
- Increase Shareholder Value

Our Guiding Principles form a framework for our corporate responsibility program. Within this framework, we have defined material issues based on industry codes and standards, issues identified by our stakeholders and broader societal expectations. During the difficult economic climate over the past year, our overriding goal was to maintain our commitments.



## CORPORATE RESPONSIBILITY PRIORITIES IN 2009



**CUSTOMERS**  
Support our customers during financial turbulence.

Page 8



**ENVIRONMENT**  
Secure a leadership role on the environment.

Page 12



**EMPLOYEES**  
Develop our employees and enhance the employee experience.

Page 16



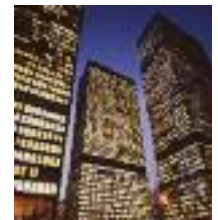
**DIVERSITY**  
Make TD more inclusive for our employees and customers.

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**COMMUNITY**  
Maintain our funding commitments and invest in our communities.

Page 23



**ECONOMY**  
Deliver shareholder value and play our part to stimulate the economy through continued lending.

Page 27

# 2009 Highlights

## TOTAL REVENUES (b)



## NUMBER OF EMPLOYEES (000)

### In Canada



### In the U.S.



## DISTRIBUTION POINTS (Branches and ABMs)

### In Canada



### In the U.S.



## CORPORATE RESPONSIBILITY QUICK FACTS

### CUSTOMERS

Number of customers supported through TD Helps\*

24,000

### ENVIRONMENT

Tonnes of greenhouse gas emissions avoided

70,000

### EMPLOYEES

Nearly \$6 billion spent on compensation and benefits

\$6b

### DIVERSITY

Percentage of our senior management team who are women\*

33.78%

### COMMUNITY

Amount of TD's giving in Canada and the U.S.

\$50m

### ECONOMY

Total shareholder return

8.5%

(5-year CAGR<sup>1</sup>)

New retail locations in North America

57

Trees saved by customers opting for paperless banking\*

6,000

Amount invested in learning programs

\$67.7m

Number of managers trained in diversity\*

6,000

Amount given through employee contributions and fundraising\*

\$9.5m

Total authorized loans made available to businesses\*

\$197b

\*Fact applies to our Canadian operation.

Note: b = billion; m = million

<sup>1</sup> 5-year CAGR is the compound annual growth rate calculated from 2004 to 2009, on an adjusted basis. See TD's 2009 Annual Report to Shareholders for more details.

## Corporate Responsibility Reporting

TD began reporting on our operations according to the Global Reporting Initiative Sustainability Reporting Guidelines (G3) in 2007. We are progressively improving the standard of our reporting. In this year's report, we are including more performance-based information that links our initiatives with our business priorities. See page 28 for our key performance indicators.

We aim to provide balanced reporting of our performance on environmental, social and economic issues. This report has been written using the Global Reporting Initiative (GRI) standards of accuracy, completeness, reliability, clarity and materiality.

To ensure the quality, reliability and completeness of this report, more than 200 content providers, managers and executives across the organization reviewed all or relevant sections. In addition, the report was reviewed by the Corporate Governance Committee of TD's Board of Directors. We have not taken the extra step of formal independent assurance.

TD self-declares its corporate disclosure process to GRI Application Level C. The GRI table has been externally assured by the Canadian Business for Social Responsibility, which allows us to submit the report at a C+ level (GRI checked).



## ENGAGING OUR STAKEHOLDERS

Through formal and informal means, we actively engage in dialogue with our key stakeholders to define priorities and goals. Here are some of the many ways we seek feedback from our stakeholders:

GROUP	WAYS WE INTERACT WITH OUR STAKEHOLDERS
Customers	<ul style="list-style-type: none"> <li>E-mails, regular phone surveys, focus groups and the TD Ombudsman.</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Biannual employee surveys; one-on-one discussions with immediate managers; individual meetings with Human Resources managers; confidential services through an Employee Ombuds Office and a formal Complaint Resolution Process; focus groups; unedited comment engine on the intranet; and 360-degree feedback.</li> </ul>
Environment	<ul style="list-style-type: none"> <li>Dialogue and solicited input from our employees, communities and other environmental constituents; memberships in and affiliations with industry associations, academic institutions and multi-stakeholder groups.</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>Relationships with our Strategic Sourcing group.</li> </ul>
Community	<ul style="list-style-type: none"> <li>Our Government and Community Relations team in Canada and our Community Relations team in the U.S.; collaboration with not-for-profit groups and community members; employee involvement and feedback.</li> </ul>
Shareholders and Investors	<ul style="list-style-type: none"> <li>Our Investor Relations team and Shareholder Relations group; active shareholder engagement through face-to-face meetings, e-mails and phone discussions; investor events and surveys; an investor relations website; and the annual meeting of shareholders.</li> </ul>
Governments and NGOs	<ul style="list-style-type: none"> <li>Membership in associations and organizations that are important to TD and our stakeholders; relationships with government officials; research funding; sharing best practices at conferences and forums; an open-door policy with NGOs (non-governmental organizations).</li> </ul>



“It's critical that executives understand the strategic and business implications of the environment on their business. This includes creating greener products and services for customers and establishing productive relationships with environmentalists and legislators.”

Mike Pedersen, Group Head, Corporate Operations, TDBFG

### MORE ON THE WEB:

- GRI table
- Corporate, environmental and diversity governance
- Conduct and ethics

# Customers

## Supporting our customers during financial turbulence

### OUR COMMITMENT

Deliver legendary customer experiences in good times and bad.

TD has long been synonymous with legendary service and convenience. It's our strategic advantage. Over the years we have learned that a satisfied customer is likely to stay with us, to expand the use of our products and services and to refer others to TD. We also know that delivering a legendary customer experience drives shareholder value.

We work hard to win and keep our customers' loyalty by being there, where and when they need us; listening to their needs and developing appropriate solutions; protecting their assets and their privacy; giving them adequate product information; and providing products, services and facilities to serve a diverse customer base. And when, despite our best intentions, mistakes happen, we make every effort to recover with flair.

### SUPPORT OUR CUSTOMERS IN TOUGH TIMES

In 2009, our customers faced real and significant problems, and we wanted to help. In Canada, we launched TD Helps, a program to provide customers with practical solutions enabling them to keep their homes and manage their non-mortgage debt and to help small-business banking customers with cash flow. By the end of the year, our program made a real difference in the lives of more than 24,000 customers.

### RUN A SOUND BANK

Many of our customers in the United States were concerned about bank failure. We talked to our customers about the safety and soundness of TD and backed this up by delivering solid results and opening more branches. We strive to operate with excellence and take only risks that we understand and can manage.

### RESPECT FOR PRIVACY

TD has privacy policies and practices in place across our global operations, and we respect all applicable privacy laws in countries where we do business. In 2009, we addressed five complaints (up from two in 2008) as the Office of the Privacy Commissioner of Canada increased efforts to close old files.

### INCLUSIVE BANKING

In Canada we offer a number of low-cost banking options for seniors, students and low-income customers. We comply with Canadian government Access to Basic Banking Services regulations by cashing federal government-issued cheques that are \$1,500 or less at no charge for non-customers. We open personal accounts regardless of whether a person is unemployed, is or has been bankrupt, or is unable to make an initial deposit, as long as required conditions are met.



“The real test of customer service is how you respond in difficult times.”

Tim Hockey, President and CEO of TD Canada Trust

### TD HELPS: PROVIDING FINANCIAL STRESS RELIEF

Maxed out credit cards, a fully used overdraft, and payment delinquency on a Line of Credit all signaled to David Boucher an Edmonton, AB based Financial Adviser that his client was on the verge of full-blown financial distress. After meeting to discuss the situation, David was able to defer loan payments, add a loan extension and re-amortize his mortgage. “The result exceeded my client’s expectations. He and his spouse are now on the way to becoming more financially healthy.”



## MEETING DIVERSE NEEDS

Our diverse client base reflects the characteristics of the more than 2,500 communities and business centres in which we operate. We want to be the better bank by being relevant to all of them.

In 2009 we worked hard to address the financial needs of our diverse customer segments with tailored offers and marketing communications.

- Across our operations we are working to deliver services, products and communications in a host of languages. Currently customers can speak to us in French, Mandarin, Cantonese, Punjabi, Portuguese, German, Russian, Greek and Spanish.
- Wealth Management provided financial planning information for customers and clients who are in same-sex relationships.
- TD was named Best Investment Adviser/Firm and Best Bank by readers of Toronto's Xtra.ca, a website for gay and lesbian news.

## CUSTOMER CARE

Our goal is to resolve problems on initial contact. Information on our problem resolution process is available on our website [www.td.com](http://www.td.com) and in branches.

HANDLING COMPLAINTS (CANADA)	2007	2008	2009
Complaints investigated by TD Ombudsman	230	234	<b>338</b>
Complaints in which TD Ombudsman ruled in full or partial agreement with the customer or client	94	112	<b>160</b>
Complaints referred to external industry ombudsman (OBSI) <sup>1</sup>	25	23	<b>154</b>
Complaints investigated in which external industry ombudsman made recommendations in favour of customer or client <sup>1</sup>	5	12	<b>30</b>

<sup>1</sup>The Ombudsman for Banking Services and Investments (OBSI) changed its criteria for case reporting effective 2009. For this reason, 2007 and 2008 numbers do not provide a true statistical comparison of our performance in handling complaints.

In the U.S., TD Bank strives to resolve 80% of complaints within three days or less. Since August 2009, 77.4% of referred complaints were resolved within that time frame. In Canada, we currently do not track an equivalent measurement.

Imagine my surprise when I got to the airport to purchase a return ticket and had only about \$100 in my account. I called TD Bank to see if there was something wrong. She listened to my story before responding, "I'm terribly sorry. There has been a delay today in posting direct deposits to accounts. But I see that you get a direct deposit on the 15th and 30th of every month and I've already been authorized to fix these issues so I'm going to post a \$1,000 credit memo to your account. Is that enough for your plane ticket?"

I thought I would fall over. There was no arguing, pleading, begging. I didn't have to ask to talk to a supervisor. The customer service person who spoke with me was intelligent and had been empowered to fix problems.

Philip H Weber, Philadelphia, PA



TD celebrates Chinese New Year with customers.

# Focused on Customer Experience

## Our performance

We evaluate our performance through our Customer Experience Index (CEI) in Canada and our Customer WOW! Index (CWI) in the U.S. The ratings are compiled from individual customer interviews that measure our customers' likelihood to recommend TD to their family, friends or colleagues. In 2009, we conducted over 600,000 interviews. We use these indices to set targets and drive improvement; the results have an impact on employee compensation, including the CEO's.

To challenge ourselves to provide legendary service even in tough times, our 2009 CEI targets were equal to or greater than the 2008 targets. All of our businesses maintained or improved their performance compared to the previous year.



### HELPING CUSTOMERS SAVE

In 2009, we launched a new product in Canada called Simply Save. Each time a customer makes an ATM withdrawal or an Interac Direct Payment transaction, Simply Save transfers a chosen amount (from 50 cents to five dollars) from the customer's chequing account to a designated savings account. Simply Save makes it easier for customers to start building up their savings. Over half a million Canadians signed up in the first nine weeks.

#### TD CANADA TRUST

0.9 point increase



#### TD BANK

4.2 point increase



#### WEALTH MANAGEMENT



#### WHOLESALE BANKING

6.8% increase



TD Canada Trust, TD Bank and Wealth Management Customer Experience Indexes use a score to represent customer advocacy. The Wholesale Banking results display a customer satisfaction rating (%).

“TD really went above and beyond to help us. The new van is great – I love riding in the front seat next to my husband.”

Brenda Baird, Toronto, Ontario



### TD INSURANCE REPLACES STOLEN VAN

Charles and Brenda Baird's van was outfitted to accommodate Brenda's wheelchair. The van was Brenda's main form of transportation. So when it was stolen, the Bairds were devastated. They contacted TD Insurance but realized they hadn't insured the van as an accessibility vehicle and as a result wouldn't receive enough money to cover the full cost of a replacement. Working together, TD and ABLE Transport Ltd. replaced the van, complete with new features that allow Brenda to ride in the front seat next to her husband – something she hadn't been able to do before.

**ACCESSIBLE BANKING**

In addition to our standard offerings, TD provides products, services and facilities for those with disabilities, including the following:

- In Canada, a new web accessibility tool improves the online banking experience for customers who have visual impairments or where English is not their first language.
- Bank documents, such as credit card statements and personal cheques, are available upon request in formats such as large-font and Braille at no additional charge.
- Our internal design standard ensures that all new premises are fully accessible. We're also working to retrofit older facilities. In Canada, we completed 79 retrofit projects at retail branches and investment centres to provide designated barrier-free parking spaces, sidewalks and ramps, automatic door operators and accessible entrance vestibules and night deposit boxes. We also completed renovation projects at 25 sites at a cost of \$797,274.
- In the U.S., we completed 89 renovation projects to improve accessibility.

**AWARDS**

**J.D. POWER AND ASSOCIATES**

**Highest in Customer Satisfaction Among the Big Five Retail Banks, Four Years in a Row\***

**Highest in Customer Satisfaction with Retail Banking in the Mid-Atlantic Region, Four Years in a Row\***



**SYNOVATE**

**Best in Customer Service Excellence among the top five banks five years in a row\*\***




**THE SERVICE QUALITY MEASUREMENT GROUP (SQM)**

**Highest in Customer Satisfaction in the North American banking industry awarded to a TD Canada Trust call centre**

**SURVISCOR**

**Number one in online discount brokerage services for Website Transactions, Online Resources, Website Design and Market Intelligence awarded to TD Waterhouse**

<p><b>2009 CHALLENGES</b></p> <ul style="list-style-type: none"> <li>• Whenever interest rates decline, we see an increase in customer complaints regarding mortgage prepayment charges and, more specifically, interest rate differential (IRD). IRD is the amount that would have been paid to the bank in interest had the customer remained in the mortgage contract until the end of the term.</li> <li>• During the integration of TD Bank, we experienced an overnight batch processing problem that caused some temporary loss of service.</li> </ul>	<p><b>RESPONSES</b></p> <ul style="list-style-type: none"> <li>• As IRD is complicated to explain, we have increased efforts to educate our employees with training aids. We are continuing our efforts to support our employees, share best practices across our retail network and help our customers through a challenging transaction.</li> <li>• A 24/7 task force quickly solved the technical issue. We refunded incurred fees to customers, empowered employees to resolve issues and placed full-page advertisements to apologize.</li> </ul>
<p><b>DIRECTION IN 2010</b></p> <ul style="list-style-type: none"> <li>• Improve customer experience scores (CEI and CWI) in all businesses.</li> <li>• Build Wholesale Banking by broadening and deepening corporate client relationships.</li> <li>• Develop tailored products and services to deepen customer relationships in specific markets.</li> <li>• Continue to build awareness of TD's accessibility services.</li> <li>• Provide a safe and secure banking experience and protect privacy at all times.</li> </ul>	

**MORE ON THE WEB:** 

- Information security and fraud protection
- Product responsibility
- Customer stories
- Case study on TD Helps

# Environment

## Securing a leadership role on the environment

We are working to understand both the risks and the opportunities related to environment and energy issues so we can provide better products and services to our customers, manage our business operations effectively and engage our employees.

In April 2008, TD became the first bank in Canada to announce a goal of becoming carbon neutral in its domestic operations in 2010.

### OUR COMMITMENTS

In 2009, we began broad implementation of key initiatives to:

- reduce our operational footprint;
- provide green product and service choices for our customers; and
- engage with our communities and environmental stakeholders to raise awareness of environmental issues and inform public policy.

To date, most of our progress has been in Canada. In 2010, we will significantly strengthen programs in our U.S. operations.

### REDUCING OUR OPERATIONAL FOOTPRINT

We're tackling management of our operational footprint through:

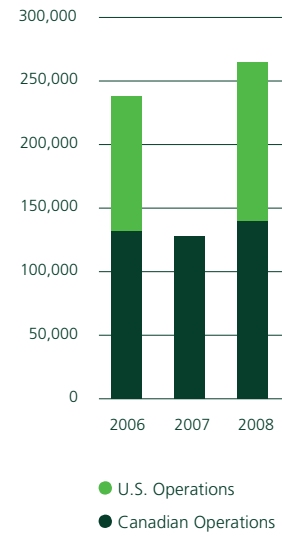
- energy-efficiency initiatives, including green building design and operation;
- using more renewable energy; and
- our environmental procurement program.

As a result of our growth and the acquisition of new corporate and retail real estate, plus the installation of new ABMs, our overall emissions increased slightly in 2008.

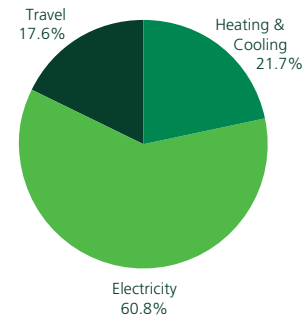
“Good environmental performance is good for business. That’s why we are building it into our corporate strategy, culture and action plans across the bank. We want to be the best-performing of the financial institutions in the area of the environment.”

Karen Clarke-Whistler, Chief Environment Officer, TDBFG

**TD GHG EMISSIONS (2006–08)**  
(tonnes CO<sub>2</sub>e)



**OVERALL TD GHG EMISSIONS**  
By source



TD’s overall greenhouse gas intensities (tonnes per square foot) decreased due to our focus on operational footprint reduction initiatives.



This branch in Farmingdale, NY, will be certified LEED gold in 2010 as part of our extensive LEED development program.

**CARBON REDUCTION INITIATIVES**

In 2009, we began large-scale implementation of energy-efficiency projects. These have already saved more than \$2.8 million in operating costs within one year.

TD is the largest purchaser of renewable energy in the Canadian financial sector. In 2009, we purchased enough renewable energy to power our 2,600 ABMs in Canada and meet the electricity needs of all of our business operations in British Columbia, Alberta, Saskatchewan, Nova Scotia and Prince Edward Island. That's equivalent to removing more than 25,000 tonnes of greenhouse gas (GHG) emissions from our electricity supply.

Working with our social partners, we purchased almost 50,000 tonnes of carbon offsets in 2009 through two groundbreaking initiatives:

- We established a unique partnership with Habitat for Humanity.
- TD is a founding investor in the Greening Canada Fund. The fund is the first of its kind in North America, providing local high-quality, voluntary carbon offsets that will have both commercial and community benefits.



Ice Bear technology in London, Ontario: Large copper coils show how blocks of ice are frozen in tanks at night to cool the branch the next day.

**MORE WAYS WE'RE REDUCING OUR OPERATIONAL FOOTPRINT**

**GREEN BUILDING DESIGN**

In 2009, TD established an integrated North American real estate strategy to incorporate green design into our building design and operating standards. We opened another four LEED-certified facilities (Leadership in Energy and Environmental Design) and are continuing with LEED pilot programs for our data centre, call centres, existing buildings and commercial interiors. We are also developing a LEED platinum prototype for new stores in the U.S.

**PAPER REDUCTION**

We are committed to eliminating, reducing, reusing and recycling. Although we are already almost 20% below the industry benchmark (10,000 sheets of paper per person per year), we have set a target to reduce paper usage per employee by 5% in each of 2009 and 2010. In 2009 we achieved a 3.8% reduction per person. In 2010, we will set paper reduction targets for our U.S. operations and will launch initiatives to further reduce paper usage, such as electronic document management, streamlining financial agreement documentation and putting marketing material online.

**NON-PAPER WASTE**

Our performance is stable or improving in all areas. In 2009, we cleared out a backlog of more than 38,000 computers. Of this total only 1,000 could not be reused or recycled.

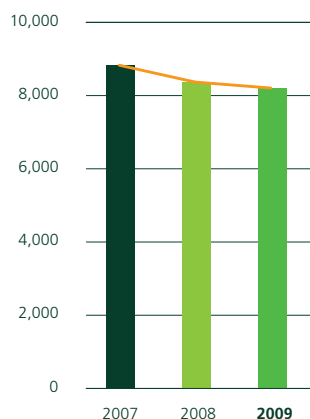
**PROCUREMENT**

We look for suppliers who share our environmental values and commitments. In 2009, we achieved our targets for recycled content and certified paper – one year ahead of schedule. We also increased our green office product offerings by 100% to more than 1,000 available products.

TD is the largest purchaser of renewable energy in the Canadian financial sector.

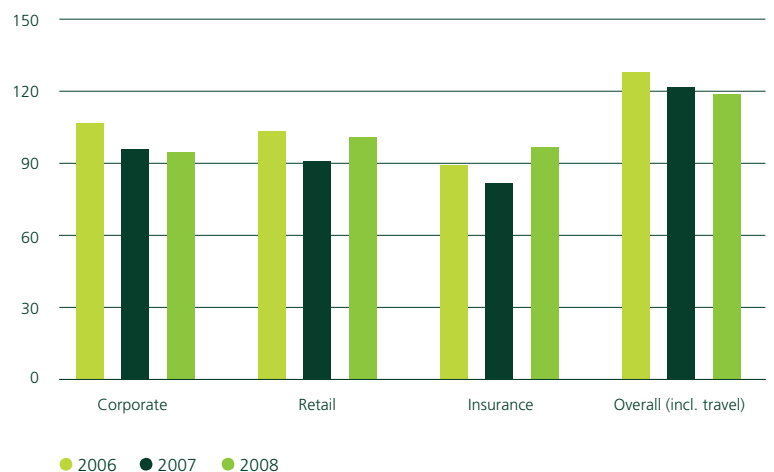
**PAPER USAGE PER EMPLOYEE**

(sheets per person per year)



**GHG INTENSITIES – CANADA**

(kg CO<sub>2</sub>e/m<sup>2</sup>)





#### **GREEN ROOF DELIVERS DOUBLE IMPACT**

A \$250,000 donation from TD helped the YMCA of Greater Toronto create a green roof on its Metro Central building. The green roof increases the YMCA's energy efficiency. The vegetation helps arrest climate change by reducing stormwater runoff and decreasing radiated heat.

#### **GREEN PRODUCTS AND SERVICES**

TD offers a full range of green choices – from paperless banking to green mortgages and insurance to sustainable investments.

- In 2009, TD Asset Management USA Inc. launched the TD Global Sustainability Fund.
- To date, more than 4.3 million Canadian customers have chosen to go paperless, saving 6,000 trees every year.

#### **SUSTAINABLE FINANCE**

We consider the environmental risks and benefits in our lending and investing practices.

In 2009, we further developed and strengthened our environmental and social credit risk-management processes in our wholesale and business banking groups. These include company- and sector-specific reviews for existing and emerging environmental and related social issues. The Equator Principles are incorporated in our processes for both project finance and general-corporate-purpose financing.

- TD is a signatory of the global Equator Principles. In 2009 we reviewed one category B pipeline project under this policy.
- In 2009 we performed a review of our borrowers' exposure to climate change risk. The review indicates that our overall exposure to sectors at high risk for greenhouse gas emissions regulations (oil and gas, power generation, mining and smelting, automotive and chemical) represents approximately 5% of our total lending portfolio.
- TD does not lend money for transactions that would involve activities within World Heritage sites or would result in degradation of protected critical natural habitats as designated according to World Conservation Union classification or would involve purchase of timber from illegal logging operations. We do not lend money for transactions that are directly related to the trade in or manufacturing of material for nuclear, chemical or biological weapons or for landmines or cluster bombs.



#### **LOW-INCOME FAMILIES TO BENEFIT FROM GREEN HOUSING**

Habitat for Humanity builds an affordable new home every 10 minutes for low-income families. In 2009, TD announced that it would invest \$750,000 over three years to help Habitat Canada build energy-efficient housing. The program upgrades heating systems, insulation and windows. It will make Habitat houses among the most energy-efficient in Canada.



## ENGAGING WITH OUR ENVIRONMENTAL STAKEHOLDERS

TD is an active contributor to environmental thought leadership, research and public policy. We have an open-door policy of engaging with environmental constituents. In 2009 our business leaders participated in a broad range of multi-stakeholder forums and research initiatives.

Examples include:

- Mike Pedersen, TD's Group Head of Corporate Operations, co-chaired the Greening Greater Toronto Task Force. Its aim is to make the Greater Toronto Area the greenest city region in North America.
- TD Economics sponsored the third report in a series on the impact of carbon regulation.
- Our Chief Environment Officer, Karen Clarke-Whistler, participated in a number of forums aimed at developing better practical guidance on issues relating to free, prior and informed consent.


## AWARDS

- **One of Canada's Greenest Employers (Mediacorp Canada)**
- **One of the 100 Most Sustainable Corporations in the World (Corporate Knights)**
- **A 2009 Climate Disclosure Leader (the Conference Board of Canada and the Carbon Disclosure Project)**
- **One of Jantzi-Maclean's 50 Most Socially Responsible Corporations**
- **TD awarded gold in the category Green Company Award for Environmental Leadership at the Canadian Investment Awards**



Karen Clarke-Whistler, Chief Environment Officer, TD Bank Financial Group, and the Honourable Richard Brown, Minister of Environment, Energy and Forestry, Prince Edward Island, meet in Toronto at the Canadian Wind Energy Association annual conference. TD signed an agreement with PEI to purchase green electricity for all of its operations in PEI and Nova Scotia.

<p><b>2009 CHALLENGES</b></p> <ul style="list-style-type: none"> <li>• As TD was an early adopter of carbon neutrality there were few existing standards to follow.</li> <li>• We're working to understand the impact of a carbon-constrained economy on our business, which involves the assessment of regulatory risk relating to greenhouse gas emissions.</li> <li>• We also recognized a need to raise awareness of environmental issues with our employees.</li> </ul>	<p><b>RESPONSES</b></p> <ul style="list-style-type: none"> <li>• We developed standards and procedures for the purchase of renewable energy and high-quality carbon offsets.</li> <li>• We upgraded environmental and social risk-management procedures. We participated in multi-stakeholder forums and developed research relating to carbon regulation.</li> <li>• We launched an interactive intranet site for employees to provide information and extend our Green Team network.</li> </ul>
<p><b>DIRECTION IN 2010</b></p> <ul style="list-style-type: none"> <li>• Meet carbon neutrality targets in the U.S. and our international operations.</li> <li>• Build our environmental management system to reflect an integrated North American bank.</li> <li>• Further development of green products and services.</li> <li>• Extend engagement with environmental stakeholders.</li> <li>• Set paper reduction targets for U.S. and launch initiatives to further reduce paper usage.</li> </ul>	

**MORE ON THE WEB:** 

- Detailed environmental performance data
- Procurement
- Responsible investing
- TD Green Teams
- Employee participation
- Link to the Pembina report *Climate Leadership, Economic Prosperity*
- Case studies

# Investing in Our Employees

Developing our employees and improving the employee experience

## OUR COMMITMENT

We work hard to make TD an inclusive organization where all employees have opportunities to grow personally and professionally and where their views are heard and respected.

We recognize that there is a strong link between providing development opportunities for employees and their level of engagement and retention.

Our employee strategy remained unchanged. We invested in compensation and employee programs and continued to hire new employees.



“Even in an uncertain economy, we have maintained our focus on the employee experience to ensure we continue to retain and attract great people!”

Peter McAdam, Vice President, Employee Experience

## COMPENSATION AND BENEFITS

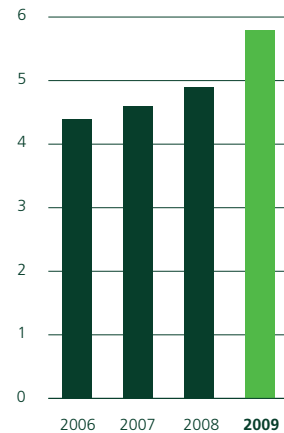
We foster a performance culture where there is a clear link between pay and performance.

In 2009, our investment in employee compensation and benefits was nearly \$6 billion. The increase from 2008 figures was partly due to the acquisition of Commerce Bancorp in 2008.

We offer employees the same confidential financial advice and support as our customers. In 2009, we assisted approximately 230 Canadian employees through our TD Helps program.

## INCREASED EMPLOYEE INVESTMENT

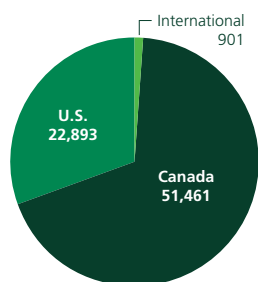
(billions of dollars)



In 2009, TD introduced a new pension plan, designed to be the best fully bank-paid pension plan in the industry in Canada for employees earning \$47,200 or less.

## 2009 GLOBAL WORKFORCE

Total 75,255



Employee numbers fluctuate, but as of October 31, 2009, TD employed 75,225 people across Canada, 14 U.S. states and business locations in Europe, Mexico and Asia Pacific.



TD Ameritrade employees visit a call centre in Mount Laurel, NJ, to assist after the integration of TD Bank, America’s Most Convenient Bank.

### BUILDING TALENT FOR FUTURE GROWTH

At TD, we believe that developing our employees is essential to our growth as an extraordinary place to work. We are committed to a promote-from-within philosophy and, in Canada, have filled 90% of our job opportunities internally. We enable employees to take control of their careers, which helps us to identify and develop talent for the future. We have a transparent process for posting internal jobs where roles up to and including vice president are open to qualified applicants from across the organization.

In 2010, employees will be able to create an online personal profile, showcasing their personal aspirations and development goals, background and capabilities. The new system will facilitate increased opportunity for career progression within TD.

### RECRUITMENT INITIATIVES

- Through a new National Mentoring Initiative with ALLIES, a joint program of the Maytree Foundation and the J.W. McConnell Family Foundation, our goal is to establish mentoring as a successful labour-market strategy.
- Career Edge associate programs allow new employees to develop in one or multiple business lines before taking a permanent role. In the U.S., TD Bank will launch an MBA rotational and an undergraduate analyst program in 2010.

### LEARNING AND EMPLOYEE DEVELOPMENT

We recognize that there is a strong link between providing development opportunities for employees and their level of engagement and retention.

- 15,000 U.S. employees attended training courses at TD University during the integration of TD Bank.
- Over 21,000 employees completed the highly interactive Robbery Prevention and Awareness training program and are better prepared to face a robbery situation.
- We offer tuition assistance for full-time and part-time employees who upgrade their knowledge by taking courses at eligible institutions.

In 2009 we invested \$67.7 million in learning programs across North America

EMPLOYEE LEARNING		2009	2008	2007
Average number of days of internal training per employee	Canada	<b>3.88</b>	3.86	3.08
	U.S.	<b>4.56</b>	6.09	-
TD's investment in training (in millions)	Canada	\$ <b>55.6</b>	\$ 55.9	\$ 68.2
	U.S.	\$ <b>12.1*</b>	\$ 15.8	\$ -
TD's investment in training per employee	Canada	\$ <b>1,241</b>	\$ 1,299	\$ 1,591
	U.S.	\$ <b>507</b>	\$ 688.76	\$ -
Amount employees received through TD's Tuition Assistance for external learning (in millions)	Canada	\$ <b>11.7</b>	\$ 12.3	\$ 15
	U.S.	\$ <b>2.0</b>	\$ 1.2	\$ -

\*To provide a more representative year-to-year comparison, this amount reflects regular training programs and does not include the substantial investment we made on integration training in the U.S. If we were to include the value of integration training, the figure would considerably exceed the 2008 level.



We continue to acquire and develop a strong, diverse talent pool that will contribute to TD's North American growth strategy

"My first experience at TD was as a Career Edge intern at TD Asset Management. It allowed me to build both my financial knowledge and good working relationships and paved the way for subsequent roles. It was a meaningful and worthwhile experience that I would recommend to university grads who are on the prowl for a job."

Jonathon Borland, TD employee and former Career Edge intern

**The Women in Leadership (WIL) network** is an internal initiative that comprises 12 chapters representing over 2,000 women across Canada and the U.S. These chapters work on creating networking opportunities for women. Formal networking events help women at TD strengthen their networks and meet with senior bank leaders. In 2009 more than 1,000 women participated in networking events.

**BUILD FOR THE FUTURE LEADERSHIP DEVELOPMENT PROGRAM**

One of our key programs in support of TD's growth strategy is Build for the Future. The program equips executives to develop the next generation of TD leaders and establish a development culture.

Since 2008, over 400 executives have completed the program.

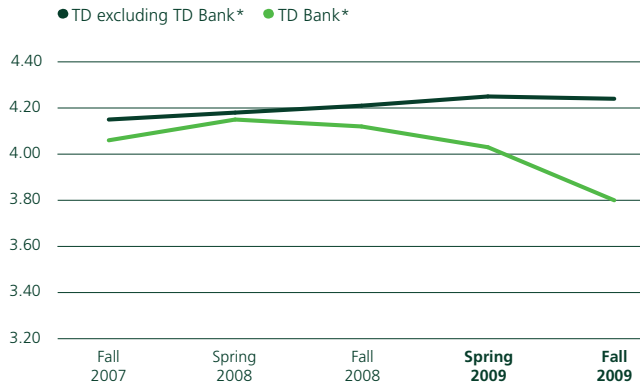
“Excellent course. I am going back energized, committed to developing people more than ever. Will absolutely spread the knowledge to people around and below me. Very insightful.”

Course participant



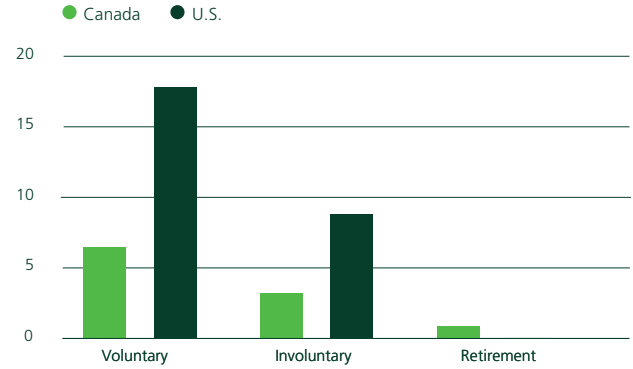
Ed Clark attends every Build for the Future program and answers executives' questions.

### TD EMPLOYEE ENGAGEMENT INDEX (EEI)



\* TD Bank includes Banknorth legacy employees in fall 2007 and spring 2008.

### 2009 EMPLOYEE TURNOVER RATE (%)



\*Note: U.S. figures for voluntary turnover includes retirees. U.S.

### OUR PERFORMANCE

We track employee engagement through TD Pulse, a company-wide confidential internal survey conducted twice a year. On average, 85% of our global workforce participates in these surveys.

#### KEY RESULTS

- The overall employee engagement score was 4.11 in fall 2009, down from 4.18 in fall 2008, primarily a result of U.S. integration activities.
- Excluding TD Bank, employee engagement was 4.24 in fall 2009 vs. 4.21 in fall 2008.

### RETENTION

During 2009, our employee numbers remained consistent. In Canada, we retained approximately nine out of 10 employees, slightly above the industry standard.

In the U.S. we retained approximately seven out of 10 employees during 2009. The U.S. banking industry typically has a higher turnover than in Canada. Despite all the integration activity in 2009, we're pleased that the voluntary turnover for TD Bank (17.8%) was lower than the U.S. industry benchmark of 18.9%.

### AWARDS

- **One of Hewitt Associates' 50 Best Employers in Canada for the second year in a row**
- **For the third consecutive year, one of Maclean's magazine's Top 100 Employers in Canada**
- **TD Waterhouse U.K. is acknowledged as "One to Watch" in The Sunday Times "Best Places to Work in the U.K." for the second year running**

#### 2009 CHALLENGES

- The experience of integration in TD Bank was stressful and demanding for our employees in the U.S. This was the primary cause of the overall decline in employee engagement results across TD. We are working hard to improve the employee experience in the U.S. and to continue on our journey to be globally recognized as a best employer.
- Given the age and service mix of our executive population, a number of individuals in senior roles in the organization will be eligible to retire over the next five years.

#### RESPONSES

- Extraordinary efforts were made to support employees through the integration experience. For example, managers and senior leaders stepped in to help serve customers and handle complaints in our branches and call centres.
- Our Build for the Future program is an effective way to increase leadership capabilities across the organization.

#### MORE ON THE WEB:

- Employee programs and initiatives
- Details on pension and benefit programs
- Case studies
- Employee stories

#### DIRECTION IN 2010

- Deliver and be recognized as an extraordinary global workplace.
- Deliver a diverse and inclusive global workplace.
- Develop great people and teams for the future.
- Enhance our global recruitment capabilities.
- Review and recommend an integrated, enterprise-wide recognition strategy.

# Diversity

## Making TD more inclusive for our employees and customers

### OUR COMMITMENTS

We aim to be an extraordinary place to work, where it is clear to current and potential employees from all communities that we value diversity and support employee needs.

We also aim to be the better bank and we work hard to make customers feel comfortable doing business.

We promote diversity for all employees and focus on six key areas of focus in Canada and five in the United States, where TD Bank established its Diversity Leadership Team (DLT) in 2008. Senior executives of the bank lead the key initiatives.

AREA OF FOCUS	GOAL
Women in Leadership	<ul style="list-style-type: none"> <li>Increase the representation of women at pre-executive and executive levels by providing strong leadership opportunities.</li> </ul>
Visible Minorities Leadership	<ul style="list-style-type: none"> <li>Increase the representation of visible minorities at the VP+ and middle management level by providing leadership opportunities and enhancing their employee experience.</li> </ul>
People With Disabilities	<ul style="list-style-type: none"> <li>Implement sustainable, continually improving accessibility programs that provide a positive experience for employees and customers.</li> </ul>
Lesbian, Gay, Bisexual, Transgender & Allies (LGBTA)	<ul style="list-style-type: none"> <li>Provide a comfortable and respectful working and banking environment for our LGBTA employees and customers.</li> </ul>
Aboriginal Peoples (in Canada)	<ul style="list-style-type: none"> <li>Provide a comfortable and respectful working and banking environment for the Aboriginal community.</li> </ul>
Serving Diverse Communities	<ul style="list-style-type: none"> <li>Become the bank of choice for diverse communities by focusing on opportunities that have the greatest impact.</li> </ul>

### TD DIVERSITY INCLUSIVENESS SURVEY RESULTS

In our 2009 Diversity Inclusiveness Survey, 89% of respondents – 3% more than in 2007 – indicated that they felt TD fosters an inclusive workplace.

### DIVERSITY TRAINING FOR MANAGERS

Providing a safe environment for employees to discuss their personal background and perceptions requires a significant investment in on-site workshops and skilled facilitation.

- By the end of 2009, over 90% of all managers in Canada had completed our one-day Embracing Diversity workshop.
- Since 2006, approximately 400 women and 120 members of visible minority groups have participated in an innovative group mentoring program. We paired women at critical stages in their career with senior executives to facilitate discussions about career planning and development.



Employees from a TD Canada Trust branch in Calgary enjoy a barbecue in Bowness Park during Employee Appreciation Week, an annual celebration of our outstanding employees.

## OUR PERFORMANCE

Every two years, we conduct a Diversity Inclusiveness Survey in Canada that lets us know if employees feel TD fosters an inclusive workplace. The 2009 survey saw improvement across all areas of focus. Full results of the survey can be found in our online report. We also compare the employee representation of each group at TD to the external labour pool and this comparison is displayed in the graphs below.

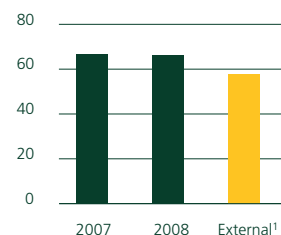
### AREAS OF FOCUS:

#### WOMEN IN LEADERSHIP

Our approach includes identifying and developing leadership candidates from within, providing networking opportunities, increasing flexible work options for all employees and leading by example.

Five of the 17 members of the TD Board of Directors are women. Women make up 33.78% of our vice presidents, senior vice presidents and executive vice presidents.

REPRESENTATION OF WOMEN AT TD (%)

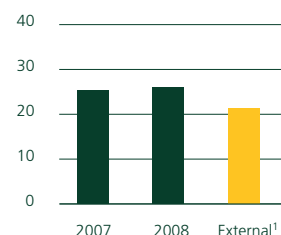


#### VISIBLE MINORITIES LEADERSHIP

TD is a leading employer of people from visible minority groups. Our efforts have resulted in improved representation of visible minorities at TD.

Visible minorities make up 8.11% of our vice presidents, senior vice presidents and executive vice presidents.

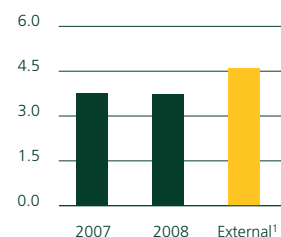
REPRESENTATION OF VISIBLE MINORITIES AT TD (%)



#### PEOPLE WITH DISABILITIES

We continue to strive to build capability and comfort among people managers in hiring and supporting people with disabilities. We have done solid work in this area and continue to reinforce our message at the local departmental level so that it is consistently integrated into our day-to-day business.

REPRESENTATION OF PEOPLE WITH DISABILITIES AT TD (%)



#### LESBIAN, GAY, BISEXUAL, TRANSGENDER AND ALLIES (LGBT)

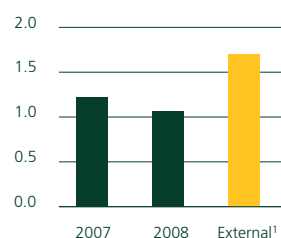
Our Employee Pride Network shapes our LGBT strategy and allows employees to share ideas and experiences. With local networks in Toronto, Montreal, London, Edmonton, Calgary, Vancouver, Kitchener/Waterloo, Mississauga/Peel/Halton and Ottawa, more than 1,000 employees have joined the network since 2005.

The TD Employment Equity Survey gathers data on the representation of groups within our employee population to meet Canadian federal requirements. Reporting on LGBT employee population statistics is not part of the current legislative requirements, and this is why representation numbers are not shown.

#### ABORIGINAL PEOPLES

In 2009, we launched our Aboriginal Employee Circle, which includes representation from both Aboriginal and non-Aboriginal employees across TD in Canada, from coast to coast to coast. Membership in the circle grew to more than 50 employees in just a few months.

REPRESENTATION OF ABORIGINAL PEOPLES AT TD (%)



<sup>1</sup> External labour pool data is taken from the 2006 Census survey and 2006 Participation and Activities Limitation survey, both conducted by Statistics Canada, and customized to a reasonable recruitment pool for TD.

# Becoming the Better Bank

Investing in programs that promote, celebrate and recognize diversity in all the communities we serve

The majority of activities we support reflect our own diversity priorities: visible minority groups; women; people with disabilities; the lesbian, gay, bisexual, transgender and allies (LGBTQA) community; and, in Canada, Aboriginal communities.

In 2009, TD donated over \$5 million in Canada to programs and initiatives that support diversity in the community.

- TD is one of the founding members of the new Canadian Board Diversity Council (CBDC), which works to increase the representation of women on boards.
- In the U.S., TD Bank sponsored the National Association for the Advancement of Colored People's (NAACP) national convention.
- TD continues to foster our relationships with Mayfest, People in Motion, the Chair Aware Challenge (Muscular Dystrophy Canada) and the No Limits Wheelchair Relay Challenge (Canadian Paraplegic Association of Ontario) and in 2009 sponsored City Mix, a Toronto event that celebrated inclusion for people of all abilities.
- We've taken a leadership role in the LGBTQA community by sponsoring events and programs such as Pride festivities and awareness campaigns in Canada and the U.S. TD is the Premier Sponsor of Toronto's Pride Week and actively participated in the city's winning bid to host World Pride 2014. TD Bank was a bronze sponsor for the Boston Gay Pride Parade in June. A TD WOW! van was present at the parade, and employees from various business lines walked under the TD banner.



- In 2009, TD announced over \$1.5 million to support Aboriginal initiatives at Canadian universities.
- In June, TD Economics published a report discussing the potential for economic transformation among Aboriginal peoples and their communities. The report credits an alignment of interests between Aboriginal communities, business and governments as the main driver of improved conditions.

## AWARDS

- **TD was named one of the Best Employers for New Canadians (Mediacorp)**
- **The Human Rights Campaign, the largest LGBT civil rights organization in the U.S., named TD Bank among America's Best Places to Work for LGBT employees**
- **TD was recognized as Best Investment Advisor Firm and Best Bank by in Xtra.ca's Best of Toronto list. Xtra.ca is an online news resource for gays and lesbians**

### 2009 CHALLENGES

- Through employee focus groups we learned that flexibility is important to our employees, particularly our female employees. We are working to make this more achievable at all levels.
- We face a continuing challenge recruiting Aboriginal Peoples into our Canadian workforce, and our representation is still not where we'd like it to be. We need to work on enhancing the profile of banking as a career option within these communities so that TD can attract more Aboriginal employees.
- We continue to strive to build capability and comfort among people managers in hiring and supporting people with disabilities.

### RESPONSES

- We are working to provide flexible work options throughout the organization, including telecommuting, flexible time, part-time opportunities, job partnerships and gradual returns from leaves. Although not all positions accommodate every work option, many jobs can be made more flexible, and we are thinking creatively about how, when and where work gets accomplished.
- TD assisted in the development of a website and participated in several recruitment events across Canada to boost awareness among Aboriginal Peoples of banking as a viable career option.
- Our Embracing Diversity workshop helps our people managers learn to value diversity, recognize personal biases and stereotypes, and apply inclusive practices. By the end of 2009 more than 6,000 people had completed the training. This represents over 90% of all managers in Canada.

### MORE ON THE WEB:

- Leadership and training
- Case studies
- Employee stories

### DIRECTION IN 2010

- Continue to make TD more inclusive for our employees and customers while reflecting the communities we serve.
- Continue to implement our diversity programs in our U.S. operation.
- Increase representation for each area of focus in our employee population.



# Community

Maintaining our funding commitments and investing in our communities

## OUR COMMITMENTS

We contribute to the well-being of the communities we serve through grants, scholarships, sponsorships, fundraising, volunteering and collaborative relationships with community partners. Our goal is to make a difference together.

Strong communities are critical to a healthy economy and to the welfare and well-being of our employees and customers. Customers want to do business with, and employees want to work for, companies that reflect their social values. Sponsorships and donations build brand recognition and give us a way to let our current and potential customers and employees know what we value.

As TD grows as a North American bank, we are looking to better align our Canadian and U.S. programs by building on the strengths of our respective activities.

## OUR PERFORMANCE

Our vision to be the better bank challenges us to exceed the norms of corporate giving to the communities we serve.

- In 2009, we contributed more than \$50 million to not-for-profit groups – an increase of more than \$3 million over 2008.
- In Canada, TD donated 1.30% of the rolling five-year average of our pre-tax profits. The recommended corporate giving target is set at 1% by Imagine Canada.
- In the U.S., TD Bank donated 1.35% of our pre-tax profits in 2009. The Giving USA Foundation reports the average corporate giving amount as 0.9%.
- Our Canadian Volunteer Grant Program offers a \$500 grant to a registered charity organization where employees volunteer more than 40 hours a year. Through this program, TD gave more than \$336,000 to organizations in 2009, exceeding our goal of \$300,000.

## OVERVIEW OF TD'S GIVING IN CANADA AND THE U.S.

2008	<b>CANADA</b> \$35.5 million
	<b>U.S.</b> US\$11.5 million
2009	<b>CANADA</b> \$37.0 million
	<b>U.S.</b> US\$13.9 million



Employees introduce TD Bank's Summer Reading Program to children in Sunset Park, Brooklyn, NY.

In 2009, TD Securities' 12th annual fundraising event for children's charities in Toronto earned gross proceeds of over \$1 million! This event is entirely employee-driven.



# Canada

## Despite difficult economic times, our community giving increased in 2009

At TD, we recognize the importance of supporting the fabric of community life. It's about more than simply writing a cheque. We ask our employees and customers what matters to them and link our donations to the causes they care about. We also make it easy for employees to roll up their sleeves and get involved.

In 2009, 49% of our community giving was applied to our three areas of focus, which are discussed below. We are moving closer to our target of 50%.

We also commit a minimum of 10% of our giving to support diversity initiatives in the community (13% in 2009).

### LITERACY AND EDUCATION

TD is making a significant contribution to literacy and education, opening the door for opportunity and contributing to individual, family and community well-being.

- In 2009, TD gave over \$4.8 million dollars to post-secondary education across Canada. These funds support a range of bursaries, scholarships and programs.
- More than 2,000 libraries and over half a million Canadian children participated in the TD Summer Reading Club, a fun and educational experience.
- In partnership with the Canadian National Institute for the Blind (CNIB), we extended the program to children with vision loss by adding a Braille component. The "spy kit" included Braille code deciphering for sighted children.

TD employees are passionate supporters of United Way and other charities, raising over \$5.4 million in Canada.

### IN CANADA

TD corporate donations =	\$	37 million
Employee donations and fundraising =	\$	9.5+ million
Customer donations =	\$	4.7 million
<b>Total impact =</b>	<b>\$</b>	<b>51.2+ million</b>

The Great Canadian Shoreline Cleanup won Imagine Canada's Best Business and Community Partnership Award.



### CHILDREN'S HEALTH

Children's health is important to our employees, customers and to the communities we serve.

- As of October 31, 2009, 72,793 customers contribute each month to the TD Children's Hospital Fund for top medical facilities and foundations across Canada, linked through the Children's Miracle Network. The average donation amount increased by 8%.

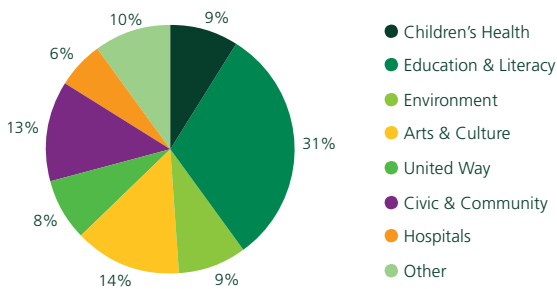
### ENVIRONMENT

TD champions environmental preservation and protection because the environment has an impact on local habitats, our quality of life and, ultimately, our economic prosperity.

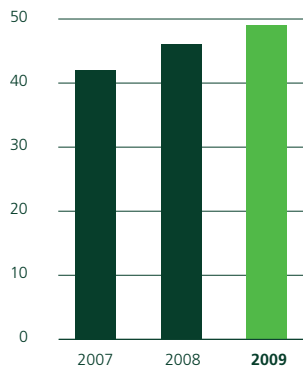
Since its inception in 1990, the TD Friends of the Environment Foundation (TD FEF) has contributed \$50.4 million in support of 18,400 grassroots environmental projects.

In 2009, we distributed \$4.1 million to 899 community environmental projects through TD FEF and other corporate giving initiatives.

2009 COMMUNITY GIVING IN CANADA



% OF DONATION APPLIED TO AREAS OF FOCUS



### PARTNERSHIPS BLOOM IN COMMUNITY GARDEN

The Farmers on 57th, a working-garden project in Vancouver, is a collaboration between the George Pearson Centre, a residential facility for adults with disabilities, and a host of community groups, including local elementary and post-secondary institutions. Pearson residents worked with local volunteers to transform the property into an integrated working-garden, providing fresh, organic produce to residents and community members. TD FEF contributed \$12,000 to the project.

# U.S.

## Improving the well-being of individuals and communities in need

In 2009, the TD Charitable Foundation awarded 1,518 grants totalling US\$13.9 million.

We provided an additional US\$5.4 million through community sponsorships and US\$700,000 through employee contributions.

We place special emphasis on improving the well-being of low- to moderate-income individuals and communities. In excess of 50% of our U.S. Foundation giving focused on three areas.

### AFFORDABLE HOUSING

The economic upheaval resulting from the 2009 recession compounded problems faced by millions of Americans who have difficulty gaining access to safe, affordable housing.

- Since January 1, 2009, TD Bank has invested almost US\$140 million in low-income housing tax credits to support 25 housing projects and US\$3 million in grants from the TD Charitable Foundation in support of not-for-profit organizations that develop, implement and maintain programs that increase access to affordable housing.
- The TD Charitable Foundation's 2009 Housing for Everyone Grant Competition awarded a total of US\$2 million in grants, a US\$500,000 increase from 2008. Fifty-six not-for-profits in 12 states received awards for projects that help families stay in their homes or help reduce neighbourhood deterioration caused by foreclosure and abandonment.

### IN THE U.S. (U.S. DOLLARS)

TD Charitable Foundation =	\$	13.9 million
Community sponsorships =	\$	5.4 million
Employee donations =	\$	700 thousand
<b>Total impact =</b>	<b>\$</b>	<b>20 million</b>

### EDUCATION AND FINANCIAL LITERACY

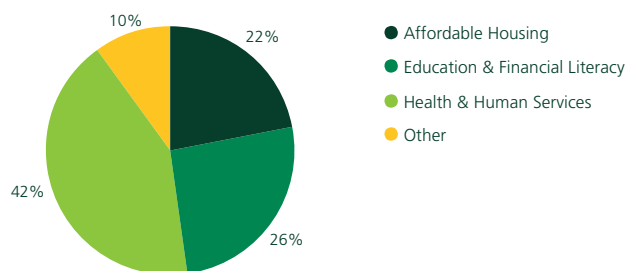
- In 2009 the TD Charitable Foundation donated US\$3.6 million to support and sustain educational and financial literacy initiatives and programs affected by the economic downturn.
- In 2009, nearly 900 trained TD Bank instructors volunteered 5,000 hours of classroom and in-store financial literacy instruction to 4,000 classes and 84,000 students through the TD Bank WOW!Zone. The TD Bank WOW!Zone is an online financial education resource for children, parents and educators.
- To launch its 2009 Summer Reading Program, TD Charitable Foundation surprised 100 school libraries, primarily in low- to moderate-income areas from Maine to Florida, with a total of US\$500,000 in grants to celebrate National Library Week.

### HEALTH AND HUMAN SERVICES

TD Bank partnered with key not-for-profit, public and private organizations to meet an increased demand for basic services, including heat, shelter and food. Working together, we can accomplish more.

- The TD Charitable Foundation awarded 555 grants totalling US\$5.8 million to provide basic human services to those in need, including donations totalling more than US\$450,000 in just two months (December and January) to food banks from Maine to Florida, providing more than 1.7 million meals to those in need.

### 2009 COMMUNITY GIVING IN U.S.



TD Bank employees serve with a smile at a New York City food bank.

“TD Bank is committed to improving our city and keeping people in their homes. They understand that the benefits of home ownership for low-income people transcend the individual and help our entire community. We are truly grateful for their investment in our work.”

Sara Woods, Executive Director, Philadelphia VIP

# U.K.

## TD employees making a difference

### FINANCIAL LITERACY

With the support of TD Waterhouse, employees participate in reading, math skills and mentoring programs for children in some of the most deprived areas of the country.

- In 2009 we piloted a new initiative called Culture Kids. This innovative project aims to tackle issues of race and culture by engaging primary school children in fun events that expose them to positive role models.
- TD Securities donated £10,000 to Falconbrook School, in an underprivileged area of London. The funds helped restock the school's library.

### ENVIRONMENT

TD Waterhouse Team Challenges

- Team challenges in 2009 included creating vegetable gardens for two primary schools in Leeds and Manchester and regenerating an area in Leeds to encourage wildlife and plants to flourish.
- In 2009 we piloted Eco Kids a Business in the Community–led initiative where companies deliver short, fun-filled educational sessions on climate change to primary school children.

### IN THE U.K.

#### TD Waterhouse

Employee donations	£25,216
TD-matched donations	£25,216

#### TD Securities

TD London Charity donations	£49,000
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<b>Total impact</b>	<b>£99,432</b>
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TD Waterhouse UK was awarded the Best Company Award from Education Leeds for its contribution to mentoring in the Leeds area.

### 2009 CHALLENGES

- While we have taken some initial steps to align our community relations approach in the U.S. and Canada, we still have more work to do.
- We are interested in the impact of our community giving; however, increased measurement often requires additional resources.
- We are working to determine how we can help local but resource-challenged organizations extend great ideas to more communities.

### RESPONSES

- TD Bank adopted the environment as a new area of focus. We are learning from successes on both sides of the border and looking to introduce North American initiatives.
- We are learning to be sensitive to the constraints of the groups we work with and look for ways to measure the impact of our donations without making it too onerous a task or moving resources away from their main mission.
- The National Mentoring Initiative is one example of how we worked with one organization to build upon a successful mentoring model and extend it to other communities in Canada.

### DIRECTION IN 2010

- Continue to build greater alignment between our Canadian and U.S. corporate giving programs.
- Develop better metrics to measure the impact of our donations and evaluate our progress.
- Continue to build our presence in black, Aboriginal and LGBTA communities.
- Prepare to extend the volunteer program into the U.S.

### MORE ON THE WEB:

- Details on TD diversity initiatives
- TD in Action – which showcases our programs across North America and the U.K.
- Case studies

# Economy

Delivering shareholder value and playing our role to stimulate the economy through continued lending

We contribute to the economy in many ways. Our most direct contribution comes through maintaining a strong business with solid earnings and profits. This allows us to pay our employees and suppliers, contribute taxes and revenues to government, and provide dividends to our shareholders. We are disciplined acquirers. We are highly selective about how we invest our capital.

## OUR PERFORMANCE

At a time when many banks were retrenching or retreating, TD maintained a position of strength and has continued to grow. In 2009, lending at TD grew by 13% in both Canada and the U.S.

We provided financing to:

- large, medium and small business clients to start, sustain and grow their businesses;
- customers who helped stimulate the economy by making home and car purchases or doing renovations; and
- good customers who needed to borrow or refinance to get through a difficult patch.

For further details about our business strategy and financial performance, see TD's 2009 Annual Report to Shareholders.

## SMALL BUSINESS

TD consistently stands behind small businesses, which are often the lifeblood of their local economy. Our support falls into three broad categories: access to financing, specialized services and advice, and education.

We published two reports for small business owners:

- Forecasting in Uncertain Times
- Getting Through The Credit Crunch in Good Shape

We also launched a series of free webinars on critical topics for small business owners and sponsored various small business events in the community.

## ACCESS TO FINANCING

Despite a slowing economy and tough credit market conditions in 2009, we continued to be there for our small business customers and clients, supplying credit and offering diverse and innovative financing products and programs. Here are highlights of our financing initiatives in Canada:

- We continued our participation in the federal government's Canada Small Business Financing Program. Businesses with annual revenue of \$5 million or less can apply for loans up to \$500,000 to finance up to 75% for equipment and leaseholds and 90% of property purchases.
- We offered more financing opportunities for small business owners looking to own their own property. TD Canada Trust provided financing up to 75% loan-to-value and allowed for a rental component of up to 50%.
- In June 2009, the federal government introduced the Canadian Agricultural Loans Act (CALA) program that gives farmers easier access to credit. This program provides up to \$500,000 in financing for land purchases and up to \$350,000 for all other financing related to agriculture (including equipment, livestock, repairs, etc.)



For the fourth year in a row, TD Bank, America's Most Convenient Bank, was named number one in J.D. Power and Associates' Small Business Banking Customer Satisfaction Survey.\*

## TD BANK FINANCIAL GROUP'S ECONOMIC CONTRIBUTION

(millions of Canadian \$, except where noted)	2009	2008	2007
Revenues	<b>17,860</b>	14,669	14,281
Profit	<b>3,120</b>	3,833	3,997
Taxes paid in Canada (in thousands)	<b>858,775</b>	783,522	1,643,755
Salaries and benefits	<b>5,839</b>	4,984	4,606
Total shareholder return	<b>13.6%</b>	(17.1)%	13.0%
Suppliers and premises (in billions)	<b>4.3</b>	4.1	3.8
Community contribution	<b>CDN\$37.0</b> <b>US\$13.9</b>	CDN\$35.5 US\$11.5	CDN\$32.6 US\$8.2

## ECONOMIC RESEARCH

TD Economics, one of the most respected economics think tanks in Canada, covers issues of interest to investors in North America, Europe and Asia. Reports published by TD Economics support investment decision-making and contribute to public policy dialogue.

In 2009, TD Economics published 35 special economic reports on topics that included:

- economics and the Aboriginal Peoples in Canada;
- the importance of raising literacy rates, particularly among the immigrant population;
- reforming Canada's Employment Insurance system; and
- the North American real estate and housing market.

### MORE ON THE WEB:

- Supply chain management
- Political and civic contributions
- Case studies

# Key Performance Indicators

## Our 2009 measures of TD's performance in corporate responsibility

<b>CUSTOMERS</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Customer satisfaction			
Canada – TD Canada Trust	<b>27.0</b>	26.1	23.5
U.S. – TD Bank	<b>32.5</b>	28.3	–
Number of substantiated breaches of customer privacy or loss of customer data (in Canada)	<b>5</b>	2	–

<b>ENVIRONMENT</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
GHG emissions <sup>1</sup>			
Canada (metric tons of CO <sub>2</sub> e)	–	139,795	127,657
U.S. (metric tons of CO <sub>2</sub> e)	–	107,797	n/a
Paper usage (average paper use per employee)	<b>8,209</b>	8,363	8,829
Water usage (cubic metres)	<b>1,900,000</b>	1,884,868	1,026,327
Electronic waste (metric tonnes)	<b>60.0</b>	49.3	23.8

<sup>1</sup> Latest available data is 2008.

<sup>2</sup> Estimated amount for 2009. 2008 and 2007 figures are actual.

Note: 1 metric tonne = 1.1 tons. 1 cubic metre = 35.3 cubic feet.

<b>EMPLOYEES</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Employee retention (%)			
Canada <sup>1</sup>	<b>89.41</b>	86.56	n/a
U.S.	<b>73.40</b>	85.80	n/a
Employee engagement			
TD	<b>4.11</b>	4.18	4.14
TD Bank	<b>3.80</b>	4.12	4.06
TD excluding TD Bank	<b>4.24</b>	4.21	4.15
Average days of training per employee per year			
Canada	<b>3.88</b>	3.86	3.08
U.S.	<b>4.56</b>	6.09	–
Workplace accident statistics in Canada <sup>2</sup>			
Minor injuries (# of incidents) <sup>3</sup>	–	235	243
Disabling injuries (# of incidents) <sup>4</sup>	–	85	76

<sup>1</sup> Retention rates for Canada do not include TD General Insurance.

<sup>2</sup> Latest data available. The 2009 data will be reported to the Canadian government in spring 2010.

<sup>3</sup> Injuries that are treated in the workplace, with no time lost beyond the day of the injury.

<sup>4</sup> Injuries that result in lost time in the workplace on any day following the injury. For each of the years shown, there were no workplace fatalities or disabling injuries that resulted in permanent loss of use of a body part or function.

<b>DIVERSITY<sup>1</sup></b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
Women			
Women in senior management positions (%)	–	33.78	26.25
Women in middle management positions (%)	–	47.17	47.36
Overall (%)	–	66.18	66.88
Visible Minorities			
Visible minorities in senior management positions (%)	–	8.10	7.20
Visible minorities in middle management positions (%)	–	18.73	18.03
Overall (%)	–	25.97	25.38
People with disabilities – overall (%)	–	3.73	3.78
Aboriginal Peoples – overall (%)	–	1.06	1.22

<sup>1</sup> Statistics are for each year as at December 31 and reflect the percentage of the workforce. Statistics for 2009 will be compiled and reported to the federal government by June 2010.

<b>COMMUNITY</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>
<b>Canada</b>			
% of five-year average pre-tax profits donated to charity (Imagine Canada target is 1%)	<b>1.3</b>	1.4	1.3
% of donations/sponsorships given to focus areas (goal 50%)	<b>49</b>	45	44
Dollars paid through employee volunteer grants (in thousands of \$ CDN)	<b>336</b>	257	223
Dollars donated or raised by TD employees (in millions of \$ CDN)	<b>9.4</b>	6.8	– <sup>1</sup>
<b>U.S.</b>			
% of net pre-tax income vs. U.S. average according to the Giving U.S.A. Foundation	<b>1.35 vs. 0.9</b>	– <sup>2</sup>	–
% of TD Charitable Foundation giving in focus areas <sup>3</sup>	<b>48</b>	–	–
Financial literacy and education programs	<b>5,118</b>	–	–
Corporate and employee contributions to United Way and United Way agencies (in millions of \$ US)	<b>1.4</b>	–	–

<sup>1</sup> In 2008, we started to track employee contributions separately from customer donations. Hence, 2007 numbers do not provide a valuable comparison.

<sup>2</sup> TD Bank, America's Most Convenient Bank, was established in 2009.

<sup>3</sup> In 2009, this figure represents our giving to two areas (affordable housing, and education and financial literacy). In 2010, we will be including the environment as an area of focus.

# Our Businesses

## **CANADIAN PERSONAL AND COMMERCIAL BANKING**

From chequing and savings accounts to commercial lending, our Canadian Personal and Commercial Banking business offers a full range of personal financial services and business banking products.

Through TD Canada Trust, we serve more than 11 million customers and provide our financial products and services through our retail branch network, telephone, Internet banking and “TD Green Machine” automated banking machines.

Through TD Commercial Banking, we serve large and small Canadian businesses by offering a broad range of customized products and services.

TD Insurance helps protect more than three million customers from the “accidents of life” with a wide range of products including credit protection, life, critical illness, health, travel, home and auto insurance.

 **Canada Trust**

 **Commercial Banking**

 **Insurance**

## **U.S. PERSONAL AND COMMERCIAL BANKING**

TD Bank, America’s Most Convenient Bank, is one of the 15 largest commercial banks in the U.S., with approximately 23,000 employees. The bank provides a full range of financial products and services to more than 6.5 million customers through an extensive network of more than 1,000 retail locations throughout the Northeast and Mid-Atlantic regions, Florida and Metro D.C.

 **Bank**  
America's Most Convenient Bank®

## **WHOLESALE BANKING**

TD Securities provides a wide range of credit, capital market, advisory and derivative products and services to corporations, governments and institutions globally. Our clients choose us for our knowledge and proven ability to deliver innovative financial solutions focused on meeting their performance objectives.

 **Securities**

## **WEALTH MANAGEMENT**

TD Wealth Management provides a wide range of investment products and services to a large and diverse retail and institutional global client base, with operations in Canada, the U.S. and the U.K. In Canada, TD Wealth Management comprises a number of online distribution, advisory and asset management businesses under the TD Waterhouse, TD Mutual Funds and TD Asset Management brands. TD Ameritrade provides U.S. clients with a host of services for the individual investor, as well as relationships with a large network of independent registered investments advisors.

 **Waterhouse**

 **Asset Management**

 **AMERITRADE**

 **Wealth Management**

# Contact Us

We're always looking for ways to improve our reporting and welcome your feedback on our 2009 Corporate Responsibility Report. Please send your comments or suggestions via any of the means below.

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## LEARN MORE AT TD.COM

Visit [td.com/corporateresponsibility](http://td.com/corporateresponsibility) to view the full report and our Canadian and U.S. Snapshots. Our 2009 Corporate Responsibility Summary Report is also available in alternate formats – please call us at 1 (416) 308-6371.

Unless noted otherwise, references to "2009" mean our 2009 fiscal year (November 1, 2008–October 31, 2009).

♦TD Canada Trust received the highest numerical score among the big five retail banks in the proprietary J.D. Power and Associates 2006-2009 Canadian Retail Banking Customer Satisfaction Studies<sup>SM</sup>. 2009 study based on responses from 12,555 retail banking customers measuring five banks. Proprietary study results are based on experiences and perceptions of consumers surveyed in March-June 2009.

T.D. Bank N.A., successor to Commerce Bank, received the highest numerical score in the proprietary J.D. Power and Associates 2007-2009 Small Business Banking Satisfaction Studies<sup>SM</sup>. 2009 study based on 7,226 total responses, measuring 27 financial institutions, and measures opinions of small business customers with annual revenues from \$100,000 to \$10 million. Proprietary study results are based on experiences and perceptions of customers surveyed in July-August 2009.

TD Bank received the highest numerical score among retail banks in the Mid-Atlantic (NY, NJ, PA, MD, DE, DC) region in the proprietary J.D. Power and Associates 2006-2009 Retail Banking Satisfaction Studies<sup>SM</sup>. 2009 study based on a total of 28,570 responses measuring 23 providers in the region and measures opinions of consumers with their primary banking provider. Proprietary study results are based on experiences and perceptions of consumers surveyed in January 2009. Your experiences may vary. Visit [jdpower.com](http://jdpower.com).

♦♦The Synovate Customer Service Index (CSI) 2009 survey was derived from survey invitations sent to around 162,000 demographically and regionally representative Canadians. The Best Banking Awards for 2009 were based on the cumulative total of 39,000 responses for the year ending August 2009. The CSI survey has been conducted since 1987.



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