

# the future matters



**Mark Paczek**  
TD Wealth Management  
*Instructor*

As a TD Wealth Management Instructor, Mark Paczek plays a crucial role helping employees apply new skills that benefit both employees and customers. "Training is a part of life to keep up with the industry, but it's not easy for employees who often have 20 other things on their minds," says Mark. "We try to design and deliver training modules from the employee perspective so they can get comfortable with technology and discover useful tools they'll use every day."

# to our employees

Our people are the driving force behind TDBFG's accomplishments, from our financial results to our ability to deliver first-rate customer service.

**\$49 million invested in training • numerous diversity, flexible work, and employee support programs**

To build long-term success as an organization, we must work hard to treat our employees the way we want them to treat our customers. That means not only considering employee needs today, but those that may emerge in the years ahead. We strive for an environment that is open and honest – a workplace that is performance-driven and where people respect each other in their daily activities. The benefits and services we have developed give employees choice and flexibility in their work options and development opportunities so they can achieve career satisfaction.

We are also focused on improving the current work environment through intensive workplace process enhancements, through plans to strengthen diversity across our organization, and by staying in touch with evolving employee attitudes through channels such as our TD Pulse internal survey. We believe that these forward-focused initiatives will help contribute to employee satisfaction and build enriching, long-term partnerships.

## Ensuring Strong Employee Relations

As one of Canada's largest employers, with 42,490 employees across the country and an additional 4,579 outside Canada, we are committed to building strong relationships with our employees. We do so in part by offering a full spectrum of benefits and services, as well as by listening and responding to their needs to ensure a positive employee experience.

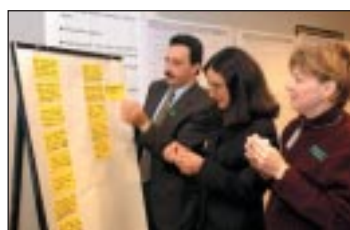
## Employing Canadians Coast to Coast

	Full-Time Employees	Part-Time Employees	Total
<b>Province/Territory</b>			
British Columbia	2,643	1,513	4,156
Alberta	2,437	1,467	3,904
Saskatchewan	286	251	537
Manitoba	432	296	728
Ontario	21,846	7,992	29,838
Quebec	1,660	511	2,171
Newfoundland and Labrador	73	53	126
New Brunswick	243	181	424
Nova Scotia	321	183	504
P.E.I.	44	23	67
Yukon Territory	17	8	25
Northwest Territories	7	3	10
<b>Canada</b>	<b>30,009</b>	<b>12,481</b>	<b>42,490</b>

Employment figures as at October 31, 2003.

## Offering Competitive Benefits

- We are committed to providing an attractive compensation package that includes salary and various incentive plans that allow employees to participate in the success of the company. In 2003, TDBFG paid over \$3.7 billion in salaries and employee benefits.
- The TDBFG Benefits Plan is designed to provide core benefits coverage that acts as a safety net in situations such as disability or serious illness. There is the option to purchase additional benefits, which are partly subsidized by TDBFG.
- In an effort to align employee interests with shareholder interests, our Employee Savings Plan gives the opportunity to participate in the long-term growth potential of TDBFG through the purchase of TD Bank shares. TDBFG matches 50% of all contributions made by employees. In 2003, more than 73% of eligible employees participated in this plan.



**Left:** New employees are provided with “First Things First”, a handy orientation guide to working at TDBFG, which was recently enhanced based on employee input. **Centre:** The Recognizing Your Service program is one way we honour outstanding employee contributions. **Right:** As part of a major human resource process improvement program, employees took part in cross-Canada focus groups to identify ways to improve the employee experience.

- One of the most valuable benefits offered to employees is the TDBFG Pension Plan to assist with their retirement savings.
- We extend a range of employee banking benefits with discounted products and services.
- Within TDBFG, employees can pursue any number of rewarding career opportunities – from investment management, insurance, and financial planning to branch banking to e-commerce, marketing, and head-office functions.

#### Salaries and Employee Benefits

(in millions of dollars)	2003	2002	2001
Salaries	\$ 2,304	\$ 2,273	\$2,225
Incentive compensation	986	875	1,150
Pension and other employee benefits	468	418	333
<b>Total</b>	<b>\$3,758</b>	<b>\$3,566</b>	<b>\$3,708</b>

#### Assistance and Recognition

- Reach Out, our employee assistance program, is a voluntary, confidential counselling and referral service for employees and their immediate family members, dealing with a broad range of personal and work-related concerns including stress, career difficulties, and alcohol and drug issues, available 24 hours a day, seven days a week. As part of the Reach Out service, the Family Matters Program helps employees locate child and elder care resources.
- A number of initiatives are in place to recognize the loyalty, years of service, and contributions our staff make to the organization, including the Service Recognition Program. In 2003, 757 TDBFG employees were honoured with the National Award of Excellence through which recipients are nominated by their co-workers for demonstrating excellence in their daily work.
- Two-way communication is a fundamental part of the personal performance and development programs at TDBFG. We've created a process for year-end performance assessments and mid-year reviews so that all employees and managers can discuss their progress against performance objectives and jointly set objectives and personal development activities.

#### Improving the Employee Experience

It is a corporate priority to treat employees with the same respect we treat customers. In 2003, Human Resources (HR) launched a major project called Impact (“Improving Process and Changing Together”) to identify and address obstacles to employee comfort.

Cross-Canada focus groups were held with employees, managers, and HR practitioners, resulting in a list of 200 obstacles ranging from labour-intensive pay processes to unclear benefits policies. Short-, medium- and longer-term projects are under way to fix these areas of discomfort for employees, and regular updates on our progress are posted on the employee intranet site and shared via email. During 2003, several “quick wins” were implemented, including:

- A Branch Incentive Plan System to reduce paperwork for employees who administer branch incentive programs.
- A streamlined new hire documentation process, reducing the number of separate forms required for completion when a new person joins the organization. Additionally, the process of gaining criminal, credit, and employment references was also reviewed and a permanent Relationship Management role was put in place to ensure that this essential part of the background check is undertaken in an efficient and secure manner for all new employees.

#### Measuring and Enhancing Employee Satisfaction

Just as we measure customer satisfaction, we also track employee satisfaction so that we can act on issues and trends that matter to our people and, in turn, build a better work environment for the future.

TD Pulse is a company-wide internal survey process through which we collect employees' feedback about the organization, their manager, team, career, and work environment. Data from the survey are collected and tabulated by an outside firm to ensure confidentiality. Managers receive a report on the results and are expected to facilitate an action-planning session with their teams, act on the plans, and modify plans as needed based on a follow-up survey.



**Left:** Andrea Rosen (right), President, TD Canada Trust; Bill Hatanaka, Executive Vice President, Wealth Management; and Cathy Backman, Senior Vice President, e.Bank in Halifax, Nova Scotia during one of many regional presentations to update and hear from employees. **Centre:** Suellen Wiles (right), Senior Vice President, GTA Central, congratulates a National Award of Excellence winner at two-day employee recognition celebration. **Right:** Three insurance employees were all smiles during a special event that celebrated our top insurance sales performers.

We are proud that in 2003, 90% of our global workforce participated in the spring and fall surveys. This participation is well above the norm for employee surveys and demonstrates the tremendous buy-in for the TD Pulse survey around the organization. While there are many issues that we must continue to address, 2003 survey results were very positive – with an overall score of 3.84 (out of 5) based on responses to 20 survey questions. Overall employee satisfaction has continued to increase (refer to graph) on every survey since the integration of TD and Canada Trust in 2001.

#### TD Pulse Scores

	Fall 03	Spring 03	Fall 02
<b>Sample of survey items</b>			
I would recommend TD as a good place to work	3.77	3.75	3.69
I plan to be with the company one year from now	4.05	4.06	4.03
At TD, we treat employees the way we want employees to treat customers	3.65	3.62	3.56
Overall score (average of all 20 questions)	3.84	3.83	3.77

(Response scale of 1 to 5 used, where 1 represents “strongly disagree” and 5 represents “strongly agree”)

We are focused on increasing action-planning in individual work areas to ensure that local issues are addressed. Since year-over-year survey results show that action-planning contributes to higher employee satisfaction, we must continue to engage more teams across the bank in such processes.

### Creating Workplace Flexibility

Today, employees need to balance busy careers and personal lives and they expect their employer to provide them with options to help them manage their present and future obligations. TDBFG has implemented numerous programs to help employees achieve work/life balance. In 2003, more than 1,600 TDBFG employees took advantage of these programs:

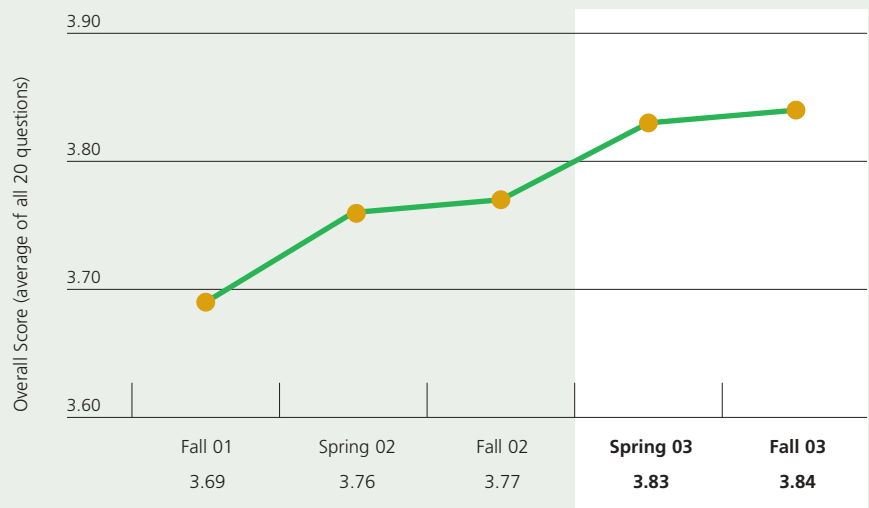
- *Flextime* options give employees the ability to work a regularly scheduled number of hours each week that is less than the standard 37.5 hours.



**Above:** Home office technology helps Judy Maddigan of TDBFG's Mobile Mortgage Sales Force work when and where she prefers.

#### TD Pulse Scores over Time

Employee satisfaction has continued to increase since the TD Pulse survey began in its current form in 2001.





**Left:** Employees listen and learn during an internal “To Serve and Protect” workshop, which focused on customer security and protection issues. **Right:** Head office employees provided their feedback during a roundtable on enhancing company processes.

- *Flexhours* allows employees to work their full number of daily and weekly hours while varying their start and end times.
- *Flexweek* provides staff with the option to work their standard number of weekly scheduled hours over fewer or, greater number of days depending on their personal obligations.
- *Flexjob* allows employees to share a full-time position with a colleague.
- *Flexplace* provides the option of working at a location other than their regular TDBFG workplace, including their home, for all or part of the week.
- *Flexreturn* allows employees to gradually return to normal duties from childcare leave.
- Employees may choose from several leave of absence options in the event they need to take time away from work to attend to a personal matter, including a temporary leave of absence (up to one month) or a personal leave of absence (up to 12 months).
- In 2003, we devoted \$49 million to employee learning and development initiatives. A broad range of sales and service, business, technical, and professional development training was offered, including in-class instruction, Web-based learning, and printed and electronic job aids. In total, there were 103,466 training days, ranging from two-day experiential sales training to short 30-minute self-study modules on process improvements.
- We invested more than \$13 million in external tuition fees during 2003 on behalf of our employees so they could participate in university and college programs and other specialized courses. A new enterprise-wide tuition assistance policy was introduced last year, supporting employees throughout TDBFG in pursuing bachelor degrees, MBAs, and other part-time studies.
- Two new programs were offered in 2003:
  - *Project Management Fundamentals* is a popular two-day hands-on workshop helping people develop skills in TDBFG’s branded approach to project management – building our core competency in operational excellence.
  - Close to 1,500 managers from across TDBFG participated in *Managing at TD*, a blended learning program intended to create a TDBFG standard of management and ensure that managers can consistently deliver against it. Key elements of the program include online learning, multi-rater feedback against TDBFG’s 22 Management Practices, and a lively, interactive three-day workshop. The program has received rave reviews and will be offered to an additional 1,100 managers in 2004.

## Advancing Future Goals

At TDBFG, there is a strong focus on development – learning the skills, knowledge, and behaviours that employees need to grow in their current roles, as well as building the capability and experience for career goals and long-term employment opportunities within TDBFG.



### Workplace Flexibility

“I’ve served with the Canadian Armed Forces Reserves for 27 years, so I was excited when the chance came up to help the Afghan people build a safe and secure home,” says Captain John D. Stewart, TDBFG’s e.Bank Wealth Management Specialist and an Operations Officer in the Kabul Multinational Brigade.

Working with his manager, John was able to arrange a 51-week personal leave of absence from his role as a team leader at the call centre in Markham, Ontario. Since May 2003, John has coordinated multinational armies and worked with not-for-profit groups to create positive community relationships. Despite the constant risk to his personal safety, John has energetically helped rebuild damaged schools, protect refugee camps, and create an environment where small business can operate and education programs can resume for children and women.





**Left:** Our Burnhamthorpe and Martin Grove branch was honoured with a cheque in recognition for achieving among the top Customer Satisfaction Index scores in 2003.

TDBFG also supports staffing initiatives that promote employment and employability among young and new Canadians:

- **Career Edge:** As a founding member of Career Edge, a national not-for-profit corporation that offers new graduates the opportunity to learn and gain practical work experience, TDBFG placed 18 interns within TDBFG during 2003 and sponsored three internships at not-for-profit organizations.
- **Career Bridge:** This is an innovative internship program designed to address the dilemma of highly qualified individuals being underemployed upon coming to Canada. Career Bridge is an initiative of the Toronto Region Immigrant Employment Council and began as a pilot program in November 2003. TDBFG will support the program by offering internships that allow new Canadians to gain valuable Canadian experience.
- **On-Campus Recruitment:** TDBFG supports a variety of on-campus recruitment initiatives throughout the year, including participation in career fairs, panel discussions, and other networking events that allow students to interact with TDBFG representatives. In 2003, TDBFG representatives were awarded the "Friendliest Representatives Award" at the McMaster Career Fair – the second year in a row that we received this recognition.

## Creating a Safe and Healthy Workplace

To help create a healthy and safe environment for employees as well as customers, we meet or exceed all applicable building codes and develop programs to protect and improve workplace conditions. Human Resources' trauma training and tools ensure that health situations are managed and communicated effectively and staff receive appropriate support. We provide a Workplace Health and Safety intranet site that employees can access for educational tools, our online accident reporting system, and health and safety committee information and meeting minutes.

Employees and managers play a valuable role in maintaining TDBFG's excellent health and safety record. The risk of occupational accidents, however, is an unfortunate reality, but we try our best to prevent them from occurring. In 2002, a total of 906 employee days absent were as a result of a workplace injury beyond the day of the injury. Refer to the following chart for additional workplace accident statistics.

## Workplace Accident Statistics<sup>1</sup>

As at Oct. 31, 2002	Number	% of TDBFG Population
<b>Minor Injuries –</b>		
injuries that are treated in the workplace, with no time lost beyond the day of the injury.	219	0.5%
<b>Disabling Injuries –</b>		
injuries that result in lost time in the workplace on any day following the injury <sup>2</sup> .	76	0.18%

<sup>1</sup> Latest data available. 2003 data will be reported to the federal government in spring 2004.

<sup>2</sup> No disabling injuries in 2002 resulted in permanent loss or loss of use of a body part or function. No workplace fatalities occurred in 2002 or in 2003.

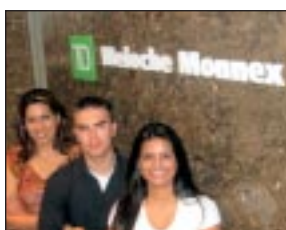
## Building Organizational Diversity

TDBFG is committed to achieving workforce diversity because we understand that, to be successful in the global economy, we must design policies and initiatives that promote diversity, equal opportunity, and the talents and perspectives of our employees.

We are pleased with our progress in employing diverse members of society, as reported in Human Resources Development Canada's annual employment equity review. However we also realize that work must be done to target promotion and advancement of women and minorities and improve recruitment of Aboriginal people and persons with disabilities. Change takes time, but below we provide a sample of our programs to encourage awareness, accommodation, and accessibility, as well as planned initiatives.

Among our broad diversity efforts:

- We are currently developing an employment equity planning process and are on schedule to introduce an Employment Equity Plan in early 2004, with improved reporting and tools to help business units plan and track diversity efforts.
- The recruitment team within TD Canada Trust, TDBFG's largest business area, has brought on additional staff to support diversity initiatives. Wealth Management introduced "Learning to Value Diversity" workshops for 2,000 employees and people managers.



**Left:** Enthusiastic employees at TD Meloche Monnex work together to offer leading insurance services to thousands of Canadians. **Centre:** To celebrate Heritage Day at TDBFG's Wealth Management group, senior manager Cecille Hernandez shared the culture of her native Philippines with her co-workers. **Right:** TD Waterhouse employee Laura Sukmawan keeps up on financial market trends to serve investors well.

## Supporting Women

TDBFG has taken steps to achieve a leadership position in the advancement of women in areas of career development, succession planning, and flexibility. We have been recognized with the prestigious Catalyst Award, which highlighted our initiatives to promote women to leadership roles.

- We have processes in place to identify high-potential female employees for promotion into senior management roles.
- Our flex program continues to be well used by female employees, including female executives.
- TDBFG participates in organizations that support the advancement of women and help us identify potential candidates for employment. For example, *Women in Capital Markets* (WCM) is a volunteer organization to promote the entry, development, and advancement of women in capital markets. More than 40 TDBFG employees are members, and TDBFG has hired WCM scholarship recipients for summer and full-time positions.
- To support advancement within Wholesale Banking, we plan to implement greater outreach initiatives and study ways to improve the internal promotion process. The creation of a forum for women in management will give female middle-managers the chance to express their concerns and develop solutions.

## Supporting Aboriginal Peoples

TDBFG works with Aboriginal businesses and community groups to develop positive, ongoing relationships and seek ways to recruit Aboriginal persons into the organization.

- Together with the Federation of Saskatchewan Indian Nations and the Saskatchewan Indian Equity Foundation Inc., we launched First Nations Bank of Canada in 1996. Today, 75% of First Nations Bank employees are of Aboriginal descent and, as the bank expands into new locations, employment opportunities are expected to increase.
- We have established connections with the Canadian Council for Aboriginal Business, the Interprovincial Association for Native Employment, and Miziwe Biik, an Aboriginal employment centre in Toronto, to help create Aboriginal hiring opportunities.

- TDBFG also promotes the advancement of Aboriginal youth through participation in Native career fairs such as the *Blueprint for the Future Career Fair* sponsored by the National Aboriginal Achievement Foundation.
- We support Aboriginal education through scholarships and bursaries that identify high-performance students such as the TD Youth Role Scholarships sponsored through the Métis Settlements General Scholarship Council and the Aboriginal Education Awards.

## Supporting Persons with Disabilities

TDBFG is committed to creating a supportive environment for persons with disabilities. While we have programs in place to accommodate special employee needs, it remains a challenge to communicate the Bank's employment opportunities to persons with disabilities and to recruit candidates into available positions. These are a few of our initiatives and plans:

- The *Workplace Accommodation Program* helps to eliminate workplace barriers and provides all employees with a means to request assistance such as modification to a workstation or specialized equipment. In 2003, 34 employees received support through this program.
- We take part in career fairs and recruitment programs, such as the Jobs Market Career Fair for Persons with Disabilities sponsored by Human Resources Development Canada, and now advertise in *Active Living* magazine to raise our profile in the disabled community.
- To recruit persons with disabilities for internship placements, we support the Ability Edge program; in addition, we have hosted two students with developmental disabilities from the Kohai Educational Centre for six-week job placements.
- We are in regular dialogue with organizations serving persons with disabilities, including the Canadian Paraplegic Association, the Canadian National Institute for the Blind, and the Canadian Hearing Society.
- We aim to create a formal planning and executive reporting infrastructure concerning disability issues, including a focused recruitment strategy. Increased investment in diversity training and tools for human resources and business managers will aid recruitment efforts and improve internal accommodation.

## Employment Diversity: Representation of Different Groups

	Women	Visible Minorities	Aboriginal People	Persons with Disabilities
TDBFG <sup>1</sup>	70.3%	20.5%	1.0%	1.3%
Average % at five other major Canadian banks <sup>1</sup>	71.9	17.1	1.2	2.5
All sectors in Canada <sup>2</sup>	44.9	11.7	1.6	2.3

<sup>1</sup> Percentage of workforce shown as of December 31, 2002  
(Source: Canadian Bankers Association)

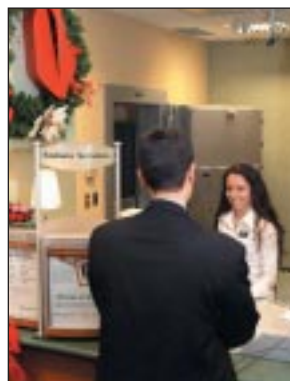
<sup>2</sup> Percentage of workforce shown for 2001 (Source: Human Resources Development Canada 2002 Employment Equity Act Annual Report)

### Supporting Visible Minorities

TDBFG strives to create a respectful, inclusive environment for visible minorities and today more than 20% of our workforce includes persons from these backgrounds.

Here are examples of key initiatives:

- A stringent *Respect in the Workplace* policy is in place to ensure a work environment free of harassment and where employees are treated with dignity and respect. New TDBFG hires undergo training on this policy.
- We have carried out recruiting efforts to attract Korean and Punjabi-speaking candidates to reflect the diversity of our customer base.
- TDBFG is updating employee and executive recruitment processes to enhance consideration of internal and external visible minority candidates for employment.
- We're involved in community events that recognize excellence and achievement, including the *Harry Jerome Awards and Youth Scholarship Fund*, the *Harmony Awards Banquet* and *Urban Alliance on Race Relations Dinners*, and the *Scadding Court Community Centre Anti-Racism Scholarship* awards event.
- TDBFG is an advisory board member and sponsor of a multi-faceted research and education initiative by the Conference Board of Canada, aimed at supporting Canadian organizations in capitalizing on the talents and experience of visible minorities.



**Left:** Financial Advisor David Young provides a time-pressed mortgage customer with convenient advice by telephone. **Right:** TD Canada Trust employee Maria Cugliari provides a smile and speedy service to a commercial banking client.

### From 2001 to 2002, TDBFG:

- Increased the percentage of women in senior management positions to 24% (from 22%) and in middle and other management to 44% (from 42%);
- Increased representation of Aboriginals and disabled persons in middle and other management to 0.50% (from 0.46%) and 0.92% (from 0.80%), respectively;
- Increased the percentage of visible minorities in middle and other management to 12% (from 10%).

More info: [td.com/hr](http://td.com/hr) Career and HR programs

## Respecting Fundamental Human Rights

To live up to our commitment to treating our employees the way we want them to treat our customers, we are committed to providing fair and equal access to all programs and to ongoing monitoring of human rights practices:

- We ensure that all human resources policies are non-discriminatory and accessible in print or online to employees, including policies on recruitment, performance management, training, and career opportunities.
- TDBFG carefully adheres to, and in many cases exceeds, various legislated employment standards that cover health, safety, equal pay, and hours of work guidelines. These include: the Employment Equity Act and the Canadian Human Rights Act, employment standards legislation, privacy legislation, and the Canada Labour Code.
- A central corporate group within TDBFG advises human resources practitioners on human rights issues and training. During 2004, we will introduce additional Bank-wide training to reinforce our commitment to this issue.
- *Between Us*, our employee ombudsman office, serves as a neutral party to assist employees with work-related conflict resolution in a confidential manner. In 2003, *Between Us* received a total of 1,803 calls from employees.
- We maintain recruitment processes that respect all child labour standards and do not employ persons under the age of 18.