



We recognize that we have a vital role to play in contributing to Canada's economic, social and civic development.

Bhangra dancers showcase their region's culture at the TD Canada Trust Festival of South Asia in Toronto. It's one of many events we support to promote and celebrate our country's rich diversity.

All Canadians

Making a difference together

Through our business operations TD contributes directly to the country's economic prosperity, and as a financial institution we help Canadians and businesses manage and grow their finances. Beyond these activities, we believe that as a good corporate citizen, TD has a responsibility to take an active role to help shape the future of this country.

For us that means teaming up with community leaders to embrace and promote Canada's rich diversity. It means contributing to public policy discussions and supporting public- and private-sector initiatives to address issues like urban sustainability. It also means offering our knowledge to Canadians, especially youth, to help build informed communities.

This section looks at our economic contributions to Canada and local community development and at how we're working together with others to make a positive difference to the nation's cultural and social vitality.

Celebrating Canada's Diversity

TD participates in many outreach efforts with the aim of recognizing, encouraging and celebrating Canada's vibrant diversity and building long-term relationships with cultural and ethnic communities. Here's a sample of our diversity initiatives in the community last year (for customer and employee diversity initiatives, please refer to pages 38–40 and 44–47):

New Canadians

Canada is second behind Australia for having the highest proportion of immigrants, accounting for 18.5% of the total Canadian population. At TD, we recognize how important it is to embrace people choosing Canada as their new home.

- **Passages to Canada:** In 2006, TD renewed its title sponsorship of Passages, a showcase for national cultural diversity that seeks to foster a greater understanding of the contributions immigrants and refugees make to Canada. An initiative of the Dominion Institute, their speakers bureau consists of over 450 community leaders with origins spanning the globe, who communicate to youth and community groups about their experiences and issues like anti-racism. Passages to Canada's online Digital Archive provides the means to recognize and preserve the stories, photos and memorabilia of immigrants and refugees.
- **Career Bridge:** An innovative internship program that helps place new Canadians in the workplace. Aiming to break the cycle of “no Canadian experience, no job; no job, no Canadian experience,” Career Bridge allows employers to help skilled newcomers integrate into the economy. TD helped launch the program and is a participating employer, providing 13 internships in 2006 and 29 since the program's inception in late 2003.

Visible Minorities

- **Harry Jerome Scholarship Fund:** Our contribution provides two scholarships a year, valued at \$7,000 each, along with summer employment at TD to African-Canadian students who demonstrate academic excellence, community leadership and financial need.

TD Mentors Help New Canadians Achieve Dreams

Coming to a new country and starting over is never easy – especially when it comes to the challenge of rebuilding a career. That's where **The Mentoring Partnership** comes in.

An initiative of the Toronto Region Immigrant Employment Council (TRIEC), a volunteer-driven organization, the program aims to help new Canadians get a foot in the door by preparing them for the workforce, as well as providing access into social and career networks. According to TRIEC, the lack of recognition of qualifications and experience alone – a common phenomenon for immigrants – costs Canada an estimated \$4.1–5.9 billion each year.

TD is playing a leadership role in this important program:

- We've pledged \$540,000 in support over three years;
- Numerous TD employees participate as volunteer mentors, including 100 in 2006, making us one of the program's most active corporate participants; and
- Last year, TD's Ken Pustai, SVP of Human Resources, was awarded the TRIEC Immigrant Success Individual Award for his commitment to the issue of integrating skilled new immigrants into the Canadian workforce.

2006 Highlights

- Supported the economy through more than \$131 billion in loans to businesses and taxes of \$952.6 million.
- Provided employment to more than 47,600 Canadians.
- Purchased more than \$3.6 billion in goods and services, helping to create and sustain employment among our suppliers.
- Invested \$3.15 million in numerous outreach activities to foster and reflect Canada's diversity.
- Played a leadership role in public discussions on Canada's future by contributing economics research.



TD initiated, and was the lead sponsor of, the Abilities First Conference in London, Ontario, which presented the business case for hiring people with disabilities.



TD's Scott Mullin, Vice President of Government and Community Relations, looks on as an enthusiastic student uses the Black History Portal (www.blackhistorycanada.ca). Launched by Historica in January 2006 with TD as the main supporter, the site offers resources on the history of Canada's black community.

- **Korean Community:** TD was presenting sponsor of the Toronto Korean-Canadian Choir concert series and the Korean Heritage Day Festival in Vancouver, and we also supported the Korean-Canadian Scholarship Foundation.
- **South Asian Community:** Masala Mendhi Masti is one of the largest festivals in North America celebrating South Asian heritage, with 100,000+ attendees. TD was co-presenting sponsor of the festival, which was held at Toronto's CNE grounds in July 2006. The same month, we were also lead sponsor of TD Canada Trust Festival of South Asia in Toronto to showcase the region's rich culture.
- **Anti-Racist Initiatives:** TD continues to back anti-racism groups and causes such as the Canadian Race Relations Foundation, the Scadding Court Community Centre Anti-Racism Awards and the Urban Alliance on Race Relations. The new Canadian Museum for Human Rights, slated to open in Winnipeg, Manitoba, in 2010, received a major \$750,000 commitment from TD. TD Waterhouse was a sponsor of Children's International Summer Villages, a volunteer-run organization devoted to building peaceful values and cross-cultural acceptance through community and global programs.

Persons with Disabilities

- **Scholarships in Rehabilitation-Related Research:** The goal of the Toronto Rehabilitation Institute is to enhance quality of life by pushing the frontiers of rehabilitation science. With a \$300,000 gift from TD in 2006, the institute has established these scholarships for

students with disabilities to enable them to undertake valuable research in this field.

- **Abilities First Conference:** Some 280 public- and private-sector representatives attended this sold-out event in London, Ontario, to learn about the importance of hiring persons with disabilities in the workplace. TD initiated the development of the conference and was lead sponsor, organizing the event in co-operation with the London Chamber of Commerce and other employers.
- **The Canadian Hearing Society (CHS):** The learning needs of people who are deaf or hard of hearing received a big boost from TD with our two-year commitment of \$40,000 to help fund CHS's literacy programs. Geared for people age 16 and older, these programs teach communication in sign language so that participants are better prepared for the work environment and general communication.

Gay, Lesbian, Bisexual and Transgender (GLBT) Community

TD is building relationships with the GLBT community, through activities like Pride, and supporting the causes that matter to this community, such as HIV and AIDS. Here are some highlights from 2006:

- TD and the Quebec Gay Chamber of Commerce (QGCC) announced a three-year collaboration to meet the specific needs of business leaders in the province's gay and lesbian community. In addition to becoming the principal financial institution for the QGCC and its members, TD also became

sponsor of the TD Young Entrepreneur contest, which rewards an innovative project that makes a significant contribution to the gay community in Quebec.

- In Vancouver, TD Canada Trust provided the Davie Village Business Improvement Area with a \$20,000 sponsorship of “Davie Day,” a major street festival in the GLBT community showcasing one of the city’s most diverse and exciting business and entertainment districts. We also entered a multiyear sponsorship agreement with the Gay and Lesbian Business Association of British Columbia.
- TD is the official bank of Pride Toronto and continued to support its world-renowned Pride Parade, Canada’s largest GLBT festival. TD issued a joint news release with Pride Toronto to help promote the event.
- The Inside Out Film Festival, Casey House, the Fillmore Family Foundation’s Prairie Fairies Fowl Supper, The Fraternity and the Lesbian Gay Bi Trans Youth Line are among other causes that received TD support.
- TD was the official bank and a sponsor of the 16th International AIDS Conference held in Toronto in August 2006. Concurrent with the conference, TD Economics released a paper entitled “The Economic Cost of AIDS: A Clear Case for Action.” The study highlighted the devastating impact of AIDS in developing countries and recommends a number of actions, including increased financing and distribution of antiretroviral drugs for the developing world.
- We supported events to raise money and awareness for AIDS research. In several cities – Montreal, Vancouver, London and Toronto – TD sponsored the AIDS Walk for Life and employees participated in fundraising. TD was a major sponsor of A Taste for Life, organized by the AIDS Committee of London, and Quebec’s leading AIDS fundraising organization, the Farha Foundation, received TD funding to assist with their Masquerade Ball in Montreal.

Aboriginal Community

- **Aboriginal Graduate Scholarships:** The University of Saskatchewan, which has more Aboriginal students than any other university in Canada, received a major gift from TD in 2005 to fund the creation of the Aboriginal Graduate Scholarships. It will help Aboriginal students pursuing a masters or PhD to realize their educational goals.

Celebrating Ethnicity and Culture

TD supports a wide range of organizations and events that are dedicated to preserving and celebrating ethnicity and culture. Here are some of them:

- The Academy of Heru Auset
- Black Business and Professional Association
- Canadian Council for Aboriginal Business
- Chinese Christian Wing Kei Nursing Home Association
- Indo-Canada Chamber of Commerce
- John Brooks Community Foundation
- MASC (Multicultural Artists in Schools and Communities)
- Multicultural Society of Pakistani Canadians
- National Aboriginal Achievement Foundation
- Obsidian Theatre Company
- Ontario Black History Society
- ReelWorld Foundation
- South Asian Heritage Festival
- Sri Lankan Business Council
- Tamil Chamber of Commerce
- Yee Hong Community Wellness Foundation

- **Foundation for the Advancement of Aboriginal Youth:** A total of six scholarships of \$2,000 each were granted last year thanks to TD funding.
- **Financial Industry Partnering for Aboriginal Relationships:** TD joined forces with other banks for a career fair at the Six Nations of the Grand River Territory. The career fair was aimed at raising awareness among Aboriginal youth about employment opportunities available in the financial industry.

Strengthening Our Cities

At TD, we believe that the resources and knowledge of business should be directed to challenges facing society.

Offering Ideas for Urban Renewal

Deteriorating urban infrastructure, the unused talent of immigrants and lack of affordable housing are all factors impeding economic progress. To raise awareness of the problems and generate ideas for change, our in-house economics team, TD Economics, has published a series of important studies over the past few years. This research has

contributed to public policy debates, and a number of organizations have praised TD for adding credibility and a greater sense of urgency to key societal issues.

Here are highlights of TD studies released in 2006:

- ***Creating the Winning Conditions for Public-Private Partnerships***: An important ingredient in strengthening Canada's system of public infrastructure will be to better leverage the innovativeness, talent and financial resources of the private sector. This comprehensive TD study tries to bridge some of the knowledge gap by identifying best practices around the world and calls on Canadian policymakers to create conditions for public-private partnerships to flourish.
- ***Economist's Manifesto for Curing Ailing Canadian Productivity***: Most economists put lacklustre productivity growth at or near the top of the challenges facing the Canadian economy. This TD report documents common elements in the policy suggestions that economists have made to improve Canada's poor record on productivity, in an effort to raise awareness of where consensus exists on what needs to be done.
- **Charity Reports**: Charities play a vital role in society, especially in cities, but face intense pressure finding skilled staff and stable financing. Last year TD Economics continued its research into ways that charities can succeed in the 21st century and provided commentaries on the new tax treatment of securities gifts to charities. Many charities have utilized the text and incorporated it into their newsletters, including branches of the United Way.

Collaboration on Urban Matters

Many TD executives and senior managers are involved in external committees, summits and conferences, working together with community and business leaders to tackle civic matters. TD also provides funding to organizations whose mission is to improve our cities.

Among our activities:

- **The Learning Partnership (TLP)**: TLP brings together the public and private sectors to strengthen public education in Canada. TD's Chief Economist, Don Drummond, co-chairs a research committee looking at the impact of changing demographics on the public education system.
- **Canadian Urban Institute**: Through research and events, this not-for-profit group that TD supports works to connect people, money and ideas to projects that advance the understanding of urban agendas.
- **Institute on Municipal Finance and Governance**: This program of the University of Toronto's Munk Centre for International Studies facilitates research on public policy issues. Support from TD helped launch the institute, and we continue to provide funding for its activities.
- **Support for our home city**: Headquartered in Toronto, TD both supports and benefits from the continued health of Canada's largest city. For instance, we are an ongoing member of the Toronto Financial Services Alliance, a public-private-sector collaboration to protect and enhance the city as a leading financial centre. In 2006, TD contributed to the funding and launch of a major study, *Modernizing Income Security for Working-Age Adults*, by the Toronto City Summit Alliance and St. Christopher House.

More information: td.com/economics

Supporting Public Debate

To bolster Canada's democratic process, we support various public policy and government initiatives such as:

- **The Arthur Kroeger College of Public Affairs Leadership Forum** at Carleton University in Ottawa, which connects leaders from the private, public and voluntary sectors to discuss perspectives on emerging national issues.
- **The Public Policy Forum**, which is an independent forum for open dialogue on public policy, and its study on public-sector management.
- **The Advisory Panel to the Council of Canadian Academies**, which is reviewing the state of science in Canada.
- Programs that give the next generation an opportunity to experience the parliamentary process and how government works. These include the federal **Parliamentary Internship Programme**, the **Ontario Legislature Internship Programme** and the **Forum for Young Canadians**.

Political Contributions Made by TD				
	2006	2005	2004	2003
Federal*	\$2,000	\$2,000	\$75,000	149,000
Provincial	126,700	107,700	140,000	151,000
Municipal	1,050	300	5,000	12,000
Total	\$129,750	\$110,000	\$220,000	\$312,000

* Starting in January 2004, changes in political financing rules at the federal level limited contributions that corporations could make to political parties.

Building an Informed Society

To help our customers and Canadians overall better understand today's complex economic world, TD funds initiatives that advance business and financial knowledge, especially among the next generation. Our employees also share their time and expertise delivering educational presentations in the community.

Here are some examples:

- **Junior Achievement's (JA) *Economics of Staying in School* program:** JA develops programs like this so young people can discover the world of commerce and economics. Each year TD supports the national and local chapters of JA across Canada both financially – \$236,000 was provided in 2006 – and with a volunteer force of several hundred employees. TD volunteers travel to classrooms to bring JA's curriculum to life along with sharing their own work and life experiences.
- ***There's Something About Money*** is a great Canadian Bankers Association initiative supported by TD. It's a seminar program delivered in high schools across the country, teaching essential lessons in financial management. There are over 140 active TD volunteers in the program. Our employees delivered 103 of the seminars to 2,733 students in 2006, proactively giving 618 hours of their time to building the knowledge of young Canadians.
- The Toskan Casale Foundation's **Youth and Philanthropy Initiative** helps high school students learn social responsibility, teaching them the skills to assess community needs. Students research, visit and champion one charity group in need of funding, and winners are given \$5,000 to present to the charity they represented. With TD's assistance, over 75 charities received a \$5,000 donation under this program in 2006.

Contributing to Economic Growth

Operating in every region of Canada, TD makes a significant contribution to local economies and the country's overall growth.

Job Creation

With more than 47,600 people from coast to coast, TD is one of Canada's largest employers. We also indirectly support thousands of jobs in other sectors as a major purchaser of goods and services. In 2006, for example, we spent over \$3.6 billion in Canada on goods and services from external suppliers of all sizes, ranging from information technology to office supplies.

Responsible Procurement

Our Strategic Sourcing group provides a centre of excellence to all of TD for its key sourcing initiatives. In choosing our suppliers, we encourage the use of local firms in procurement and strive to purchase goods and services responsibly. For example, environmental considerations are taken into account – see pages 29–30 for details.

We apply a best practices selection methodology that ensures a fair, transparent and defensible process for our supplier community. Every supplier bidding for our business is given the exact same information throughout the selection process so as to ensure an equitable and competitive playing field.

Canadian Employment (2006)			
Province/Territory	Full-Time	Part-Time	Total
British Columbia	2,706	1,397	4,103
Alberta	3,139	1,447	4,586
Saskatchewan	304	226	530
Manitoba	458	236	694
Ontario	24,536	8,048	32,584
Quebec	3,018	804	3,822
Newfoundland & Labrador	121	36	157
New Brunswick	263	102	365
Nova Scotia	465	169	634
Prince Edward Island	61	28	89
Northwest Territories	9	5	14
Yukon Territory	15	9	24
Total Canada	35,095	12,507	47,602

Figures as at October 31, 2006. For global figures, see page 43.



Investing in education is one of the ways TD contributes to long-term economic prosperity. In 2006, TD's Deputy Chair, Frank McKenna (left), presented Bow Valley College in Calgary with a \$75,000 gift that will fund student entrance awards.

Suppliers that are not successful are offered the opportunity for a full debriefing session so that they fully understand the rationale for our decision. Above all else we ensure that the privacy of all vendors and customers is fully protected throughout the process.

Local Economic Development

In 2006, 260,428 companies across Canada were authorized to receive more than \$131 billion in debt financing by TD (refer to the chart on debt financing). Through our many lending and investment activities, we help create jobs in the economy and stimulate innovation and growth. TD Securities®, for example, raises debt for governments to fund their programs and capital for large companies seeking to expand or initiate operations.

Additionally, TD makes a valuable economic impact as a major Canadian taxpayer. Our tax dollars, including \$952.6 million paid or payable in income, capital and premium taxes last year (see the chart), help federal and provincial governments provide vital services to Canadians.

Income and Capital Taxes (thousands of dollars)			
Tax Jurisdiction	Income Taxes	Capital & Premium Taxes	Total
Federal	\$491,336	\$0	\$491,336
British Columbia	21,347	28,178	49,525
Alberta	20,009	11,370	31,379
Saskatchewan	2,342	2,501	4,843
Manitoba	2,754	6,761	9,515
Ontario	202,604	118,981	321,585
Quebec	9,530	18,436	27,966
Newfoundland & Labrador	480	1,295	1,775
New Brunswick	1,619	2,225	3,844
Nova Scotia	3,259	6,185	9,444
Prince Edward Island	321	702	1,023
Yukon Territory	138	99	237
Northwest Territories	61	68	129
Nunavut	2	1	3
Total	\$755,802	\$196,802	\$952,604

The above figures represent the total amount of income, capital and premium taxes paid or payable by TD during its 2006 fiscal year (Nov. 1, 2005–Oct. 31, 2006) broken down by the total amounts paid or payable to federal and provincial governments.

TD Debt Financing to Businesses in Canada										
Total Amount Authorized to Firms in Canada (authorizations in thousands of dollars)										
Province/Territory		\$0– 24,999	\$25,000– 49,999	\$50,000– 99,999	\$100,000– 249,999	\$250,000– 499,999	\$500,000– 999,999	\$1,000,000– 4,999,999	\$5,000,000+	Total
British Columbia	# of clients	19,893	2,496	2,525	2,848	1,261	612	626	185	30,446
	Authorized	\$257,238	105,327	172,277	442,190	431,346	417,062	1,438,814	3,174,179	\$6,438,075
Alberta	# of clients	21,383	3,983	4,689	4,536	1,660	797	681	200	37,929
	Authorized	\$271,989	159,945	314,936	696,524	547,918	543,462	1,726,819	4,829,491	\$9,091,083
Saskatchewan	# of clients	2,756	806	879	895	333	122	98	20	5,909
	Authorized	\$38,411	31,828	63,581	141,718	115,017	84,188	276,459	331,351	\$1,082,554
Manitoba	# of clients	2,791	620	710	690	330	177	203	63	5,584
	Authorized	\$40,231	26,403	51,788	108,504	112,591	120,625	451,981	1,028,816	\$1,940,940
Ontario	# of clients	99,003	17,375	13,452	13,105	5,326	2,808	3,025	1,471	155,565
	Authorized	\$1,222,077	669,106	909,369	2,019,141	1,797,209	1,887,128	8,420,823	90,496,373	\$107,421,226
Quebec	# of clients	9,374	1,291	1,653	2,071	1,021	437	405	127	16,379
	Authorized	\$64,530	42,830	109,480	319,628	333,154	298,664	987,801	1,388,452	\$3,544,540
Newfoundland & Labrador	# of clients	642	187	174	134	48	22	22	–	1,229
	Authorized	\$8,792	6,987	11,456	19,907	16,279	13,905	44,589	–	\$121,915
New Brunswick	# of clients	1,494	278	280	232	86	41	24	†	2,435
	Authorized	\$18,867	10,472	19,076	34,071	30,533	27,411	48,353	†	\$188,784
Nova Scotia	# of clients	2,196	451	441	426	204	96	72	27	3,913
	Authorized	\$26,911	17,824	30,322	65,676	70,730	65,732	156,384	573,519	\$1,007,097
Prince Edward Island	# of clients	276	73	129	94	48	18	13	†	651
	Authorized	\$73,902	13,109	13,431	16,651	18,175	12,171	38,041	†	\$185,480
Territories	# of clients	248	43	39	38	20	††	††	††	388
	Authorized	\$2,847	1,795	2,786	5,708	6,742	††	††	††	\$19,878
Total	# of clients	160,056	27,603	24,971	25,069	10,337	5,130	5,169	2,093	260,428
	Authorized	\$2,025,794	\$1,085,626	\$1,698,503	\$3,869,719	\$3,479,335	\$3,470,348	\$13,590,065	\$101,822,182	\$131,041,572

Total authorizations and total client numbers based on fiscal year-end balances as at October 31, 2006, for Corporate, Mortgage and Visa businesses.

Territories = Yukon Territory, Northwest Territories and Nunavut.

† To preserve client confidentiality, client counts and authorizations for New Brunswick and Prince Edward Island have been added to the Nova Scotia data for the same size band and have been included in the Nova Scotia totals.

†† To preserve client confidentiality, client counts and authorizations for the Territories have been combined with B.C. data for the same size band and have been included in the B.C. totals.