



Building on each generation's traditions

Sisters Carole Albertson and Deborah White are co-owners of Griff Building Supplies of New Westminster, British Columbia, a company founded with a lone truck and a dream by their late father James Griffiths. They are also second-generation TD Commercial Banking customers who are carrying on their father's entrepreneurial spirit and passion for the construction industry, today serving customers throughout B.C. and exporting to Japan, Korea and the United States.

Involved with *our customers*

“Be customer driven” is one of six Guiding Principles everyone lives by at TD. That means constantly working to understand and meet customer needs.

Over the past 150 years we’ve maintained a dedication to satisfying customers. Providing the right financial products and services is crucial to our ability to earn and keep customers’ business, but we believe there’s more to the customer satisfaction equation than that.

It’s also about acting ethically and responsibly in our operations and demonstrating to customers that we’re looking after their best interests. We’re committed to being a company that treats all customers with fairness and respect. A company that provides safe and accessible facilities, products and technologies. A company that responds to customer suggestions and complaints, offers easy-to-understand product literature to enable informed decisions and ensures that customers and their finances are protected with adequate safeguards.



2005 Highlights

- **Ranked number one among major banks for excellence in overall quality of customer service in Synovate’s Customer Service Index survey.**
- **Named “Bank of the Year in Canada” by the Financial Times of London’s influential magazine *The Banker*.**
- **Achieved 86.8% in our overall Customer Service Index, surpassing target of 86%.**
- **Decreased number of complaints referred to TD Ombudsman’s Office.**

Measuring Customer Satisfaction

Customer research provides invaluable insights into our customers' satisfaction and expectations of TD, allowing us to understand where we're excelling and where action plans are necessary for improvement. We tap into customer feedback on a continual basis throughout the year using a variety of methods.

Voice of the Customer research, for example, helps us to measure what matters to consumers and the "drivers" that influence their opinions.

Another tool is the **Customer Service Index (CSI)**, which is used by TD Canada Trust to continually monitor service quality. Customers are surveyed within a few days of their banking experience in our branches or via telephone, electronic channels or business banking services. The results are used to drive improvement within individual branches and customer support functions, and annual targets are set

linking customer service scores to employee compensation.

In 2005, approximately 400,000 customers were surveyed and, on a corporate composite basis, we surpassed our target for the year (see the graph).

The categories in which we performed particularly well (exceeding scores of 95%)

included treating customers in a respectful manner, processing transactions quickly and accurately, handling customer requests, giving customers undivided attention and greeting customers pleasantly.

Responding to Customer Complaints

Customer feedback is not just about hearing the good news. There are times we don't get it right or customers have concerns. Listening and responding to complaints helps us get better – and reflects an approach to treating customers with respect.



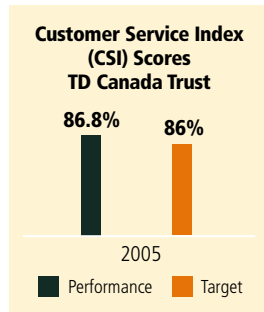
There was an undeniable feeling of pride at TD last fall. The independent, national Synovate Survey determined that TD Canada Trust is first among the country's major banks in eight of 11 categories, including "overall quality of customer service" and "staff service at my branch".

TD has a formal Customer Problem Resolution Process in place to ensure that complaints are received and addressed in a comfortable way. Most customer problems are resolved at the first point of contact. If that isn't possible, the issue is elevated to a senior officer. If it is still unresolved, customers can contact the TD Office of the Ombudsman, which acts as an independent intermediary between customers and TD, striving to resolve all problems fairly and impartially.

Our focus over the past few years to better manage complaints and resolve them as they arise is paying off. For instance, we continue to reduce the number of unresolved complaints being referred to the TD Office of the Ombudsman. In 2005, 143 new files were opened for investigation by the TD Office of the Ombudsman, down 18% from 2004 and 50% from 2003.

The complaints deal with processing and transaction issues across TD's product base. In 40% of last year's cases the TD Ombudsman ruled in full or partial agreement with the customer. A total of 22 files were forwarded externally by customers to the financial industry's Ombudsman for Banking Services and Investments (OBSI), a decrease of 53% from 2004.

More info: td.com/ombudsman_report.jsp



Complaints Continue to Decline

	2005	2004	2003
Complaints investigated by TD Ombudsman	143	174	285
Complaints referred to external industry ombudsman	22	47	53

Protecting Our Customers

Customer information

TD maintains a proactive privacy program and demonstrates compliance with all privacy laws. Our Privacy Code, available in branches and on our website, outlines our policy and practices involving the collection, use, disclosure and protection of personal information. An executive privacy council and management committees regularly review Bank operations to ensure privacy compliance.

More than 60 dedicated security professionals develop and oversee security standards to protect our systems and customer information against unauthorized access and use. This group also facilitates efforts to minimize service disruptions to customers in the unlikely event of viruses or any other form of malicious attacks on computer systems.

More info: td.com/privacy, td.com/security

Fraud prevention and awareness

Fraud affects thousands of Canadians each year, from credit card fraud to identity theft and online fraud. Fighting fraud is something we take very seriously – for example:

- To help customers protect themselves, we communicate safe banking tips and alerts through our website and brochures. In February 2005, we joined government and police agencies in a consumer education campaign called “*Fraud – Recognize It. Report It. Stop It.*”
- Our dedicated Fraud Management Team works 24/7 to prevent and detect unusual and suspicious credit card and debit card activity that could indicate fraud. TD is implementing new technology (called smart cards) as part of a longer-term strategy to mitigate card fraud.



Employees like Matt Rodier in Quebec go the extra mile to resolve customer problems. Matt’s commitment to customer service even extends beyond the branch – in one instance last year, he visited a frustrated customer’s workplace to hand-deliver a gift certificate.

- Customers who bank online are backed up by our EasyWeb security guarantee, whereby they’ll receive 100% reimbursement if account losses occur via unauthorized online banking.

Anti-money laundering

To combat money laundering and the financing of terrorist activities, TD has robust policies and programs in place, including tracking tools to monitor suspicious transaction activity. We continually update our deterrence and detection infrastructure and train employees in compliance controls so we stay ahead of these sophisticated crimes. We also share intelligence and coordinate our efforts with governments, international organizations and others in the financial industry, such as the Financial Transactions and Reports Analysis Centre of Canada and the Canadian Bankers Association’s Bank Crime Prevention and Investigation Office.

Did you know?

TD’s privacy policy is deemed “industry-leading” according to the National Privacy Policy Index by Nymity, achieving second in the banking category and fifth overall in the detailed assessment of corporate privacy policies.

Customer health and safety

TD is vigilant in sustaining its excellent health and safety record. As detailed on page 52, we actively promote healthy and safe workplace conditions through a formal policy and program addressing occupational health and safety issues.

Transparency and sales practices

TD meets the federal government's consumer protection rules requiring banks to give consumers clear and timely information about interest rates, fees and terms and conditions; to provide sufficient notice of branch closures; to engage in acceptable sales processes; and to have customer problem resolution procedures in place.

Did you know?

EasyWeb™ Internet banking is the most popular online banking service in Canada and in 2005 earned even more awards and kudos than in past years:

- Rated "World's Best Consumer Integrated Site" and "Best Consumer Internet Bank for Canada" (*Global Finance* magazine)
- Ranked number one for web banking (Synovate Survey)
- Ranked number one in online usage (Canadian Interactive Reid Report, Forrester Research online Banking Benchmark Report)
- Leader for highest website customer satisfaction in North America (SQM Inc.)

Every customer is entitled to freely choose financial products and providers, and we respect that fundamental right. Further, customers expect us to be transparent so they can make informed decisions about their financial affairs. Our approach is to ensure that employees take sufficient time to explain issues and answer customer questions. We are committed to advising customers of any prospective changes to our fees and charges well in advance of them taking effect. We make product and fee information readily available in our facilities and on our website and present it in easy-to-understand language.

Our organization also collaborates with others to build financial literacy among consumers. TD works through the efforts of the Canadian Bankers Association to provide a free series of booklets on financial topics to Canadians and community groups such as adult learning centres and credit counselling agencies.



TD Waterhouse Business Development Associate Shanela Baig (right) shows a high-tech investor kiosk to a client at a new Investor Centre in Edmonton, Alberta.

External codes of conduct

As another layer of consumer protection, TD also abides by several industry-level codes of conduct designed to safeguard consumer interests in various areas. For example, the Canadian Code of Practice for Consumer Debit Card Services spells out industry obligations to consumers and their rights and responsibilities when using debit cards. The Code of Conduct for Authorized Insurance Activities provides guidelines for bank representatives who promote insurance products in Canada. The Model Code for Bank Relations with Small and Medium-Sized Businesses sets out standards for small business dealings.

Providing for Diversity & Accessibility

Serving diverse and multicultural communities

For generations we've served a wide-ranging mix of customers. In 2005, our customer base grew from 13 to 14 million in Canada and abroad. Despite our progress, we have a lot more to do to achieve our vision of being the better bank for customers in all their diversity – ethnic, cultural, income, religion, age, sexual orientation and so on.

As outlined on page 5, diversity is a major business priority for us. To demonstrate our commitment, we are multiplying our efforts to create an environment where each and every person is welcomed, is respected and believes his

or her needs are deeply understood and will be satisfactorily met. All aspects of our operations are being reviewed, from our facilities and services to our marketing and advertising.

Here are just a few examples of both new activities under way and initiatives already in place to meet the distinct needs of various groups:

- A diverse work force, reflective of our communities, is the first step to ensuring we can best serve our wide range of customers. Pages 47–48 outline steps we're taking to foster greater diversity at all levels within our organization.
- In certain geographic areas we're boosting our capacity to service ethnic populations. In particular, we remain focused on reaching out to Canada's growing Asian community. Currently we have 109 Chinese-oriented branches, offer product literature in Chinese and provide Mandarin and Cantonese EasyLine™ telephone banking toll-free numbers. We offer ABM service in Italian, Portuguese and Chinese, as well as French and English.
- TD is doing its part to ensure all Canadians, including those with low or vulnerable incomes, have the opportunity to open an account and perform banking transactions. We offer the Value Account, a low-fee, basic banking plan; a Youth Account providing free unlimited transactions for those under 19 years of age; and a discount of 50% on our Self Serve chequing account for postsecondary school students. We cash federal government-issued cheques that are \$1,500 or less at no charge for those who don't have an account with us and open personal banking accounts regardless of whether a person is unemployed, is or has been bankrupt or can't make an initial deposit.
- For seniors, we continue to improve the accessibility of our premises and services (see page 42) and offer the Plan 60 chequing account, which features free services and discounts.
- To serve Canada's Aboriginal communities, in 1996 we entered a strategic alliance with the Saskatchewan Indian Equity Foundation Inc. (owned by the member nations of the Federation of Saskatchewan Indian Nations) to create

First Nations Bank of Canada. It's the first Canadian bank with exclusive Aboriginal common share ownership, with 69% of its employees being of Aboriginal descent. First Nations Bank has been growing steadily since inception and currently operates four full-service branches (two on reserves) and three Community Banking Centres on reserves in conjunction with local first nations. In accordance with the terms of the strategic alliance, it is our intention to begin to reduce our interest in First Nations Bank in 2006. We will continue to provide First Nations Bank with operational support.

- We are working on enhancing and promoting an inclusive environment for gay and lesbian customers, including using surveys to best understand their needs and benchmarks to measure our progress.

Access to financial services

Each year we continue to provide increased accessibility to TD services; however, we



To build stronger links with our growing Asian communities, TD offers a range of product and marketing literature in Chinese.



Serving Aboriginal communities are Amanda Adrian (right), Customer Service Representative, Linda Porter, Operations Officer and Kevin Michael, Commercial Account Manager, who work out of the First Nations Bank branch in Saskatoon, Saskatchewan.

know that we're not offering customers with disabilities a comfortable banking experience in all aspects of our business, and for this reason they represent a particular focus of TD's diversity strategy.

During 2005 we sought the feedback of customers with disabilities on how we can enhance our services for such a diverse population, and a working committee was created to increase knowledge and usage of and satisfaction with TD's accessibility services.

A sample of our existing accessibility initiatives:

- Customers with visual impairments have the option to receive key documentation, including account statements and marketing materials, in alternative formats including large print, Braille and audio. Customers who are deaf or hard of hearing can use our TTY services, which utilize teletype devices with written text for communication.
- We continue to implement the Canadian Standards Association's guidelines for barrier-free design for ABMs. Approximately 42% of our 2,462 ABMs are wheelchair-accessible and incorporate lower screens and buttons, plus partial shelves to accommodate wheelchairs. While audio features don't exist yet, we are striving to equip all of our ABMs with audio capability in 2006.

Spotlight on Diversity: Reflecting Our Customers

Where we want to be in three years:

- TD will be capable of understanding and meeting the needs of a diverse customer population.
 - Our work force will better reflect the diversity of the communities we serve at all levels of the organization.
 - Barriers will be minimized for customers with disabilities.
- Most of our branches and offices have accessibility features, and we're constantly making improvements, including 33 projects undertaken at our retail branches last year to provide designated barrier-free parking spaces

and/or ramps to automatic door operators, accessible greeter stations and accessible teller stations. All new branches and facilities are designed to be completely accessible and include automated/accessible doors, vestibules and washrooms; wheelchair-friendly ramps, vaults and service areas; side-access ABMs accessible from wheelchairs; and, where parking is provided, at least one parking space designated for customers with disabilities.

Supporting Small Business

TD consistently stands behind small businesses, aiding their start-up and development by offering constructive advice, helpful resources and flexible financing options.

Access to financing

Our commitment to small businesses starts with diverse and innovative financing products and programs, sometimes offered in collaboration with governments and local organizations. Our application process is streamlined and easy to understand – in many cases, it takes only minutes to approve business credit up to \$30,000.

Key financing initiatives in 2005 included:

- TD Canada Trust continued its participation in the federal government's *Canada Small Business Financing Loan* program. Businesses with annual revenue of \$5 million or less can apply for loans up to \$250,000 to finance up to 90% of equipment, leaseholds or property purchases.
- We successfully launched direct marketing programs in Quebec to provide small business access to credit in a fast, easy format. New customers are now able to call a toll-free number with bilingual service and receive a credit decision in minutes.
- TD Canada Trust introduced special 1% Below Prime Small Business Loan programs in spring and fall 2005 for enterprises in Ontario with sales less than \$500,000.

- Participation in the P.E.I. Entrepreneur Loan Program was extended, offering government-guaranteed loans up to \$25,000 for new or existing small businesses in Prince Edward Island with sales up to \$1 million. Also, students operating a business in P.E.I. are able to apply for a \$3,000 government-guaranteed loan for the summer months with full repayment due by October 31 of the year in which the loan was made.



Sean Tiernay, Small Business Advisor (SBA), is ready to handle just about any business matter with his customers. Here he discusses a business account with colleagues (from left) Zöe Spink and Susan McGuire.

- We renewed our involvement in the Manitoba Start program, offering a three-day business planning workshop and government-guaranteed loans up to \$10,000 to Manitobans who either are ready to launch a new business or who have been in operation for less than six months.
- To assist our agricultural customers, TD Canada Trust paid a cash-back incentive on Farm Improvement Loans and Rural Property Mortgages. In December 2004 we launched the Rural Property Mortgage to bridge a gap identified between residential mortgages and Long Term Farm Loans. TD Canada Trust recently signed the Ruminant Slaughter Loan Loss Reserve Program Agreement to assist with increasing beef slaughter capacity within Canada.

Emphasizing helpful service and advice

Credit solutions are only part of what entrepreneurs need – in fact only 25% of our small business customers are borrowers. Small business owners tell us they want strategic advice, so to serve them properly we have a team of 289 expert account managers. They are supported by several hundred small business and agricultural specialists working behind the scenes to understand the diverse industries and priorities of our clients.

We also strive to make it easier for time-pressed business owners to take care of their financial affairs, with longer branch hours than our major competitors, Business Tellers in half of our branches and EasyLine and EasyWeb, our convenient phone and highly rated Web banking services.

EasySwitch™ for Small Business was launched in 2005 to make it hassle-free for entrepreneurs to transfer their banking business to TD Canada Trust. We also have a host of helpful tools available, such as our online Small Business Resource Centre, and our

experts frequently share their knowledge with small business owners at seminars and conferences.

Listening to small business

We regularly undertake research into the issues and concerns affecting our business clients. In 2005, through our Customer Service Index research (also see page 38), roughly 54,000 small business customers were surveyed about their most recent banking experience. In 2005 we surpassed our target once again. The categories in which we performed particularly well (exceeding scores of 95%) included treating customers in a respectful manner, processing transactions quickly and accurately and handling customer requests.

More info: tdcanadatrust.com/smallbusiness

Did you know?

TD has the second-largest number of small business customers among Canadian banks – more than 600,000 across Canada, representing over 90% of our business borrowing customers.