

2004 HIGHLIGHTS:
\$3.8 BILLION IN SALARIES AND BENEFITS • \$50 MILLION INVESTED IN TRAINING AND DEVELOPMENT • NEW DIVERSITY STRATEGY AND TOOLS • EXCELLENT HEALTH AND SAFETY RECORD • CONTINUED RISE IN EMPLOYEE SATISFACTION SCORES

The future matters to our employees

Employees are a critical part of TDBFG’s competitive advantage. Present and future success as an organization can only be attained through the efforts of our people.

Employees matter. They attentively serve the financial needs of approximately 13 million customers, keep our global operations up and running smoothly, and make us a leading North American financial institution. That’s why at TDBFG we strive to give current and potential employees many reasons to choose to work for us. We want to be known as a great place to work, a place to build rewarding careers. And we want to be recognized for how well we treat our employees.

Our company has developed a comprehensive human resource management system with policies and practices centred on fostering diversity, respecting human rights, developing employees, and creating a safe, healthy, and comfortable workplace. In the end, we hope to build employee engagement and long-term relationships with our people.

ENSURING STRONG EMPLOYEE RELATIONS

With 40,982 employees from coast to coast, we’re proud to be one of Canada’s largest employers. We also have an additional 4,215 people in our international locations, based primarily in the U.S., the U.K., and Asia Pacific for a worldwide total of 45,197 employees.

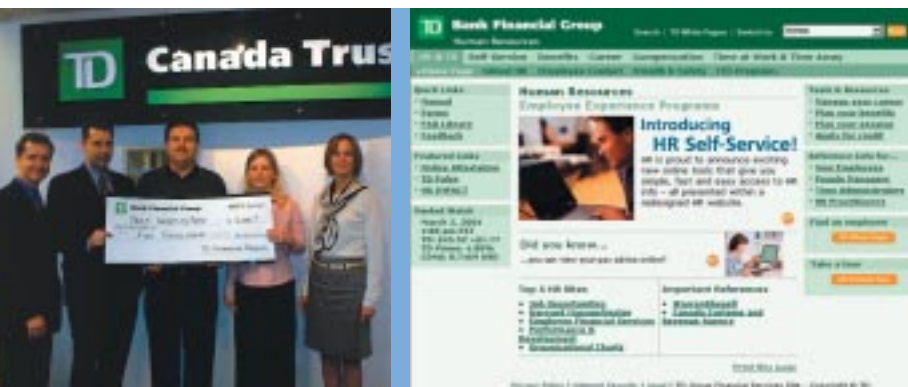
	Full-Time Employees	Part-Time Employees	Total
Province/Territory			
British Columbia	2,309	1,342	3,651
Alberta	2,742	1,365	4,107
Saskatchewan	281	245	526
Manitoba	410	262	672
Ontario	20,582	7,230	27,812
Quebec	2,456	645	3,101
Newfoundland and Labrador	70	43	113
New Brunswick	222	135	357
Nova Scotia	382	173	555
P.E.I.	32	22	54
Yukon Territory	13	11	24
Northwest Territories	7	3	10
Nunavut	0	0	0
CANADA	29,506	11,476	40,982
INTERNATIONAL	4,137	78	4,215
WORLDWIDE TOTAL	33,643	11,554	45,197

Employment figures as at October 31, 2004.



"I have two sons entering the workforce in a few years. It's important for me to work to achieve an environment in Canada where they can strive to reach their goals without arbitrary or systemic barriers. I'm proud that TDBFG is prepared to entertain a dialogue around these issues – because the discussion is not always easy or comfortable – and actively works at developing workplace values that celebrate diversity."

Josephine Grayson, Manager, Employee Diversity (centre) with colleague Andrea Louca, Diversity Officer



Left: We strive to recognize employees for outstanding work and contributions they make to business development, including these employees who were rewarded with a \$5,000 cheque.

Right: Employee feedback helps us enhance our human resource (HR) programs, which led to the creation of HR Self-Service, a new easy-to-use online tool for Canadian-based employees that offers quick, direct access to their personal or team's HR information.

Rewards and Recognition

In 2004, TDBFG paid nearly \$3.8 billion in salaries and employee benefits. We're committed to providing all our employees with a total offering that includes competitive pay, benefits, various performance-based incentive plans, and discounted banking products and services. For example:

- The **TDBFG Benefits Plan** provides core benefits coverage that acts as a safety net in situations such as disability or serious illness. Employees can purchase additional benefits that are partly subsidized by TDBFG.
- The **TDBFG Pension Plan** helps employees build retirement savings.
- Our **Employee Savings Plan** enables employees to participate in the long-term success of the company. They can purchase TD Bank shares through the Plan, with the Bank matching 50% of all contributions they make up to a set maximum. In 2004, more than 75% of eligible employees participated in the Plan.

Salaries and Employee Benefits

(in millions of dollars)	2004	2003	2002
Salaries	\$ 2,254	\$ 2,304	\$ 2,273
Incentive compensation	1,084	986	875
Pension and other employee benefits	442	468	418
Total	\$ 3,780	\$ 3,758	\$ 3,566

Acknowledging and celebrating the successes of individual and team efforts is paramount to the employee experience. We have a number of programs in place to recognize job performance, loyalty, and contributions our employees make to the organization.

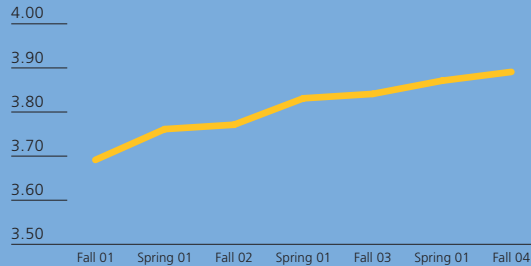
For instance, our process for year-end performance assessments and mid-year reviews provides the opportunity for all employees and managers to discuss their progress against performance objectives and to jointly set goals and personal development activities. In 2004, 130 TDBFG employees were honoured with the **National Award of Excellence**, an award program through which recipients are nominated by their co-workers for demonstrating excellence in their daily work. Virtually all of our individual businesses have programs in place that recognize the contributions of their employees. Other programs include the **Service Recognition Program** that awards employees for years of service with the company.

Working at TDBFG also offers a wide range of professional career opportunities – from investment management, insurance, and financial planning to branch banking and head-office functions. We believe in promoting from within wherever possible and in letting employees widen their skills by taking on different roles across the company.

A Supportive Work Environment

Beyond pay and benefits, our people have told us that fostering a helpful, caring, and supportive workplace is essential to their relationship with us. To achieve this, we offer various employee programs such as the **Employee Assistance Program (EAP)** and **flexible work arrangements**.

TD Pulse Scores



Employee satisfaction scores have continued to increase since the TD Pulse employee survey began in its current form in 2001. Over 90% of our workforce participates in the surveys.

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

The EAP is a voluntary, confidential counselling and referral service accessible by all employees and their immediate family members at no cost. It is designed to help them deal with personal concerns, such as relationship issues, addiction or substance abuse, stress, grief, anxiety, and depression. The program also assists employees in locating child and elder care resources. In 2004 the EAP was expanded to offer financial counselling and online wellness and work/life information tools. Available 24 hours a day, seven days a week, the EAP is run by an independent third-party program provider and TDBFG receives no information on an individual's use of the service.

To help employees juggle busy careers and personal lives, we offer innovative work/life options and resources. We continue to receive a positive response to these programs with employees from all areas taking advantage of our many flexible work choices; for example, Flexhours allows employees to work their full number of daily and weekly hours while varying their start and end times, and Flexjob enables employees to share a full-time position with a colleague.

In addition, employees may choose from several leave of absence options in the event they need to take time away from work to attend to personal matters. Compassionate Care is a new option launched last year that provides up to eight weeks' absence from work without pay to provide care or support to a family member who is gravely ill. There are also three types of child-care leave options available – maternity leave, adoption leave, and parental leave.

In situations of job loss, staffing reductions, or consolidation, we have redeployment, retraining and outplacement services in place to help employees with these changes. Employees are first

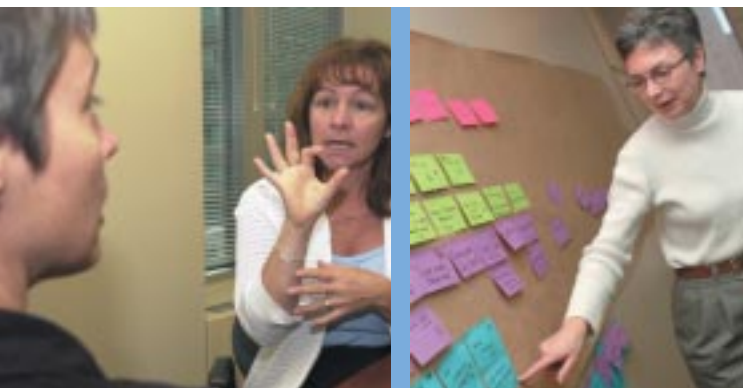
given the opportunity to apply for other jobs internally. For those who transition outside the organization, severance packages are offered that meet or exceed industry standards to support them during these times.

Listening to Our Employees

To be the better bank means fostering a positive and productive workplace by allowing employees to candidly express opinions on issues affecting them and working to address areas in need of attention.

To measure and improve employee engagement we have **TD Pulse**, a company-wide, year-round survey process used to collect and act on employees' feedback about the organization, their manager, team, career, and work environment. To ensure confidentiality, survey data is collected and tabulated by an outside firm. Twice a year, managers receive a report on survey results – and are expected to facilitate and take action on issues that are important to their teams.

Action Planning is the most critical step in the survey process as it enables all employees to actively participate in ways to make TDBFG a better place to work. In 2004 our goals were to engage more teams in Action Planning, position TD Pulse as a year-round tool, and introduce on-line tips and tools for facilitating sessions, actively managing plans, and measuring progress. Action Tracker – an online central repository where action plans are submitted, reviewed, and shared – was launched in November 2004. We will be working with employees and managers to help them see the benefits of Action Tracker in the coming year.



Left: "TD has really supported me," says Michelle Ramos, an Administrator at TD Life Insurance who was born completely deaf. "They bring interpreters in for the monthly staff meetings; I could never lip-read everyone at once and I get to see that others on my team have the same questions about our job as I do; it's great for my morale." Michelle recently celebrated her 10-year anniversary with TDBFG.

Right: We treat learning as a fundamental part of our business, allowing us to attract and retain the most talented employees. During a hands-on workshop, Cathy Belanger teaches employees project management fundamentals.

In 2004, over 90% of our global workforce participated in the spring and fall TD Pulse 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, 2004 survey results were very positive. Our performance continues to improve as the overall score has increased on every survey since the integration of TD and Canada Trust in 2001.

Besides TD Pulse, we're constantly listening to how our employees feel about their work environment and related job issues. For example, in 2003, we launched a major project called **IMPACT** (Improving Process and Changing Together) to identify and address more than 200 obstacles to employee comfort as identified by employees themselves. By the end of 2004, we had resolved over 90% of these issues. A large portion of these were addressed with the introduction of HR Self-Service (HRSS) in July 2004, an easy-to-use online tool that gives every employee quick, direct access to personal, employment, compensation, and vacation information. HRSS will continue to evolve over time, bringing new information and improved capability to employees and people managers.

INVESTING IN TRAINING AND DEVELOPMENT

Each year we invest approximately \$50 million in employee training and development.

At TDBFG, there is a strong focus on people development. Employees want to grow in their roles, as well as build experience to achieve their full potential and long-term career goals. We offer a broad range of training programs in different formats, including in-class instruction, Web-based learning, and job

aids. In 2004, there were more than 50,000 training days, ranging from two-day experiential sales training to short 30-minute self-study modules on process improvements. This represents an average of nine hours of internal training per year per employee.

We're continually introducing new educational initiatives in response to employee needs and requests. In 2004, for instance, two innovative programs were launched, one of them a major online compliance training program dealing with consumer protection, anti-money laundering, and privacy issues (see page 43). Virtually the entire organization completed the program, and employees had to successfully pass a mastery test before being declared successful. We also initiated E.Roleplay, created specifically for managers and District Vice Presidents to develop their coaching skills using real-life examples where they interact with actors over the telephone. The response to this role-playing has been overwhelmingly positive.

We also encourage employees to continue upgrading their knowledge by taking courses and seminars offered by universities, colleges, and other educational institutions. Through our **Tuition Assistance Program**, both full-time and part-time employees can access up to \$3,000 per year for tuition and compulsory textbooks. In 2004, we invested \$12.7 million in external tuition fees on behalf of our employees.

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 hosted 19 interns in 2004 and sponsored two internships at a not-for-profit organization. Since 2002, we have hosted 55 interns within our organization.



- **Career Bridge:** This innovative internship program launched in 2004, with the aim of addressing the dilemma of highly qualified candidates being underemployed upon coming to Canada. TDBFG has committed to support this program and hosted four interns last year (see page 6).
- **On-Campus Recruitment:** TDBFG participated in over 20 recruitment initiatives and career fairs at campuses throughout 2004, providing students with the opportunity to interact with TDBFG representatives. We also sponsored events including the Inter-Collegiate Business Competition, Undergraduate Business Games, and the Women in Leadership Conference.
- **Recruitment Technology:** In May 2004, TDBFG successfully launched a new online external recruiting system that simplifies the application process for candidates applying for positions at TDBFG. Candidates now create an electronic profile of their skills and work experience and search and apply for job opportunities online.

BUILDING DIVERSITY

At TDBFG, diversity is about more than cultural diversity. It also means working to accommodate people with disabilities and reflecting the communities we serve.

Not only is it the right thing to do, as a customer-driven organization we know that resembling our customers enables us to maintain and grow strong customer relationships today and into the future. TDBFG has a formal diversity and employment equity policy that outlines our company's principles of fairness and equality. The policy guides employees to additional policies that support our diversity strategy, including our **Respect in the Workplace** anti-harassment policy, which details complaint procedures and management responsibilities, and our **Workplace Accommodation Policy**, which informs employees of their rights and responsibilities and how to request a workplace accommodation.

We focus on fairness and equal opportunity for all employees including members of four designated groups – women, persons with disabilities, Aboriginal peoples, and visible minorities. Canada's Employment Equity Act requires federally regulated employers like TDBFG to monitor and report annually on the representation of these groups within their workforces. We are pleased with our progress in reflecting women and visible minorities but we have work to do to increase representation and advancement opportunities for Aboriginal peoples and persons with disabilities.

In August 2004, driven by TDBFG's President & CEO Ed Clark, we launched new tools to educate and support all employees in creating an inclusive workplace. Last year we also created a Human Resources Diversity Council with representation from every business and introduced a comprehensive diversity strategy. A key component of the strategy is our educational program – Valuing Diversity – which has included the participation in

Employment Diversity

	Women		Visible Minorities		Aboriginal People		Persons with Disabilities	
	2003	2002	2003	2002	2003	2002	2003	2002
TDBFG¹	69.1%	70.3%	21.6%	20.5%	1.0%	1.0%	1.3%	1.3%
Average % at five other major Canadian banks¹	71.9	71.9	16.3	17.1	1.2	1.2	2.5	2.5
All sectors in Canada²	N/A	44.4	N/A	12.2	N/A	1.7	N/A	2.4

¹ Percentage of workforce as at December 31, 2003 and December 31, 2002 respectively. Other bank data sourced from Canadian Bankers Association.

² Percentage of workforce shown for 2002 only as data for 2003 was not available at time of printing (source: Annual Report, Employment Equity Act, 2003. Appendix E, Table 2. Human Resources and Skills Development Canada)

half-day diversity training sessions by all executives and human resources practitioners. This is being followed by participation of our people managers throughout 2005.

Supporting Women

- We have processes in place to identify external candidates and high-potential female employees for promotion into senior management roles. In 2004 seventeen women were promoted or hired into senior levels, including an Executive Vice President into Corporate Finance, a Senior Vice President into Corporate Operations, and a Senior Vice President to head TD Canada Trust in Quebec.
- TDBFG sponsors and participates in organizations that promote the advancement of women, such as the Women of Influence luncheon series, the Canada's Most Powerful Women Summit, and Women in Capital Markets (WCM). WCM is a volunteer organization to promote the entry, development, and advancement of women in capital markets, and TDBFG continues to hire WCM scholarship recipients for summer positions.

Supporting Aboriginal Peoples

- We have established connections with the Canadian Council for Aboriginal Business and the Interprovincial Association for Native Employment to help recruit Aboriginal persons to 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, 68% of First Nations Bank employees are of Aboriginal descent and, as the bank expands into new locations, employment opportunities are expected to increase.

TDBFG EXECUTIVES AMONG CANADA'S TOP 100 WOMEN

In 2004, four of TDBFG's female executives were recognized for their achievements, influence, and contributions to Canadian society by the Women's Executive Network, in its second annual *Canada's Most Powerful Women: Top 100* awards. Congratulations go to executives Andrea Rosen, then President, TD Canada Trust; Diane Walker, Chief Administrative Officer, TD Waterhouse U.S.A.; Colleen Johnston, Executive Vice President, Finance Operations; and Barb Palk, President, TD Asset Management.

- TDBFG 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

In 2004, TDBFG undertook a major effort to improve our recruitment and support of people with disabilities. Initiatives included:

- A new and improved Workplace Accommodation Policy. The policy and administrative guidelines help to eliminate workplace barriers and provides all employees with a means to request assistance such as modification to a workstation or specialized equipment.
- More than \$100,000 was spent putting accommodations into place and testing adaptive technologies on various platforms to ensure the best employee experience.
- Hiring of a dedicated recruiter to specifically focus sourcing efforts on persons with disabilities.
- Building partnerships with community organizations delivering employment services to clients with disabilities to help us source candidates. Such groups include Epilepsy Toronto, Community Living, the Canadian Council on Rehabilitation and Work, Strategic Employment Solutions, the Canadian Paraplegic Association, Line 1000, and Linkup Employment Services.
- Community Organization Day, a career fair format sponsored by our HR Diversity Council and held on TDBFG premises. Ten organizations that serve persons with disabilities were invited to set up displays and present seminars to TDBFG's HR employees on issues such as recruitment, workplace accommodation, and technology and accessibility.

Our efforts are having a positive effect. There has been a tremendous boost in the flow of candidates from the community, in the number of candidates with disabilities interviewed by hiring managers, and in the number of job offers to persons with disabilities. We are pleased to provide employment opportunities for talented people who, in the past, may not have considered TDBFG as a potential employer.



TDBFG President and Chief Executive Officer Ed Clark (centre) discusses business ideas with employees Barb Merhi (far left), Branch Manager, TD Canada Trust; Stella Partipilo, Branch Manager, TD Canada Trust; and Chris Stamper, District Vice President, TD Canada Trust.

Supporting Visible Minorities

- Our 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.
- TDBFG is updating employee and executive recruitment practices to ensure our hiring reflects the diverse nature of the communities we serve.
- To expand our recruitment pool, we are developing partnerships with organizations in the community such as Skills for Change, and last year we were one of the sponsors of their New Pioneers Award.
- 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.

More info: td.com/hr

CREATING A SAFE AND HEALTHY WORKPLACE

TDBFG has a formal policy and program addressing organizational health and safety issues. A National Policy Health and Safety Committee meets at least nine times per year to examine relevant issues and monitor data on work accidents, injuries, and hazards. Each branch and office is required to have a Health and Safety Representative who works with his or her colleagues to ensure the maintenance of a safe and sound working environment, including thorough monthly inspections and the filing of records and reports. All new managers and Health and Safety Representatives undergo specialized training on an ongoing basis.

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 traumatic situations are managed and communicated effectively and that employees receive appropriate support. We provide a Workplace Health and Safety intranet site from which employees can access educational tools, our online accident reporting system, and Health and Safety Committee information such as 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, and we try our best to prevent them from occurring. In 2003, a total of 932 employee days absent were as a result of a workplace injury beyond the day of the injury. Refer to the chart on page 55 for additional workplace accident statistics.



Peggy Edwards (right) is Executive Director of Skills for Change, a not-for-profit organization TDBFG works with that educates companies on diversity issues and provides training opportunities for immigrants and refugees so that they can participate in the workplace.

TDBFG is a leading workplace for visible minorities

Visible minorities are important players in Canada's workplace, according to the Canadian Race Relations Foundation. They make up almost 13% of the labour-market and accounted for 70% of employment growth in the decade ending in 2001. By 2016, visible minorities could reach 18% of Canada's total labour force.

That's why we're proud at TDBFG to have been recognized as a top recruiter and employer of visible minorities, in a groundbreaking assessment conducted in 2004 by Canadian Business in partnership with multicultural broadcaster OMNI Television. TDBFG ranked second among 70 large Canadian corporations for our representation of visible minorities throughout the organization. Today visible minorities account for more than 21% of our workforce.



Left: Essential to TDBFG's competitive advantage are our highly talented employees, such as this Montreal-based team that plans and optimizes inbound calls and outbound activities of our insurance businesses' client service centers.

Right: TD Meloche Monnex employees Cindy Butterfield (centre), Paul Brochu (left), and Sophie Desjardins during a performance evaluation as part of a new contribution management program.

TDBFG Workplace Accident Statistics¹

	2003 ²	2002
Minor Injuries – Injuries that are treated in the workplace, with no time lost beyond the day of the injury	230 (0.5%)	219 (0.5%)
Disabling Injuries – Injuries that result in lost time in the workplace on any day following the injury. ³	78 (0.2%)	76 (0.18%)

¹ Total workplace accident statistics as at end of fiscal year. Figures in parentheses show accident statistics as % of TDBFG population as at end of that fiscal year.

² Latest data available. 2004 data will be reported to the federal government in spring 2005.

³ No disabling injuries in 2003 or 2002 resulted in permanent loss or loss of use of a body part or function. No workplace fatalities occurred in 2003 or in 2004.

RESPECTING HUMAN RIGHTS

We are committed to providing fair and equal access to all programs and to ongoing monitoring of human rights practices.

At TDBFG, we have policies, guidelines, and procedures in place to deal with all aspects of human rights relevant to our operations, including monitoring and reporting systems. We ensure that all human resources policies are nondiscriminatory 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, all applicable labour laws and standards addressing human rights issues such as 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. We support internationally proclaimed human rights, including the Universal Declaration of Human Rights, respect freedom of association, and adhere to the highest standards in employee/management relations. Our recruitment processes recognize all child labour standards and we do not employ people under the age of 18.

A central corporate group within TDBFG advises human resources practitioners on human rights issues and training. In 2004, we launched additional Bank-wide training to reinforce our commitment to this issue. We also have a telephone-based confidential complaint process called *Between Us*, run by our employee ombudsman office, to assist employees with work-related conflict resolution in a confidential manner. Last year, *Between Us* received a total of 1,166 calls from employees, which is down significantly from the 1,803 calls received in 2003. In 2004, we also introduced a broader employee complaint process, communicated through the intranet and accessible to all TDBFG employees.