



A Report to

TD Bank Group

On the Progress of TD's Workforce
Racial Equity and D&I Efforts

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COVINGTON

WeirFoulds^{LLP}

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I. Introduction

The Toronto-Dominion Bank (“TD” or the “Bank”),ⁱ one of the largest banks in North America, is committed to creating a space where all of its employees can thrive and bring their authentic selves to work and has been actively engaged in the promotion of equity for nearly two decades.¹ Since 2005, diversity and inclusion (“D&I”) has been embedded in TD’s business strategy and framework,² governed by an enterprise-wide Diversity Leadership Council, and since 2007, guided by a designated senior leader who has overseen enterprise-wide D&I efforts at the Bank. In 2008, TD began establishing mentorship programs and employee-led resource groups for diverse employees,ⁱⁱ and in 2009, TD launched equity-related trainings in the United States. In 2012, TD further embedded D&I governance throughout the Bank by forming regional diversity leadership councils, and in 2019, hosted the first of what have now become annual diversity summits. In July 2020, in line with the Bank’s vision to be “the better bank,”³ Group President and Chief Executive Officer Bharat Masrani committed the Bank to take additional steps to combat systemic racism and its impact and specifically to “expand the diversity of [its] leadership teams.”⁴

Consistent with this ongoing commitment to equity, in February 2022, following talks with the British Columbia General Employees Union (“BCGEU”), TD announced in its Proxy Circular that the Bank would engage a third-party law firm to conduct a racial equity assessment of TD’s Canadian and U.S. employment policies. In Canada, TD was the first chartered bank and one of the first public companies to publicly commit to a third-party racial equity assessment of any kind. Shortly thereafter, TD engaged Covington & Burling LLP (“Covington”) to undertake this assessment and evaluate TD’s policies and related key strategies that support D&I at the Bank. Covington in turn recommended that TD also retain Raj Anand and Daniel

ⁱ As used in this report, “TD” and “the Bank” are used to refer to the Toronto-Dominion Bank and its subsidiaries.

ⁱⁱ TD has over 20 employee-led resource groups, which function as communities for employees from similar backgrounds, and are described in greater detail on page 64.

Wong of WeirFoulds LLP, a Canadian law firm, to assist in the review of TD's employment policies and D&I efforts in Canada.ⁱⁱⁱ Covington and WeirFoulds formed an assessment team and over the next ten months, worked closely with subject matter experts and leaders at TD to understand TD's D&I strategy and related efforts, and to identify opportunities for growth.

This report contains Covington and WeirFoulds' assessment of TD's employment policies and related strategies to promote D&I at the Bank. It begins with an overview of TD's business operations and a summary of its D&I strategy, and then summarizes the assessment team's methodology in conducting its review. The report then addresses each of the focus areas of the assessment, as noted below.

Policies. The assessment team examined TD's anti-discrimination and anti-harassment policies, as well as a broader set of TD's key employment policies. The assessment team concluded that TD's policies reviewed in connection with the assessment are compliant with applicable federal, provincial, state, and local laws in each jurisdiction and are designed to promote equal employment opportunity and prevent and remediate discrimination in the workplace. TD has opportunities to further align policies for consistency and to reassert its commitment to diversity, equity, and inclusion in the adoption and application of policies.

Investigations. Enforcement of TD's policies is led by the global HR Advice, Investigations, and Employee Relations team and supported in the U.S. by an analogous U.S.-based team. The assessment team reviewed the practices, policies, and procedures governing the work performed by these teams, and reviewed TD's practices to train investigators to identify and mitigate bias in the investigation process. The assessment team found that TD's HR Advice, Investigations, and Employee Relations teams implement many best practices to monitor, prevent, address, and remediate complaints, including those involving harassment and discrimination. TD has opportunities to increase transparency regarding its

ⁱⁱⁱ Raj Anand is a Partner at WeirFoulds and was formerly Chief Commissioner of the Ontario Human Rights Commission. Daniel Wong is a Partner at WeirFoulds and Chair of the firm's Employment & Labour Practice Group.

investigation processes, expand upon D&I related training for investigators, and enhance its use of D&I related analytics.

Talent. TD's talent-related policies and programs are led by the Talent team, a centralized function within the Bank that broadly oversees various talent management and talent acquisition processes and procedures, including organizational effectiveness, talent progression and succession, learning and development, and diversity and inclusion across the entire bank. The assessment team considered TD's efforts to recruit diverse talent at the Bank through a review of TD's strategies relating to diverse talent sourcing, bias mitigation techniques, and compensation and benefits. The assessment team determined that TD has made significant efforts to recruit diverse talent and has developed comprehensive recruiting and sourcing programs in both Canada and the U.S. TD has recently undertaken an extensive internal review of its recruitment processes and identified several areas for growth, including increased standardization of its recruitment process. TD also has opportunities to enhance its collection and usage of applicant demographic data, to expand upon manager trainings, and to further engage consultants to enhance benefit programs to promote diversity and inclusion goals.

Culture. TD sets forth the values and beliefs that drive the Bank's culture in a Culture Framework, which includes, among other "pillars," a core, and explicit, commitment to D&I. The assessment team reviewed TD's efforts to cultivate an inclusive work environment at the Bank. The assessment included a review of TD's D&I trainings, communications, employee engagement and surveys, mentorship and sponsorship programs, learning and leadership development efforts, D&I events and programming, and employee-led resource groups. The assessment team concluded that TD has a strong culture of promoting D&I across the Bank and that TD has developed significant D&I-related programming and initiatives. TD has opportunities to further scale and promote awareness of some of this programming, where appropriate.

In sum, the assessment team has concluded that TD has taken significant steps toward promoting D&I in its workplace, including through extensive D&I initiatives and programs and committed leadership across the Bank, in furtherance of the Bank's

strong historical and continued commitment to D&I. The Bank recognizes that it has opportunities to continue to communicate, evolve, and scale its significant D&I efforts. Each of the following sections describing the Bank's D&I efforts concludes with recommendations that the assessment team has identified as opportunities for TD to further develop and enhance its D&I practices.

II. Background

A. About TD

As of April 30, 2023 TD was the sixth-largest bank by assets in North America, with approximately 2,200 retail locations across North America and 16 TD Securities offices world-wide.⁵ TD has approximately 100,000 employees, with around 71,000 employees in Canada and 29,000 employees in the U.S., and it serves over 27 million customers worldwide, with more than 15 million active online and mobile customers.⁶ TD has 11 business and corporate segments focused on providing customers with financial products and services, and internal business operations, including: Wealth, Insurance, TD Securities, Business Banking, Legal/Risk, Canadian Personal Banking, Platforms & Technology, Transformation Enterprise Enablement and Customer Experience, Human Resources (“HR”), Risk, and Finance & Audit.^{iv} TD offers personal banking and business banking to businesses of all sizes across a wide range of industries, customized wealth management services, and integrated capital market products and services to corporations, governments, and institutions.⁷

TD’s Board of Directors carries out its leadership and corporate governance responsibilities through four committees: the Audit Committee, the Corporate Governance Committee, the HR Committee, and the Risk Committee.⁸ As of April 30, 2023, TD’s Board of Directors was comprised of 14 individuals, seven of whom were women and six of whom identified as an Indigenous person, 2SLGBTQ+, person with a disability, or a Visible Minority^v (defined as non-white, and other than an

^{iv} As used in this report, “segment” refers to the eleven lines of business and business operations listed here.

^v The assessment team acknowledges that the term “Visible Minority” is less commonly used today. The assessment team uses this term here, as TD does in its Employment Equity Policy, to be consistent with the description of designated groups that has been used in Canada’s federal *Employment Equity Act* since its enactment in 1986. Throughout the report, the assessment team otherwise uses “Minorities,” which is the terminology TD more regularly uses to reference this group across North America.

Indigenous person).⁹ Of these six Board members, four members identified as a Visible Minority or an Indigenous person.¹⁰

TD first began publicly reporting on its workforce diversity in 2003 and does so today as part of its annual Environmental, Social, and Governance Report (“ESG Report”).¹¹ In 2022, 42.8% of TD’s overall workforce in Canada identified as a Visible Minority, with 26.2% of employees in senior management roles (defined as Vice President level and above) and 44.6% of employees in middle and other management roles (defined as Level 8, which are fully operational professional roles, to Associate Vice President (“AVP”)) identifying as a Visible Minority.¹² Additionally, 7.3% of TD’s overall workforce in Canada identified as Black, with 3% of employees in senior management roles and 6.1% of middle and other management identifying as Black. In addition, 1% of TD’s overall workforce in Canada identified as Indigenous, with 1.5% of employees in senior management roles and 0.8% of employees in middle and other management roles identifying as Indigenous.¹³ In the U.S., 36.8% of employees identified as a Minority^{vi}, with 16% of employees in executive roles (executive/senior-level officials and managers) and 29.3% of employees in first/mid-level manager roles identifying as a Minority.¹⁴ In both the U.S. and Canada, representation of diverse employees is higher across lower-level, as opposed to higher-level, employment bands.

In 2020, TD made public commitments to increase representation of diverse individuals at senior levels of the Bank. TD provides updates on the progress against these commitments in its public disclosures.¹⁵ These commitments include:

- Double Black representation at the VP or higher level (“VP+”) in North America by 2022.¹⁶

^{vi} When referring to colleagues in the United States, TD does not use the term “Visible Minority” and instead uses the term “Minority,” which is defined as non-white. Since the introduction of the Black Experiences Area of Focus in 2020, TD disaggregates employees who are Black from Minority employees who are non-white. TD reviews this terminology on ongoing basis in accordance with best practices.

- Increase Black, Indigenous, and Minority representation at the VP+ level in North America to 25% by 2025, with a specific focus on Black and Indigenous talent.¹⁷
- Increase representation of Women at VP+ level in Canada to 45% by 2025.¹⁸

TD has met and exceeded its 2022 goal to double Black representation at the VP+ level in North America.

B. TD's Diversity and Inclusion Strategy

TD takes a comprehensive and integrated approach to formulating its D&I strategy and objectives. As described in more detail on page 13, multiple teams, committees, and individuals at TD help support the Bank's D&I initiatives and programs, and play a role in implementing TD's D&I strategy.

Since 2007, TD has had an enterprise-wide D&I strategy, which has been refreshed every few years to align with evolving practices and expectations. In February 2023, the current Vice President of D&I ("VP of D&I") helped refresh the existing strategy in an effort to continue driving progress on D&I across the Bank. As part of this refresh, the VP of D&I and the Global D&I Center of Excellence (hereinafter the "D&I team") engaged in listening tours with senior leadership across the Bank, as well as other key stakeholders including diverse employees representing employee-led resource groups, among others, and conducted external benchmarking of peer organizations and those viewed as leaders on D&I. The D&I team ultimately developed a new, multi-year D&I strategy, which was presented to the HR Committee of the Board of Directors in March 2023. This D&I strategy has three key strategic priorities:

1. Activate a culture of strong leader accountability, where all colleagues and customers feel respected and have equitable access to opportunities;
2. Amplify TD's voice on D&I through community investment, strategic

partnerships, supplier diversity, thought leadership, and authentic, transparent storytelling; and

3. Measure performance in D&I through robust data and insights.

TD identified several actions to help achieve these strategic priorities, including building awareness and understanding of equity and integrating that throughout TD, deepening a D&I focus on talent processes to improve diverse talent attraction and retention, assessing and strengthening diverse and inclusive third-party partnerships, and increasing the use of data to understand opportunities and inform action plans.

TD's D&I strategy centers on all customers, colleagues, and communities, with an emphasis on the following "Areas of Focus" which align to specific demographic groups: Black Experiences, Indigenous Peoples (Canada only), visible minorities/minorities^{vii}, women, Two-Spirit, Lesbian, Gay, Bisexual, Transgender, Queer, Plus ("2SLGBTQ+") individuals, People with Disabilities/Individuals with Diverse Abilities ("PwD/IwDA"), and Veterans (U.S. only). As part of this strategy, TD develops both programming and initiatives that are enterprise-wide and specific to each Area of Focus.

^{vii} Visible minorities/minorities include non-Black and non-Indigenous employees of color.

III. Methodology

TD engaged the assessment team to objectively evaluate its employee policies, programs, and initiatives through a racial equity lens, as well as to identify opportunities where the Bank could enhance its efforts or take further action to be more racially equitable and inclusive.

Specifically, the assessment team sought to answer three overarching questions:^{viii}

1. What policies and key strategies does TD have in place to provide a racially equitable and non-discriminatory workplace for colleagues (taking into account relevant laws and regulations)?
2. What mechanisms does TD have in place to monitor the effectiveness of these policies and key strategies?
3. Are there any refinements to existing policies and strategies, or new policies or strategies, that would help TD further promote a racially diverse, inclusive, and equitable workplace?

To answer the questions above, the assessment team:

1. Reviewed publicly available documents, such as TD's ESG reports and TD's public statements and commitments related to D&I, as well as a wide variety of documents collected from TD, including policies, process documents, and reports.

^{viii} TD's 2023 Proxy Circular included two sub-questions to question 1, the answers to which are also addressed in this report: (i) what policies and key strategies does TD have in place to promote a diverse, inclusive, and equitable workplace environment for employees?; and (ii) what policies and key strategies does TD have in place to promote the recruitment, retention, and development of diverse talent?. See TD, Proxy Circular at 93 (2023).

2. Engaged with TD subject matter experts who serve as senior executives, directors, and managers at the Bank. The assessment team met with senior leaders and team members responsible for overall D&I strategy; Talent Acquisition; Global Talent, Colleague, and Culture; Compensation; Benefits; and HR Advice and Employee Relations.
3. Convened two roundtables, joined by representatives from TD's Canadian and U.S. employee-led resource groups, in order to understand how TD'S D&I efforts are perceived by its diverse employee population, as discussed more fully below.

As part of its review, the assessment team took into account the significant differences in the Canadian and U.S. civil and human rights laws related to TD's D&I initiatives. The two countries often use different terminology; for example, "affirmative action" in the U.S. and "employment equity" in Canada. There are also important variations between the substantive Canadian and U.S. constitutional law and statutes under which TD operates. One prominent example is that affirmative action/employment equity is expressly permitted under Canadian human rights laws in individual employment decisions, and employers governed by federal law in Canada (such as banks) are required to implement policies to redress disadvantage experienced by racial minorities and some other groups. In the U.S., employers may implement voluntary affirmative action programs only under certain specified circumstances.

Although TD's D&I initiatives are ongoing, this report describes TD's efforts through April 30, 2023, except where otherwise noted.

Employee-Led Resource Groups Roundtables

In March 2023, the assessment team and TD hosted virtual roundtable discussions with leaders from employee-led resource groups across Canada and the U.S. to discuss their perspectives on how TD could better support its resource groups. The roundtable was intended to provide resource group leaders with the opportunity to weigh in on TD's racial equity and D&I-related efforts, within the scope of the

assessment, and provide feedback on how these efforts could be enhanced. During the discussion, resource group leaders commended TD's commitment to D&I, including at the highest levels of the Bank. In addition, resource group leaders offered the following key perspectives:

- TD's senior leadership is very supportive of D&I work at the Bank and appreciates and recognizes the contributions employees make to D&I-related work. Senior leaders participate in D&I programming, including by holding various roundtables and other discussions with diverse employees, and are committed to creating and maintaining an inclusive work environment for all employees. Some resource group leaders perceive that not all managers equally value employee leadership and involvement in resource groups, and could generally better support employees by allowing and encouraging participation in D&I programming and events, including resource groups.
- TD has made measurable progress towards its enterprise-wide D&I efforts, which can be felt across the Bank. Particularly notable programs include the leadership development programs, summits, and heritage events. Participants stated that resource groups could be better and more consistently funded.
- TD has made significant investments in recruiting and attracting diverse talent, and could improve its pipeline development for existing employees to be promoted to more senior positions. Resource group leaders suggested that in their view, TD could offer additional opportunities for employees to gain qualifications necessary to advance to more senior roles and expand participation in existing leadership development programs.
- Resource group participation varies, particularly in Canada, across the various business and corporate segments. Participation in resource groups could be enhanced by fostering more direct communication between the resource groups and employees who may be interested in certain resource groups, and by better integrating resource groups into the onboarding experience for new employees, such as through the "We Are TD" onboarding materials.

- TD's D&I work is often siloed within individual business and corporate segments and/or Areas of Focus across the Bank, which results in a lack of communication and awareness about all of TD's D&I-related work and difficulty in advancing D&I-related goals.

IV. D&I Accountability and Ownership

TD considers diversity and inclusion to be an integral part of the leadership function and core competency of each member of the Senior Executive Team (“SET”) and senior leaders within each business or corporate segment. The SET, along with the Inclusion and Diversity Leadership Council (“IDLC”), are responsible for overseeing TD’s D&I strategy. TD also allocates responsibility for fostering a diverse and inclusive work environment, and implementing the Bank’s D&I strategy, across many other levels of the Bank, including diversity councils for each business and corporate segment, and Area of Focus, which are comprised of executive and non-executive colleagues at the Bank who lead D&I-related initiatives. The D&I team partners with the various stakeholders to define and execute strategies across business and corporate segments, and Areas of Focus.

A. D&I Structure

The SET is comprised of the heads of TD’s business and corporate segments and is led by the Group President and CEO of TD.¹⁹ The SET is responsible for approving and endorsing TD’s enterprise-wide D&I strategy, embedding D&I objectives in TD’s people strategies and business plans, and is accountable for meeting overall D&I-related goals (in Canada) or aspirational goals (in the U.S.) within their functions.^{ix}

The IDLC, first established in 2005, is TD’s enterprise-wide diversity committee that develops TD’s diversity-related strategy and goals. Members of the IDLC, including the VP of D&I and senior representatives from each business and corporate segment, regularly provide D&I-related updates to the CEO and the SET, particularly regarding progress toward Canadian representation goals and U.S. aspirational goals, public commitments, and other D&I goals. The IDLC is chaired by the President and CEO of TD Bank, America’s Most Convenient Bank (“AMCB”), TD’s U.S. retail, small business, and commercial banking operation. In addition to the

^{ix} TD’s goals in the United States related to D&I are aspirational goals and do not include strict numerical representation targets.

Chair, the IDLC is comprised of leaders from across the Bank who represent either a business or corporate segment, or an Area of Focus. The business and corporate segment representatives (“Business IDLC Chairs”) also serve as chairs of diversity councils that sit within each segment. Similarly, the representatives from each Area of Focus (“Area of Focus Leads”) chair diversity councils, which are sometimes referred to as steering committees, for their respective Areas of Focus. Each of these entities—the IDLC, business and corporate segment diversity councils, and Area of Focus diversity councils—develop their own D&I strategies. These entities are also supported by TD’s D&I team. Employees who serve on the various diversity councils do so in addition to other job responsibilities.

TD’s D&I team is situated within the Bank’s HR department and includes several Area of Focus Consultants and Business Consultants who execute on D&I efforts in Canada and the U.S. related to Area of Focus and business and corporate segment D&I strategies. The D&I team also facilitates D&I-related efforts including with respect to strategy, recruitment and talent sourcing, D&I considerations for talent management and customer processes, insights and analytics, and governance and reporting.

Area of Focus Consultants are aligned to each of TD’s Areas of Focus and support specific programming for each area. Area of Focus Consultants, in collaboration with the Area of Focus Leads, are responsible for developing the enterprise-wide strategy for their respective Area of Focus. Area of Focus Consultants also facilitate enterprise-wide programming, design and implement D&I-related trainings, and collaborate with Business Consultants in supporting programs specific to each business and corporate segment. Area of Focus and Business Consultants meet at least biweekly to share program ideas and discuss scaling successful programs across the other Areas of Focus. Area of Focus Consultants also meet regularly with the Area of Focus diversity councils, other enterprise or regional councils, and employee-led resource groups to facilitate D&I programming and other related initiatives.

Business Consultants are aligned to each of TD’s business and corporate segments and provide D&I support to those segments. Business Consultants work

closely with the Area of Focus Consultants to plan and execute programming related to each Area of Focus within each business and corporate segment.

TD's approach to D&I is designed to enable both grassroots efforts as well as centralized strategy and alignment. While TD's strategy calls for certain efforts to be undertaken at the segment level, there is opportunity, where appropriate, to improve consistency. Many of the initiatives and programs that support the enterprise-wide D&I strategy are executed at the business/corporate segment- and Area of Focus-level and are intended for those groups, though increased consistency and scalability, where appropriate, are recognized as priorities under the new D&I strategy. The IDLC meets on a regular basis to discuss both enterprise-wide initiatives and best practices as well as initiatives specific to the business and corporate segments, and Areas of Focus, though not all business and corporate segment and Area of Focus programming is regularly discussed. At times this has resulted in similar and overlapping programming being executed at varying levels of the Bank without centralized, enterprise-wide coordination.

B. Collection and Use of Data

In an effort to monitor accountability for progress toward its D&I priorities, TD collects and analyzes employee data as part of its self-ID and exit surveys, as well as its Annual Pulse Survey. The collection, use, and disclosure of personal information of Canadian employees is subject to TD's privacy policy and the Canadian federal privacy legislation, the *Personal Information Protection and Electronic Documents Act*.

1. Self-ID and Exit Surveys

TD collects demographic data from employees through the use of self-ID questions as part of its self-ID surveys. In Canada and the U.S., TD tracks and updates monthly the completion rates of the self-ID survey. The response rate is over 98.6% in both countries. TD uses this demographic data to report to various senior leaders and its Board of Directors regarding hires, promotions, and attrition by demographics, as described further below. When reporting race/ethnicity information,

the data is disaggregated to reflect Indigenous and Black employees, and all other races/ethnicities are generally aggregated as Minorities, but efforts are currently underway to disaggregate race/ethnicity data similar to TD's latest ESG reporting, which includes more detailed representation data for Canadian colleagues. Unlike in Canada, TD does not provide U.S. employees the opportunity to opt in to receiving communications from the D&I team, and the D&I team does not use data collected through self-ID for outreach purposes related to D&I programming or initiatives. Instead, the D&I team communicates with employees who identify as being part of one or more Area of Focus through their membership in resource groups via posts on TD's resource group intranet pages. TD is currently assessing its collection and use of demographic data for D&I-related purposes in Canada, including considering increased consistency and expanded use of data across Canada and the U.S., where appropriate.

In both Canada and the U.S., TD's employee exit survey invites participants to provide demographic information including gender, race/ethnicity, 2SLGBTQ+ status, disability status, and Indigenous person status (Canada only) or veteran status (U.S. only). TD has the ability to assess exit data based on demographic filters, and it uses aggregated exit demographic data in some of its reports to a restricted audience.

2. Annual Pulse Survey

On at least an annual basis, and in recent years, twice annually, TD sends its employees a Pulse Survey, which measures employee engagement and sentiment on a five-point scale and asks specific questions across a range of topics related to employee success, inclusion, recognition, and overall employee experience. Over 90% of employees participate annually in the Pulse Survey. D&I-related questions assess whether: employees feel respected at work; diverse perspectives are valued and encouraged; leaders demonstrate commitment to diversity and inclusion; employees feel a sense of belonging at work; and employees have the ability to "be myself" at work. Other questions not explicitly tied to D&I but with possible impacts relevant to diverse employees include whether: TD is genuinely committed to the well-being of its employees; managers actively listen to employee ideas and suggestions; employees are provided opportunities for growth, learning, and development; employees are treated

with respect; and managers have meaningful conversations with employees about development and career goals.

People Managers/teams are assigned a score based on relevant survey responses from the employees who report to that manager.^x The HR Advice and Employee Relations team conducts a global review of any People Manager/team that receives a score below three points out of a five point scale for select questions about Manager Ethics. The HR Advice and Employee Relations team then develops a report that includes a listing of common themes, identification of where in the business the low scores occurred, and recommendations for addressing the low scores.

TD also asks demographic questions in the survey. TD disaggregates survey results by business/corporate segment and by specific demographic groups, including by particular races and ethnicities that make up Areas of Focus, and particular sexual orientations and gender identities that make up 2SLGBTQ+. TD also disaggregates and filters the data by intersections of Areas of Focus (e.g. Black women, 2SLGBTQ+ people of color, etc.). TD utilizes this data to identify and design Area of Focus-specific strategies that address any perceived disparities in colleague experiences.

The Colleague Listening team, which is situated within the Talent team in HR, creates a dashboard of the results from the Annual Pulse Survey for all People Managers and leaders across the Bank. The dashboards include results, which can be filtered by demographics to allow deeper analysis by each survey topic and subtopic. Leaders have the ability to drill down on the results within their business or corporate segment and the results can also be compared across these segments.

In addition to the dashboards, the Colleague Listening team generates a variety of custom reports for internal purposes. These include (i) a report to the SET and the Human Resources Committee of the Board of Directors that provides an executive summary and analysis of the Annual Pulse Survey results, with key performance indicators (“KPIs”) also presented by each subtopic/question; and, in partnership with

^x Survey responses are anonymized and People Managers review responses in the aggregate so that anonymity is preserved.

the D&I team, (ii) a report of Pulse insights provided to the IDLC that includes an executive summary of results organized by topic/question and broken out by each Area of Focus, and year-over-year changes in the scores. Annual Pulse Survey results may be disaggregated by specific race/ethnicity, though the reports provided to the SET do not include a breakdown of D&I-related demographic information. Subsequent analysis, including what is presented at the IDLC, allows for further breakdowns as required.

3. D&I Team Reporting

To drive accountability at the Bank, the D&I team prepares regular reports regarding D&I, including representation at TD, for the SET, IDLC, and Board of Directors, and various other diversity councils.

SET Reports. The D&I team provides quarterly, and sometimes more often, reports to the SET. The content of these reports varies from quarter to quarter depending on ongoing initiatives, but consistently includes the Bank's progress toward its public representation commitments, discussed more fully on page 6, and tracks the number of VP+ level employees by demographic (women, Black, Indigenous, and Minority), with breakdowns of those numbers across each business and corporate segment. Metrics also include the number and percentage of VP+ hires, promotions, and departures from TD for each of those demographic groups. In addition, the SET receives a quarterly update that shows representation at "pipeline" talent levels (e.g., L09–L10, L11–L12, and AVP) for each Area of Focus.

IDLC Reports. The IDLC receives the above referenced reports that are provided to the SET, as well as quarterly reports from the D&I team that provide further detail about representation across the Bank. For example, these quarterly reports provide: (i) a summary of overall progress toward TD's 2025 public commitments; (ii) workforce representation summaries for each Area of Focus and at all employee levels of the Bank in both Canada and the U.S., and by business and corporate segment; (iii) change in representation for each of these demographic groups from the prior quarter and year-to-year; and (iv) the number of external hires,

promotions, and terminations across each of these demographic groups at each employee level.

Board of Directors Reports. The D&I team prepares regular reporting for the HR Committee of the Board of Directors. These reports include at least a biannual update on the D&I progress that is relevant to the evaluation of ESG factors and enterprise priorities/strategic priorities embedded in the compensation program for members of the SET (as described further below). A typical mid-year update contains information on enterprise-wide women, Black, Indigenous, and Minority VP+ representation, including the change in representation for each of these demographic groups from the prior quarter and year-to-year, and progress toward TD's 2025 public commitments. Though these reports historically have been lengthy and often dense with data, TD has recently simplified its reporting to make review more manageable. In addition, the HR Committee receives periodic updates on the D&I strategy and related initiatives, including progress on TD's 2025 public commitments, with details provided by business/corporate segment or geography where appropriate.

As described more fully below on page 56, TD also provides dashboards with results from its annual Culture Assessments to the SET, Board of Directors, and to various risk management committees, to inform leadership about TD's progress towards its culture-related goals.

C. Business and Corporate D&I Plans

As noted above, in order to further drive accountability toward achieving its enterprise-wide D&I priorities, TD's business and corporate segments develop their own D&I strategies in alignment with the enterprise-wide D&I strategy but based on the most significant gaps and opportunities of those segments. Some of these strategies contain KPIs and goals, though these are not always consistently included, and the specificity of each KPI varies. For example, one Canadian business segment's strategy includes a goal to "demonstrate favorable year over year movement for all Area of Focus bands at the L11–VP+ level." Other business and corporate segment plans do not include specific goals and instead contain general statements about assessing success of initiatives based on participation rates, colleague feedback and

satisfaction surveys, and scorecard metrics that include D&I-related aspirational goals. TD's CEO meets with the SET, comprised of TD's most senior leaders, at least twice a year and often more regularly to review their performance, including progress toward their D&I plans.

D. Executive Compensation and Senior Leadership Accountability

Since fiscal year 2021, enterprise performance as it relates to D&I has included meeting benchmarks that demonstrate progress toward the North American representation goals set out in TD's public commitments. Performance toward these goals is part of a broader "Customer Experience and Other ESG Metrics" category, with an aggregate weighting of 20% of the business metrics used to determine annual compensation. D&I metrics are part of the "Other ESG" category, which includes two other factors in addition to D&I: climate change and employee engagement.²⁰ TD's CEO clearly communicates to the SET the importance of D&I, and this priority is reinforced by the HR Committee of the Board of Directors. Compensation for senior leaders outside of the SET is not formally tied to D&I goals, though TD is actively exploring opportunities to do so that comport with Canadian and U.S. law.

Some corporate and business segments more formally tie equity-related goals into annual objectives for senior leaders at one level below the SET. For example, senior leaders in Canada within one business segment are expected to ensure qualified diverse colleagues are included in sponsorship programs, include diverse individuals in candidate slates and interview panels, and participate in Area of Focus activities or employee-led resource group initiatives, among others. That same business segment also plans to expand these objectives to Canadian leaders within two levels of the SET. Though these expectations are communicated to senior leaders, they are not currently a formal part of leaders' performance evaluations.

Managers and other non-executive level employees are not specifically evaluated along metrics that reflect their commitment to D&I or support for their employees' participation in D&I, though some managers and other non-executive level employees may choose to include D&I in their performance plans. In addition, all

employees (including managers and non-executive level leaders) are expected to comply with TD's Framework Leadership Model, which notes that: (1) non-people managers should respect the views of others through genuine interest and openness and to seek out diverse feedback to continuously develop and gain new perspectives; (2) people managers should build diverse teams; and (3) executives should engage diverse teams to solve business issues. TD encourages employees to review the Framework Leadership Model when setting annual performance objectives and to include objectives that align with the D&I-related expectations laid out in the Framework. Employees are then evaluated against these objectives.

Recommendations for D&I Accountability and Ownership

- To further enhance and support business and corporate segment ownership of D&I and the scaling of successful programs across the Bank, TD should continue its efforts to coordinate oversight of and centralize communications about its D&I work at the enterprise level. TD should also continue to consider ways to improve efficiencies related to the development and implementation of its D&I efforts. TD should leverage its current engagements with third-party consultants or other consultants specializing in D&I organizational design to effectively implement this recommendation.
- As reflected with greater specificity throughout our recommendations in this report, and consistent with TD's own goals for its D&I strategy, TD should enhance the collection and use of data related to applicants and employees to help inform and accomplish its D&I goals, including with respect to recruitment and hiring, D&I initiatives and programming, and investigations of employee conduct. To do this, TD should continue its ongoing efforts to expand its Canadian and U.S. privacy disclosures in its self-ID surveys as needed to facilitate the use of employee demographic data for D&I purposes and make use of its exit survey data to identify trends.

- To drive greater accountability for D&I work, TD should continue in its efforts to further clarify and simplify its D&I data reporting to its senior leadership and Board of Directors by, for example, streamlining the data report to top-line figures, and including key takeaways and notable trends.
- As TD considers further enhancing ownership of D&I goals, TD should consider scaling the strategies used by some business segments to other business and corporate segments to evaluate senior leaders on their progress toward D&I objectives. In addition to the objectives currently incorporated by some business segments—ensuring qualified diverse colleagues are included in sponsorship programs, enhancing the diversity of candidate slates and interview panels, and participating in Area of Focus activities or employee-led resource group initiatives—other goals could include KPIs relating to the Annual Pulse Survey, participation in D&I trainings, and engagement with and support for diversity councils and/or employee-led resource groups. TD should consider further strategies to encourage manager support for employee contributions to D&I and resource groups.
- TD should continue to make progress toward its public commitments to increase representation of diverse individuals at the VP+ level of the Bank. In addition, TD should continue its focus on diversifying the racial and ethnic composition of its senior leadership team and Board of Directors.
- Consistent with its D&I strategy, TD should enhance the consistency of the use of actionable and measurable goals in Canada and aspirational goals in the U.S. across the enterprise and business and corporate segments—such as through KPIs—to better determine and articulate progress toward its D&I goals.

V. Policies

A. Anti-Harassment and Anti-Discrimination Policies and Procedures

TD maintains a set of global anti-harassment and anti-discrimination policies that apply to all employees across the Bank and are designed to promote equal employment opportunity and prevent and remediate discrimination in the workplace. TD also has more detailed policies—known broadly as “standards”—that apply to employees in specific jurisdictions, including Canada or the U.S., and seek to meet jurisdiction-specific requirements or practices.

Many of TD’s anti-harassment and anti-discrimination policies are owned and maintained by the global HR Advice and Employee Relations team. For each policy and each standard, TD designates a policy owner who is responsible for the development, implementation, maintenance, and monitoring of the policy. Policy owners are required to review and update policies on an annual, biannual, or triannual basis.

1. Global Policies

TD’s global anti-harassment and anti-discrimination commitments are found in several documents, including the Code of Conduct and Ethics, the Respectful Workplace Policy, the Employee Complaint Resolution Process, and the Raising Conduct and Ethics Concerns Policy.

a) Code of Conduct and Ethics

TD’s Code of Conduct and Ethics (“Code”) establishes the standards that govern how employees and directors interact with each other, customers, shareholders, and others, and is a part of the terms and conditions of employment with the Bank. The Code provides employees with guidance on expected employee behavior and on the identification and response to potential Code violations or issues.

The Code reflects TD's commitment to providing an accessible, safe, and respectful work environment free from "Unacceptable Behaviour." That term is defined as conduct by any employee, director, third party worker, customer, vendor, or member of the public that constitutes harassment, sexual harassment, discrimination, or violence.

The Code requires employees who are aware of violations to immediately report them to a People Manager or to HR, and it provides additional avenues for reporting. The Code also refers employees to "Between Us," the Employee Ombudsman office, for confidential, informal, and impartial guidance on how to report a policy violation or any work-related concern.

The Code states that TD prohibits retaliation (also referred to as reprisal and victimization) against employees, customers, and suppliers for filing good faith reports of violations of the Code, for exercising their legal right to communicate a possible violation to TD or a government agency, or for cooperating in an investigation or proceeding conducted by TD or a government authority. The Code assures employees that anyone who attempts to retaliate against a person making a report will face disciplinary action, up to and including termination of employment, although, unlike some of TD's other policies, the Code does not provide a definition or examples of retaliation.

b) Respectful Workplace Policy

The Respectful Workplace Policy reflects TD's commitment to conducting its affairs with fairness and equity and to providing a safe and respectful work environment that is free from Unacceptable Behaviour. The policy applies to all employees, directors, and third party workers of the Bank.

Pursuant to the policy, TD prohibits and will not tolerate, ignore, or condone any Unacceptable Behaviour. The policy states that any employee or third party worker who has experienced, witnessed, or been told about Unacceptable Behaviour "must immediately report such Unacceptable Behaviour," either in accordance with the reporting procedures available to their business unit or pursuant to the reporting

procedures in the section on Reporting Violations of the Code. The policy further states that failing to comply with the policy or failing to comply with responsibilities (such as reporting) under the policy may subject an employee to disciplinary action, up to and including termination of employment.

Although the policy does not define or provide examples of retaliation, the policy does state that employees, directors, and third party workers are protected from retaliation and that any employee who feels they have been subject to retaliation should report such concerns to their manager, another manager, HR, or pursuant to the procedures in the Code.

c) Employee Complaint Resolution Process

The Employee Complaint Resolution Process is designed to support employees in bringing concerns forward, addressing issues as quickly and effectively as possible, and providing timely solutions. It provides a brief overview of how employees can submit complaints, encouraging employees to follow a progressive escalation procedure that leads ultimately to the CEO. The process, however, acknowledges that certain complaints or situations may not be appropriate for escalation through management and encourages employees to, as needed, contact HR directly or through other avenues, including Between Us and the TD Conduct and Ethics Hotline.

d) Raising Conduct and Ethics Concern Policy

The Raising Conduct and Ethics Concern Policy aims to promote clear and effective communication channels for employees, directors, third party workers, and members of the public to raise concerns with TD without fear or threat of retaliation. The policy provides that employees may file a complaint through any of several channels.

The policy notes that TD supports anonymous reporting and that regardless of reporting channel, TD treats the identity of the reporter as confidential. The policy affirms that TD will not tolerate retaliation against anyone for raising a good faith

concern under the policy and states that retaliation is unlawful. The policy provides examples of specific actions that may be considered retaliation.

2. Canada Policies

In addition to the global policies, which govern the employment relationship for all employees at the Bank, TD maintains Canada-specific standards that address anti-harassment and anti-discrimination requirements under Canadian law. These standards include the Employment Equity Policy, the Canada Standard for the Health & Safety Policy, and the Canada Standard for the Respectful Workplace Policy.

a) Employment Equity Policy

The Employment Equity Policy is TD's commitment to promoting fairness and equal employment opportunities to all employees within its diverse workforce. The policy references the global Respectful Workplace Policy for additional information on TD's work to promote a fair and non-discriminatory workplace.

The policy asserts that employment equity is a key component of TD's HR strategy and defines employment equity as "identifying and eliminating barriers to employment opportunities that are accidental, unintentional, or systemic." In support of employment equity, TD asserts that its policies are designed to be free from discriminatory or arbitrary barriers and that it continually monitors these policies to ensure the principles of employment equity are upheld.

The policy also notes that, in support of employment equity, TD will provide reasonable accommodations to all employees, including the four designated groups in the federal *Employment Equity Act*: Women, Aboriginal Peoples, Persons with Disabilities, and Visible Minorities.^{xi}

^{xi} The assessment team acknowledges that the term "Aboriginal Peoples" is no longer commonly used. The assessment team, nonetheless, uses this term here, as TD does in its Employment Equity Policy, to be

b) Canada Standard for the Health & Safety Policy

The Health & Safety Policy is TD's global framework for providing a healthy and safe workplace and business environment for all employees, third party workers, and visitors. TD maintains a Canadian-specific standard under this policy that addresses workplace violence and harassment in Canada. The standard states that TD is committed to providing a work environment in which all employees, third party workers, and visitors are treated with respect and dignity. It further states workplace violence and harassment, including sexual harassment, will not be tolerated. The standard applies broadly to employees, third party workers, and visitors.

The standard establishes a framework for a workplace risk assessment of violence and harassment that must be completed once every three years or whenever there are changes that compromise the effectiveness of relevant preventive measures. The workplace risk assessment must also be jointly reviewed by TD and its workplace Health & Safety Committee when notice of an occurrence of violence or harassment is provided and when the occurrence is either not resolved through a negotiated resolution and the principal party chooses not to continue with the resolution process, or where the responding party is not an employee or the employer.

The standard requires employees and third-party workers to "immediately report" occurrences of violence or harassment to any of the following contacts: people manager, TD on-site representative, another leader within the business or corporate segment, HR, TD Whistleblower Hotline (also referred to as the Conduct and Ethics Hotline), or any other contact listed in TD's Code. The standard also directs employees to Between Us if they need guidance on how to report an occurrence.

consistent with the terminology used in the federal *Employment Equity Act* to describe that designated group. Throughout the report, the assessment team otherwise uses Indigenous Peoples, which is the terminology TD more regularly uses to define this group.

The standard includes an overview of a complaint resolution process. Finally, the standard includes a notice that TD is committed to protecting from retaliation those who make reports of workplace violence and harassment or those who cooperate with an investigation.

c) Canada Standard for the Respectful Workplace Policy

TD maintains a Canada Standard for the Respectful Workplace Policy that expands upon the global Respectful Workplace Policy, with additional definitions and context specific to Canada. The standard addresses harassment in detail, providing definitions for workplace harassment, sexual harassment, and psychological harassment, and providing examples of potential harassment. The standard also provides a definition for discrimination and for violence, and provides examples of violence and other conduct TD will not tolerate.

The standard states that all employees, directors, and third party workers “must immediately report” incidents of Unacceptable Behaviour, regardless of whether they were involved, witnessed, or learned about the incident in another manner. Individuals are directed to a variety of channels to make reports. Managers who do not report Unacceptable Behavior of which they become aware are considered responsible for the conduct under the standard.

As with the global policy, the Canada Standard notes that employees who make reports of Unacceptable Behaviour or who cooperate with an investigation will be protected from retaliation in any form, though the standard does not further describe or provide examples of retaliation.

3. U.S. Policies

TD’s U.S.-specific policies related to anti-discrimination and anti-harassment—the Equal Employment Opportunity Statement, Harassment and Discrimination-Free Work Environment Policy, and the Employee Complaint Resolution Process—are

included in an employee handbook. Included as an appendix to the handbook is a 440-page state supplement that captures the nuances and requirements of different state laws related to anti-harassment and anti-discrimination policies. TD is currently in the process of synthesizing the employee handbook to reduce the number of policies that exist within the appendix and to harmonize policies across states as appropriate.

a) Equal Employment Opportunity Statement

TD's Equal Employment Opportunity Statement is TD's affirmative commitment to providing equal employment opportunity to all applicants and employees in the U.S., without regard to a legally protected class under federal, state, or local law. The policy also extends TD's equal opportunity employment commitment to all persons involved in TD's operations, and states that unlawful discrimination by any employee is prohibited. Further, the policy outlines that TD maintains an Affirmative Action Program, pursuant to which harassment, intimidation, threats, or retaliation against individuals engaged in the program are prohibited. The Head of U.S. Diversity and Inclusion is the owner of and responsible for TD's Equal Employment Opportunity Policy and the Bank's Affirmative Action Program.

Although the policy does not define harassment and discrimination, it states that individuals who have been subject to or witness an incident of discrimination "should register a complaint following the procedures set forth in the Harassment and Discrimination-Free Work Environment Policy." The policy then provides a brief overview of the investigation process, informing employees that in response to all complaints, the Bank will conduct a "thorough and objective investigation in timely fashion."

b) Harassment and Discrimination-Free Work Environment Policy

The Harassment and Discrimination-Free Work Environment Policy is TD's commitment in the U.S. to providing a work environment where individuals are treated with respect and dignity. The policy is a supplement to TD's global

Respectful Workplace Policy. The policy focuses on sexual harassment and other forms of harassment, noting that sexual harassment is unlawful and that TD strictly prohibits harassment on the basis of any protected characteristic. The policy does not provide a definition for discrimination based on race or any other protected characteristic, though it defines harassment as “verbal or physical conduct that denigrates, or shows hostility or aversion toward an individual,” because of a characteristic protected under federal, state, or local law and cites definitions that are standard under U.S. law. The policy provides examples of harassing conduct, such as epithets, derogatory comments, negative stereotyping, and unwelcome physical contact.

The policy also includes repeated reminders that retaliation against employees who file a complaint or cooperate in an investigation of a complaint is prohibited and provides a dedicated section on retaliation. For additional information on retaliation, the policy directs employees to review the Employee Complaint Resolution Process, also included in the Employee Handbook.

As referenced in the Equal Employment Opportunity Statement, the policy includes a description of the process by which an individual can register a complaint. If an investigation reveals that a violation occurred, the policy states that TD will act promptly to take appropriate action, which may include disciplinary action, up to and including termination of employment. The policy also affirms that even if the conduct does not rise to the level of being unlawful, TD may still determine that the conduct was unacceptable or inappropriate and take remedial action.

c) Employee Complaint Resolution Process

The Employee Complaint Resolution Process (“ECRP”) included in the handbook for U.S. employees mirrors the process for the Employee Complaint Resolution Process described above on page 25 but provides additional detail and context. For example, the ECRP cites the Code to inform employees that they have an “obligation to report” any misconduct in the workplace that they observe or reasonably suspect. The policy provides several avenues of reporting. The ECRP also includes an Anti-Retaliation Policy that affirms the Bank will not tolerate retaliation

of any kind against an employee who raises in good faith a question or concern about a violation or suspected violation of TD's policies or Code. The Anti-Retaliation Policy defines retaliation as "any conduct that would reasonably dissuade an Employee from raising, reporting, or communicating about good faith concerns through our internal reporting channels or with any governmental authority" and provides specific examples of potentially retaliatory acts.

B. Additional Employment-Related Policies

Outside of its anti-harassment and anti-discrimination policies, TD maintains a number of employment-related policies in both Canada and the U.S. that are generally aligned with best practices for the promotion of inclusion and diversity. For example, the U.S. dress code policy included in TD's handbook states that "[n]othing in this policy is intended to prevent employees from wearing a hair or facial style that is consistent with their cultural, ethnic, or racial heritage or identity." Similarly, although TD's dress code policy for Canada does not include statements regarding hair, facial style, or accommodations, the policy includes affirmative statements about TD's commitment to diversity.

TD provides employees with a detailed "Time Away from Work" policy that provides statutory holidays and that notes that time away from work for religious observances other than those that fall on a statutory holiday may be arranged by managers in different ways on a case-by-case basis to meet TD's duty to accommodate short of undue hardship. In some cases, religious observances will be accommodated through the use of an employee's paid personal days or annual vacation entitlement, and in other situations, employees may request leave without pay.

In its Social Media Policy, TD makes clear that its anti-harassment and anti-discrimination mandates extend to digital communications. The policy contains a "Be Respectful" statement, prohibiting discriminatory bullying, harassing, intimidating, threatening, or defamatory conduct on social media.

C. Policy Trainings and Communications

TD provides two trainings to employees on its anti-harassment and anti-discrimination policies: the Code of Conduct training and a supplemental Harassment Prevention training. The Code of Conduct training is an annually required training designed to help employees understand TD's expectations, recognize potential Code violations, and determine appropriate behavior when presented with a violation or difficult situation. The Code of Conduct training includes the topic of "Human Rights, Diversity, Inclusion, and Preventing Violence in the Workplace." The Code of Conduct training is interactive, providing knowledge checks that assess employee knowledge of the material. The Harassment Prevention Training is a set of two interactive trainings—one for employees and one for managers—that outlines and explains different types of harassment, provides bystander intervention training, teaches employees about retaliation, and informs employees of available remedies, both at TD and externally. Similar to the Code of Conduct training, the Harassment Prevention Training also includes questions designed to engage participants and assess their knowledge. The Harassment Prevention Training is further supplemented by state-specific additions that are designed to address specific training requirements on harassment and discrimination under state law.

During the course of an investigation, the HR Advice and Investigations teams provide email communications to participants that are designed to inform employees of TD's anti-harassment and anti-discrimination policies and their related obligations. In addition, TD provides employees more broadly with communications that link to relevant articles or reminders regarding relevant required trainings and show practical application of the policies.

Recommendations for Policies

- TD should continue its practice of aligning its various anti-harassment and anti-discrimination policies so that the policies are consistent with respect to key terms (subject to different jurisdictional considerations), identify employee reporting obligations and reporting channels, and describe retaliation with related examples. Consistent with its goal to be inclusive, TD should continue to enhance policies to effectively address the risks of microaggressions, bullying, and other disrespectful behavior.
- For clarity and consistency, TD should continue its ongoing effort to synthesize the employee handbook in the U.S. TD should also ensure that all anti-harassment and anti-discrimination policies are easily accessible to employees, including potentially by ensuring that jurisdiction-specific standards are appropriately linked to and referenced by global policies.
- TD should review applicable employment-related policies for appropriate opportunities to reassert its commitment to diversity, equity, and inclusion in the adoption and application of policies (similar to language found in some other policies).

VI. Investigations

Complaints and investigations are handled by the global HR Advice and Employee Relations team in TD, which is made up of three separate sub-teams—HR Advice, Investigations, and Employee Relations—each of which handle complaints and investigations in Canada. There is a separate U.S. HR Advice and Employee Relations team that collaborates with the Canadian teams as necessary to address complaints and investigations in the U.S.

A. HR Advice, Investigations, and Employee Relations

In Canada, the HR Advice, Investigations, and Employee Relations teams work together to address employee complaints and to conduct investigations into alleged breaches of TD's various policies. The HR Advice team is composed of HR advice specialists who handle lower-risk complaints or issues, such as complaints that a colleague is repeatedly late to work or regarding interpersonal issues between colleagues that do not implicate protected characteristics. The Investigations team is comprised of three teams that handle different types of complaints. The first handles sales-related complaints, the second handles all non-sales related complaints (e.g., Code breaches, discrimination and harassment complaints), and the third handles both sales and non-sales complaints specifically for the Securities and Wealth segments. The Employee Relations team serves as a consultant for the HR Advice team and Investigations team on more complex and potentially litigious matters, as well as handles third-party dispute resolution processes. The U.S. HR Advice and Employee Relations team is structured similarly.

Within Canada and the U.S., TD has established guidelines as to what team within TD (among three sub-teams of HR specialists and investigators) maintains the authority for certain discipline decisions, as well as who within TD needs to be involved in addressing certain types of complaints. In Canada, the guidelines provide that the HR Advice and Employee Relations team holds the ultimate authority regarding employment-related disciplinary decisions pursuant to an investigation, whereas in the U.S., the ultimate authority regarding employment-related disciplinary decisions lies with the business/corporate segment. However, in practice, the teams

in both jurisdictions collaborate with business/corporate segments to make disciplinary decisions and any conflicts are resolved in an escalation process that progressively involves more senior individuals from both groups.

1. Between Us

The HR Advice and Employee Relations team also supports Between Us, the employee ombudsman office and an informal and impartial resource that provides all employees the opportunity to speak confidentially about workplace concerns. Employees can seek guidance on workplace concerns they are facing, receive clarity on policies and procedures, and learn how to file a complaint formally through TD's reporting channels. TD believes that the Between Us resource is currently underutilized, and in 2022, engaged in additional outreach efforts to spread awareness regarding this resource, such as including information on Between Us in onboarding for nearly 30,000 new employees in Canada and the U.S. and launching banners on TD's intranet sites to encourage colleagues to use the resource.

2. Training

Although TD does not have a formal, required D&I investigations-related training for all investigators, all investigators take the trainings as outlined below on page 57 and TD has provided investigators with ad hoc training on D&I issues and provides a subset of investigators in Canada who manage violence and harassment cases with violence and harassment training. In the second quarter of 2022, a member of the investigations team, together with a member of the D&I team, provided a primer on 2SLGBTQ+ identities and language on gender identity and expression as part of a quarterly town hall for the HR Advice and Investigations team. TD also periodically invites an external law firm to provide investigators with a training on best practices, which sometimes includes a note on D&I components, such as different forms of bias. TD also previously adapted enterprise-wide trainings for specific application to investigators. For example, in 2022, TD developed a training to help client-facing employees understand how unconscious biases could alter their interactions, actions, and decisions. The training was then converted to a series of huddle sessions and tailored to investigators to address unconscious bias

issues specific to investigations. TD reports that it is enhancing its current training for HR investigators through the addition of specific D&I topics for inclusion in fiscal year 2024.

B. Case Management

To guide investigators in both Canada and the U.S. in conducting a formal and systematic investigation into complaints brought by employees and others, TD established the Investigations Practices Policy, the Investigation Practices Standard, the Canada HR Investigations Procedures, and the U.S. HR Investigation Procedures, which establish minimum standards for all investigations at TD. For example, all investigations must be conducted in accordance with TD's Code and all investigations must be handled with professionalism, proportionality, timeliness, and confidentiality. Pursuant to these policies, both the Canada and U.S. Investigations teams maintain internal-facing procedures to address investigation conduct, training, and oversight, though the teams have not developed a resource outlining these procedures for employees.

Investigators in both Canada and the U.S. receive complaints from various sources, including from HR Advice partners, EthicsPoint (the Conduct and Ethics Hotline), the reporting lines indicated in TD's policies, and customers. When the Investigations team receives a complaint, investigators conduct an intake with the complainant and enter information from the intake into their case management system. At the point of intake, when appropriate in certain misconduct matters, investigators also conduct a "360 review" on both the complainant and the respondent to ascertain if either were involved in any similar incidents in the past, or are currently engaged with the HR Advice and Investigations team on another matter.

The Investigations team has also developed a list of accountabilities and objectives to guide investigators and support consistency of investigations. Objectives include "provid[ing] . . . trusted advice" and "execut[ing] with speed and impact." Each objective has related qualitative and quantitative metrics by which progress can be measured. Currently, TD's case management system is not integrated with TD's other HR information system, which prevents TD from assessing these qualitative and

quantitative metrics through a demographic lens. TD is considering migrating to a new case management system.

C. Calibration and Quality Assurance

The Investigations team engages in several complaint calibration exercises. For example, Senior Managers on the Investigations team meet with investigators one-on-one on a weekly basis to align on cases. Additionally, investigators meet periodically to discuss specific cases and solicit feedback and input. To further support the investigations process, the Investigations team has a quality assurance process for reviewing decisions. Monthly, Senior Managers review randomly assigned files from TD's case management system. The Senior Managers assess whether all cases have been correctly coded and completed and whether all necessary documentation has been provided.

The Investigations team also conducts a biannual review of all alleged retaliation cases and regularly provides reminders to participants in the investigation process regarding TD's prohibition against retaliation. The biannual review of retaliation cases involves senior leaders from the Investigations team reviewing all cases of alleged retaliation for trends and proper handling. In addition to reviewing those cases of formal retaliation complaints, the Investigations team also uses key word searches to identify other cases that may identify broader retaliation concerns.

D. Reporting

The HR Advice and Employee Relations team reports quarterly to TD's Conduct Risk team on investigation-related metrics and trends. Reports to the Board include exit survey data, including aggregated metrics on employees' familiarity with reporting channels and employees' feelings regarding TD as a workplace. TD does not currently disaggregate this data to analyze any potential trends along demographic lines and does not otherwise assess employee knowledge or feedback regarding TD's policies or the investigations process.

Recommendations for Investigations










- TD should consider developing an employee-facing, easily accessible resource that provides all employees with more information about the possible steps that TD may take to address a complaint. As part of this resource, TD could consider including information on the steps taken by TD to prevent and address reports of retaliation.
- As TD develops and refines its D&I-related training for investigators, TD should consider adopting a regular cadence for providing D&I-related training specifically for its employee complaint Investigations teams.
- TD could consider leveraging existing survey capabilities to assess current employee knowledge of, trust in, and comfort with the reporting and complaint resolution process. TD could then disaggregate responses by voluntarily provided demographic data to assess whether policies are viewed as equitable and whether reporting channels are clear and accessible to all.
- If TD migrates to a new case management system for its investigations, TD could consider integration of its HR systems to enable TD to periodically collect and assess aggregated demographic information concerning participants in the complaint process. TD could then consider expanding its complaint resolution reporting to reflect complainant and respondent demographic information in an aggregated manner that preserves colleague anonymity but provides TD with information to assess equity in the processes and outcomes.

VII. Talent

TD implements programs to support and promote D&I in the workplace and to supports its goal of meeting its public commitments regarding representation of diverse employees across TD's workforce. The Talent organization leads many of TD's efforts to meet these goals and aspirational goals, including through targeted internship and scholarship programs in Canada, collaboration with recruiting partners, a targeted recruitment strategy for Historically Black Colleges and Universities ("HBCUs") in the U.S., and a dedicated diversity sourcing team in the U.S., which has a dotted reporting line to the D&I team, among a number of other functions. Additionally, the Talent organization is supported by the D&I team, which has a diversity sourcing team supporting efforts in Canada; the Talent Assessment team, which ensures that employees from diverse backgrounds are considered for professional development; the Compensation team, which ensures all colleagues are paid fairly; and the Benefits team, which has designed TD's benefits offerings to be responsive to the needs of different employees. To promote fairness and equity in its recruitment processes, TD developed a training that teaches recruiters and hiring managers about concepts such as implicit bias. TD has endeavored to conduct a holistic review of the recruitment lifecycle through its Colleague Journey, as described below.

TD's talent-related D&I goals and aspirational goals focus on increasing representation of diverse employees across TD's workforce.²¹ As reflected in TD's ESG report, and as referenced above on page 6, these goals include, as referenced against a 2020 baseline: (i) doubling Black representation at the VP+ level in North America by 2022; (ii) increasing Black, Indigenous, and Minority representation at the VP+ level in North America to 25% by 2025, with a specific focus on Black and Indigenous talent; and (iii) increasing representation of Women at the VP+ level in Canada to 45% by 2025.²² The Bank's set of D&I programs and initiatives are furthering TD's progress toward these goals, with TD having met its goal to double representation of Black executives at TD in North America by the end of 2022 and being on track to meet its other two goals by 2025.²³

Executive Talent Anticipated Growth

	2022 Progress	Anticipated Growth	Status
Women in 45% of roles title VP and above in Canada, by 2025	 40.3%	 45%	 On Track
Increase minority representation at executive levels across North America, achieving 25% Black, Indigenous, and minority representation by 2025	 22.5%	 25%	 On Track
Double the representation of Black executives at TD in North America by end of 2022	 2x	 100%	 Met

A. Recruitment

TD's Talent organization leads the Bank's efforts to recruit talent and advance D&I. Within the Talent organization are teams in both Canada and the U.S. who are dedicated to recruiting for early talent, experienced talent, and executive roles, including diversity sourcers who identify and screen diverse talent for specific job requisitions. Having identified a need to update its talent acquisition procedures, in November 2022, the Talent organization established a first-of-its-kind "Colleague Journey" to assess TD's efforts to attract, hire, and onboard talent. This Colleague Journey is the first within TD's Talent organization and the first to assess the end-to-end experience for internal and external candidates, as well as the process, tools and frameworks that underpin the experience.

1. Sourcing Talent

At the forefront of TD's efforts to recruit diverse talent are TD's "diversity sourcing" teams. TD maintains two teams dedicated to identifying sources of diverse talent: a team of four diversity sourcers in Canada, housed within the D&I team, and a team of four diversity sourcers in the U.S., part of the U.S. Talent organization. Each team of sourcers supports pre-executive level recruitment efforts for the following Areas of Focus: Black talent, Visible Minority/Minority talent, women, 2SLGBTQ+ talent, and PwD/IwDA. The Canadian and U.S. diversity sourcing teams additionally support recruitment of Indigenous Peoples and Veterans, respectively. In Canada, the diversity sourcers generally refer prospective applicants to recruiters and do not work on direct requisitions, whereas in the U.S., diversity sourcers will seek to identify a diverse talent pool for specific positions. Diversity sourcers in Canada and the U.S. prescreen talent identified through partnerships with diversity-serving organizations and community engagement.

In both Canada and the U.S., TD engages with dozens of diversity community partners that support individuals across all of TD's Areas of Focus. Diversity sourcers regularly participate in events hosted by these diversity community partners.

Although the diversity sourcing team primarily focuses on the recruitment of talent below the executive level, TD has taken steps to enhance recruitment of a diverse pool of candidates for executive positions by devoting sourcing resources to support executive hiring. To deepen the diverse talent pool for executive positions, the diversity sourcing manager develops a market scan of diversity in a business's target market. The market scan identifies potential future candidate leads and opportunities for the business or corporate segment to expand its target market, either in terms of geography or required experience.

2. Early Talent - Canada

In Canada, TD currently recruits from universities and community colleges that are located within its key footprint areas, which consist of large cities with highly diverse populations. TD's efforts to recruit early talent are primarily geared toward

recruiting talent from these colleges and universities for TD's internship and scholarship programs. To support its recruiting of Black early talent in Canada, TD has a dedicated Diversity Recruiter who focuses on hiring Black early talent, and TD reports that, as of September 2023, it is currently in the process of developing a similar Diversity Recruiter role focused on Indigenous early talent. To further support recruiting at colleges and universities, TD is currently in the process of hiring an Academic Advisor to provide insight into college-level recruiting, and the effectiveness of TD's efforts more broadly.

a) Internship Programs

TD Insurance, TD Wealth, and TD Finance, Treasury & Enterprise Strategy have each developed an Indigenous internship program specific to each segment, and efforts are underway in other segments to develop similar internship programs. Launched in 2017, each year, the TD Insurance Indigenous Internship Program provides more than a dozen Indigenous students with a four-month internship.²⁴ Interns may choose to complete the program remotely or at a TD location. The program provides opportunities for Indigenous young professionals to gain skills and experience with various segments of TD's insurance business.²⁵ Since 2017, TD has onboarded and retained nearly a dozen interns in this program to full-time employment. Similarly, the TD Wealth Indigenous Internship Program and the TD Finance, Treasury & Enterprise Strategy Indigenous Internship Program provide Indigenous students with internship roles. In 2023, TD hired more than two dozen Indigenous interns across its Indigenous internship programs.

TD also supports an internship program for Black students in Canada that aims to bring those interns back to the Bank into permanent positions following their graduation. TD also sponsored the Black Professionals in Tech Obsidi Academy, which teaches participants end-to-end application software development, including both user interface and application workflows. In 2022, TD provided its sponsored participants in the Tech Obsidi Academy with a guaranteed job offer upon graduation from the program.

b) Scholarship Programs

Since 2020, TD has provided two scholarships designed for students from historically marginalized groups in Canada. The first is the Indigenous Scholarship program, which provides 25 Indigenous students with \$15,000 per year for up to four years. TD considers these scholarship recipients and applicants for internship positions at the Bank. The second is TD Securities' Bridging the Gap, which is designed for diverse second- and third-year university students across all Areas of Focus and offers recipients a four-month paid summer internship, a \$10,000 scholarship, and a TD Securities mentor.

3. Early Talent – United States

To recruit from a diverse talent pool for entry-level internship programs and for full-time positions in the U.S., TD engages universities located predominantly in the mid-Atlantic region. The Early Talent team currently designates these schools as either “core” or “target,” with “core” schools being identified for recruiting by TD Securities and AMCB, and “target” schools being identified by the Early Talent team for further relationship development. Although the Early Talent team regularly engages with these core and target schools, the team has identified an opportunity to develop deeper relationships with career services and recruiters at these schools in order to build a more meaningful diverse talent pipeline.

In the 2022 recruiting season, the Early Talent team participated in ten career and internship fairs, with five of those events held at HBCUs. Further, TD hosted eleven in-person information sessions at six different universities, as well as four virtual information sessions for students from various colleges and universities. In addition to these recruiting events, TD also conducted interviews with students from over 120 different schools and universities.

TD reviews its hiring offers to ensure equal opportunity for all applicants and reported a strong diverse class for its 2023 internship and full-time hiring in the U.S. For its 2023 full-time, early talent hiring, TD Securities extended a substantial number of offers to individuals who were Minorities or Black. Similarly, for its

internship program, TD Securities extended a substantial number of its offers to candidates who were Asian, Black, or Hispanic. AMCB also reported diverse representation in its 2023 full-time hiring class, with a substantial number of offers extended to Asian, Black, or Hispanic candidates.

a) Recruiting Partnerships

To support its recruitment at colleges and universities, the Early Talent team utilizes Veris Insights and Handshake. Veris Insights is a consulting firm that supports companies with college-level recruiting.²⁶ Periodically, TD connects with Veris Insights to inform Veris of TD's priority topics, including D&I, related to recruiting "Gen Z" talent. Veris Insights develops research and reports on requested topics that are accessible to all TD employees. Handshake is an online recruiting platform for higher education students and alumni.²⁷ Through Handshake, TD is provided with data that reflects the strength of its diverse early talent recruiting in the U.S. as compared to its competitors. Monthly, TD receives a report from Handshake that provides insights into TD's job posting campaigns through Handshake, including demographic information of recipients of TD's job postings.

TD also maintains partnerships with BLK Capital Management Corp, a black-owned and student run non-profit that focuses on exposing Black students to the field of active investment management,²⁸ and Sponsors for Educational Opportunity,²⁹ a non-profit providing educational and career support to college students from diverse backgrounds. Although the Early Talent team does not currently collect metrics to assess the effectiveness of these partnerships, the team has in the past evaluated the level of support that recruiting partners were providing TD in its recruitment of diverse talent and reassessed certain relationships based on these evaluations.

b) HBCU Strategy

TD is also in the process of developing a strategy to enhance its relationships and its recruiting efforts with HBCUs ("HBCU Strategy"). The HBCU Strategy is supported by the HBCU working group, a volunteer group comprised of nineteen employees who are recruiters, sourcers, and business leaders from across TD

Securities and AMCB. As part of this strategy, TD is planning to develop a dedicated playbook that articulates a unique partnership approach for each HBCU. Similar to its overall strategy, the Early Talent team has identified two groups of schools: “core” schools, with which TD already has a relationship and which will be the focus of TD’s HBCU Strategy, and “target” schools, which TD considers secondary schools either because of their location relative to TD’s footprint or because of the current depth of the relationship between the school and TD. The playbook for each school will include strategies for different levers that TD can utilize to increase its recruiting from the HBCU.

As part of its HBCU Strategy, TD plans to continue attending career fairs and recruiting events with HBCUs, as well as sponsoring networking opportunities with these schools.

TD does not currently pursue similar strategies specifically for higher education institutions that predominantly serve Hispanic students (Hispanic Serving Institutions or “HSIs”) or higher education institutions that predominantly serve Minority students (Minority Serving Institutions or “MSIs”), either in Canada or the U.S.

c) Internship Pipeline Programs

TD Securities owns “TD Launch,” a six-week professional development program that targets college sophomores from a diverse array of backgrounds, including first generation students. The virtual program aims to help students begin their careers in financial services and includes sessions that introduce students to the different businesses at TD, provide resume and interview tips, share information on TD’s resource groups, and guide students on how to apply for an internship with TD. In 2023, nearly 50 students participated in the program, and six participants received offers to join an internship program with TD.

In 2022, AMCB piloted a similar program called “Beyond the Campus” geared toward recruiting first-year and sophomore students at HBCUs, HSIs, and MSIs. The program aimed to guide participants toward TD’s two summer internship programs in the U.S.: a nine-week program for rising juniors that focuses on increasing the

diversity of the pipeline in order to develop, evaluate, and recruit early career talent for TD's junior internship program; and a 10-week summer internship program for rising seniors who are then encouraged to apply to join TD on a full-time basis upon graduation. With the Beyond the Campus program, TD had difficulty in converting program participants into full-time hires and paused the program for the 2023 recruitment cycle to review its approach. The Early Talent team is collaborating with AMCB and TD Securities to identify business needs with regard to early talent and is assessing how to improve the matriculation rate of the Beyond the Campus program.

4. Recruitment Processes

TD's recruitment procedures are led by Talent Acquisition. The Talent Acquisition team has developed some measures to monitor D&I and to mitigate bias in the recruitment process, including the development of a tailored training called "Getting the Who Right." TD reports that the Talent Acquisition team has also begun expanding its team to include recruiters who focus on diverse experienced talent, with, as of September 2023, the Talent Acquisition team being in the process of hiring a recruiter focused on Indigenous experienced talent. Further, TD has begun the process of reviewing the recruitment life cycle, from job postings to onboarding, with its "Colleague Journey." In addition to assessing the talent acquisition life cycle for opportunities more generally, the Colleague Journey will also assess how to create an inclusive candidate experience and develop and implement relevant recommendations.

a) Getting the Who Right

Launched in 2022, "Getting the Who Right" is a comprehensive training for colleagues who conduct interviews at TD. The training consists of a self-directed course and a facilitator-led workshop and introduces interviewers to hiring best practices, the importance of consistency in interviews, effective interviewing techniques, candidate assessments, and evaluation capabilities. The training also explains how to develop an inclusive interview experience and how to mitigate unconscious bias in interviews. Employees are also provided with a training resource guide, an interview playbook, a leaders discussion guide, and are directed to an

additional training on Unconscious Bias and Inclusive Leadership on TD's internal learning platform (discussed on page 57). All employees within Talent Acquisition have been asked to take the course and as of June 2023, 50% of employees had done so.

b) Colleague Journey

In 2022, TD launched its Colleague Journey, an internal review of TD's efforts to attract, hire, and onboard talent. The Colleague Journey team is comprised of 33 employees from across the Bank, including representatives from HR, Marketing, Agile @ Scale,^{xii} and the D&I team.

The Colleague Journey team conducted a study of TD's current practices regarding recruitment and hiring and identified areas where TD could improve its practices, including as related to D&I and specifically the recruitment and onboarding processes. The Colleague Journey team collaborates closely with the D&I team and follows a multi-step, iterative process to identify possible improvements to these practices including: conducting external research around best practices, developing a prototype solution and pilot program, and implementing multiple touchpoints with recruiters and other stakeholders for feedback. As part of the Colleague Journey, the team identified opportunities for improvement, some of which related to internal processes where duplication of effort or manual activities could be enhanced.

Some of the action items that the Colleague Journey team identified will either further support D&I directly or will further assist TD in mitigating bias. For example, as part of the Colleague Journey, the team tested TD's current processes with different "personas," which represent the diversity of different types of candidates. As the team develops solutions and tools to improve TD's recruitment processes, the team will continue to use personas to test the applicability of the solutions to different populations. The Colleague Journey is also supported by a

^{xii} The Agile @ Scale team is responsible for supporting teams in transitioning to TD's defined Scaled Agile framework, which emphasizes discovery, learning, and continuous improvement over the measurement of outputs.

dedicated member of the D&I team who reviews all content created or revised as part of the Colleague Journey. In addition, the Colleague Journey team has also begun a process to revise TD's job postings to improve use of inclusive language and to mitigate implicit bias, and has indicated it has refreshed TD's career website to be more inclusive and to reflect TD's commitment to D&I.

The Colleague Journey team additionally identified a need for increased data collection from candidates that would inform TD's recruitment practices as they relate to D&I. Currently, TD only solicits feedback about the recruitment process from candidates who are successfully onboarded. The Colleague Journey team identified an opportunity for TD to develop a continuous feedback loop, whereby TD solicits feedback from all candidates regarding their experience with the recruiting, hiring, and onboarding processes. The team also identified a need for the collection and utilization of candidate demographic data to inform TD's diverse slate practices. Although TD does not have an enterprise-wide diverse slate requirement or policy, the Talent Acquisition team strives to present hiring managers with a diverse slate of qualified candidates, though access to demographic data provided by applicants is limited. Currently, in some circumstances, and where it is permitted by law, the Talent team may rely on visible markers of diversity to make assessments as to whether a group of applicants or new hires are from diverse backgrounds.^{xiii} Likewise, many of TD's recruitment processes are handled manually, without the support of a Client Relationship Manager ("CRM") program, which could be used to increase efficiencies throughout the recruiting process.

The Colleague Journey team identified that hiring processes differ across businesses within TD and among Hiring Managers. For example, an initial interview with a candidate may be conducted with a recruiter or with a Hiring Manager.

^{xiii} Although not commonly used, the practice of identifying applicants by visual identification is permitted under U.S. law. For example, the Department of Labor provides that for purposes of complying with requirements of the Office of Federal Contract Compliance Programs, employers can identify an applicant's demographic information through visual identification. *See General Affirmative Action Programs Frequently Asked Questions*, U.S. DOL, <https://www.dol.gov/agencies/ofccp/faqs/general-aaps#:~:text=Visual%20observation%20is%20an%20acceptable,used%20to%20obtain%20this%20infor mation>.

Additionally, the number of interviews required for a candidate can range from one to twelve, depending on the level and type of role. The Colleague Journey also identified an opportunity for TD to generate a more uniform process for interviews. Currently, to support standardization in its interview process, TD has generated position-related interview questions related to TD's Shared Commitments, which include: think like a customer, act like a owner, execute with speed and impact, innovate with purpose, and develop our colleagues. TD's Shared Commitments are behaviors meant to differentiate TD and guide the way in which colleagues run the business, grow as leaders, and support each other. Through an interactive program, interviewers may select specific questions that are populated in an interview guide. However, these questions and the interview guides are not mandatory and in practice, interviewers use different interview forms with different interview questions. The Colleague Journey identified that further uniformity in the process for interviewing would drive consistency in the candidate experience and reduce potential unconscious bias and disparate impacts from widely varying application experiences.

Recommendations for Recruitment

- TD should enhance its collection and utilization of applicant demographic data to promote greater focus on diverse talent flow and more sophisticated analysis of applicant sourcing.
- Building on its HBCU Strategy and HBCU working group, TD should consider developing similar strategies and working groups for Indigenous People Serving Institutions in Canada and for HSIs and MSIs in the U.S.
- TD could implement additional practices to mitigate potential bias in the recruitment process, such as:
 - Ensuring that all sourcers, recruiters, and all other colleagues who interview candidates complete the training module “Getting the Who Right” within a specified period after joining the Bank and on an annual basis thereafter, or developing mechanisms to ensure completion of the training, such as reference in the annual review cycle;
 - Further standardizing the process for interviewing candidates, which could include encouraging consistent use of the Bank’s standard set of interview questions, further expanding the standard set of interview questions, and regularly assessing the questions for inclusivity; formalizing who participates in interviews; and standardizing how many interviews are required, consistent with the opportunities that are the focus of the Colleague Journey.

B. Compensation

A primary objective of TD’s compensation philosophy is to deliver equitable compensation to all colleagues. To ensure that all employees are paid fairly, TD has

established practices to measure and assess fair pay, including salary ranges and standard incentive targets (by role) for the vast majority of employees, education on compensation practices and the Bank's approach to fair pay, and tools that support consistency in decision making. In addition, since 2018, TD has engaged annually with a consultant to complete an enterprise fair pay review, which is a detailed statistical assessment of pay across the Bank. In 2022, TD's fair pay analysis with respect to race and ethnicity revealed that Visible Minority employees in Canada earned more than 99 cents for every dollar earned by non-Visible Minority employees and that Minority employees in the U.S. earned at least \$1 for every dollar earned by non-Minority employees.

The Compensation team establishes salary ranges that provide a market competitive range of pay for positions at the same job level. Excluding executives, these salary ranges provide the framework in which all compensation decisions (new hires, promotions, and year-end increases) are made. Managers maintain discretion to set salaries within the range. Guidance for managers on this process is focused on appropriate factors to consider when determining placement in range. Guidelines for mitigating unconscious bias are not explicitly covered.

Since 2018, TD has worked on an annual basis with a consultant to conduct a multi-variable regression analysis of all employees (except commission-based employees) in both Canada and the U.S. to assess base salary for fair pay with respect to gender and race/ethnicity. Following the analysis, TD assesses any pay gaps or necessary adjustments, analyzing such gaps at both the enterprise-wide and the business level.

Once the Compensation team has, together with its consultant, completed its fair pay analysis and identified any remedial steps, the Compensation team then waits for People Managers to submit their recommendations for annual salary adjustments before informing People Managers of any fair pay adjustments. At that time, the Compensation team enters into a dialogue with the People Managers, during which People Managers have the opportunity to question the proposed salary remediations and explain factors impacting the salary. To militate against Hiring Managers' decisions regarding performance increases being skewed or otherwise altered by

knowledge of pending remediation, the Compensation team is purposeful in the timing of its communications regarding remediation. TD's intention is that remedial salary adjustments are made on top of any annual raises recommended by People Managers.

To spread awareness and knowledge of TD's fair pay practices, and to convey the importance of fair pay to employees, the Compensation team developed a learning module on TD internal learning platform (discussed on page 57) addressing fair pay. The module describes TD's approach to fair pay, including the policies and processes that are the foundation of the approach, as well as the process for reviewing fair pay outcomes on an annual basis. The module also explains what the term "pay gap" means and presents TD's 2022 adjusted pay gaps with respect to gender and race.

Recommendations for Compensation

- TD should continue to assess the efficacy of its salary-setting practices and related remediation processes to mitigate the risk of pay inequities and ensure that all actions taken to implement fair pay are appropriately executed.
- TD could consider integrating information regarding how unconscious bias may impact base pay decisions into an existing resource or training program for relevant Hiring Managers.

C. Benefits

TD purposively considers D&I in making enhancements to its benefits offerings with the goal of making benefits accessible, affordable, and sustainable for the entire workforce. TD regularly engages a benefits consultant to assess its benefit offerings, including with consideration of diversity and inclusion goals, in both Canada and the U.S. In 2023, TD further engaged a benefits consultant to conduct a targeted

benchmarking survey in Canada to assess TD's benefits against peer organizations from a D&I perspective. This survey reviewed information related to paramedical plan benefits (such as Indigenous Elders, Reiki, and Doulas), to diversity-oriented navigation support for accessing services, and to D&I listening strategies, as well as other D&I-related touchpoints. The TD Benefits team also is working to compile benefits summaries relevant to different D&I Areas of Focus. TD received the insights of the consultant's assessment in the summer of 2023 and plans to use those insights to inform future program enhancements.

To ensure that the Bank is providing benefits that are meaningful and accessible to employees, TD regularly solicits employee feedback. In the U.S., TD's benefits team regularly solicits feedback from resource groups. For example, in response to dialogue with resource groups and in acknowledgement that different employees may have different access to health professionals, TD implemented a change in its health plan to allow for second medical opinions. TD also receives D&I-related employee feedback on benefits through informal listening sessions hosted by diversity councils, through direct solicitation for feedback from employees, and through "iD8" submissions, a program through which employees may submit ideas for improvement (discussed on page 56).

TD more broadly receives various feedback from employees regarding benefits through employee surveys. In the U.S. as part of annual enrollment, TD also surveys employees on their understanding and comfort with TD's benefits. For example, in 2022, TD surveyed employees in the U.S. regarding benefit enrollment, asking for responses to statements and questions. Examples of questions asked are: "I understand the benefits provided by this organization well enough to be able to use them effectively," "What method do you prefer to get communication about your benefits?," and "The online tools made it easy to make your enrollment decisions." TD assesses these survey responses in the aggregate but does not conduct analysis with respect to employee demographics. TD also solicits benefits-related feedback from employees in both Canada and the U.S. through the Annual Pulse Survey. Through the annual enrollment survey in the U.S. and the Annual Pulse Survey globally, TD provides employees the opportunity to provide relevant written commentary, which is then reviewed by the Benefits team.

TD has implemented a number of racial-equity-related changes to its benefits offerings in 2023, including: (i) expanding the list of eligible expenses under the employee’s wellness accounts for TD Canada colleagues to include Indigenous and non-traditional healers, such as Elders, Chinese medical practitioners, and Shiatsu therapists; and (ii) providing all TD Canada colleagues two additional paid personal days off per year for personal reasons, including religious and cultural holidays and Indigenous practices and ceremonies. In 2023, TD also hired a “well-being advisor” to its Canadian Benefits team who will act as a liaison between Benefits, ESG, and D&I to ensure that all three groups work in collaboration.

To further support inclusion, TD established a Well-Being Ambassador Program that recruits colleagues to act as well-being ambassadors who can educate colleagues on TD’s benefits and resources and promote well-being programs. The ambassadors are provided with a “toolkit” of information about the theme or topic so that they can then spread awareness within their respective businesses. In interviewing people for these ambassador roles, TD aimed to select a group that was diverse and representative of TD’s workforce.

TD reviews its benefit enrollment with respect to age, family-type, sex, and employee tenure. With upcoming TD HR system enhancements, TD intends to assess the feasibility of reviewing participation and utilization of various benefit offerings with respect to gender, race, and ethnicity to help identify and remediate any potential disparate impacts.

Recommendation for Benefits

- TD should continue efforts to review its benefits programs from a D&I perspective, including with assistance from its benefits consultant, in considering program design and leveraging employee input and utilization and participation data.

VIII. Culture

For almost 20 years, TD has worked to embed D&I into the Bank's business strategy and as part of the culture of the Bank. TD defines its "Culture" as a shared set of beliefs and values that drive behaviors, decision making, and business practices. These beliefs and values are set forth in TD's Culture Framework, which includes seven key pillars. Among these are "Colleague" and "Diversity & Inclusion." Desired cultural outcomes for the Colleague pillar include supporting: (i) the well-being of colleagues; (ii) an environment where colleagues can grow and develop; and (iii) a culture of care through appreciation. Desired cultural outcomes for the Diversity & Inclusion pillar include fostering a diverse and inclusive workforce, which the Bank considers core to its purpose of enriching the lives of customers, communities, and colleagues.

TD aims to fulfill its cultural objectives through a variety of employee engagement channels; conducting D&I-related trainings; offering leadership development, learning, mentorship, and sponsorship programs; supporting employee-led resource groups; evaluating talent and performance; hosting D&I-related programs; and through internal and external D&I-related communications, among other strategies and initiatives.

A. Employee Engagement

TD engages with employees and assesses employee perspectives at the Bank through a variety of channels, including culture assessments, and an employee program to generate ideas for improvement ("iD8"), as described below, as well as the Annual Pulse Survey described above on page 16. Other channels include live and recorded presentations, workshops, community groups, videos, articles, and newsletters.

1. Culture Assessments

Since 2021, TD has periodically conducted Culture Assessments to monitor the Bank's progress toward its commitments to employee culture, which are set forth in the Bank's Culture Framework. As part of its Culture Assessment, TD's Culture Oversight team, which is part of the Bank's HR function, surveys TD employees across the Bank, and conducts interviews and focus groups with employees. The results, which are incorporated into the enterprise-wide dashboard and are organized by each pillar, are used by the Culture Oversight team to assess progress toward the desired outcomes associated with each pillar, identify cultural strengths and opportunities for improvement, and direct remediation efforts where needed and within particular business functions. For example, the diversity and inclusion dashboard includes results for "diverse representation in leadership" and "inclusive workplace and broader diverse representation," and measures progress toward TD's representation goals and aspirational goals for VP+ leadership. The dashboard is then elevated to the SET, Board, and to various risk management committees, among others, in order to inform leadership about TD's progress toward its desired outcomes and commitments for each pillar, and to align on and implement recommendations for each pillar.

The Culture Oversight team tracks action plans for any business segment and pillar that has identified opportunities to improve on the desired outcomes.

2. iD8

TD has established iD8, a robust employee program that aims to engage and empower employees to share their ideas on improving the customer and employee experience. Employees can submit ideas about each business and corporate segment, including in both corporate and retail branches. Since its launch in February 2019, TD has received over 50,000 ideas from employees. A group of TD employees, which includes an iD8 enterprise team and supporting council, review submitted ideas for potential implementation, and as of July 2023, almost 8,000 ideas submitted to iD8 have been operationalized. Suggestions that have been implemented include providing employees with the ability to earn ratings (i.e., novice to master) for skills

developed (i.e., data analytics) that can be used for internal promotion opportunities, anonymizing job applications at the job application screening stage by removing the names listed to mitigate against the potential for implicit bias, and more easily changing gender identification in self-ID forms, among others.

B. Trainings

TD offers employees a variety of well-developed and detailed trainings related to diversity and inclusion designed to foster an inclusive work environment for all employees. These required^{xiv} trainings are designed through a collaboration among the Areas of Focus Leads, the Leadership and Development team, the D&I team, and the Legal department. These trainings include:

- *TD Culture: Inclusion, Accommodation & Accessibility.* Designed to help colleagues understand how they can help foster a culture of respect in the workplace that enables everyone to contribute fully, with a focus on accessibility and inclusion for individuals with diverse abilities. The training includes separate modules for People Managers and those who develop TD's policies, and for non-People Managers.
- *Diversity and Inclusion at TD.* Designed to provide employees with foundational knowledge about D&I at TD and TD's culture of care, examines concepts of recognizing bias and how to be an ally, and provides guidance on responsibilities as a TD colleague to ensure an inclusive and respectful workplace.
- *Inclusive Leadership.* Designed for new People Managers (L9–L11) to identify behaviors such as biases and other non-inclusive behaviors, and includes video workshops on tactics for inclusive leadership such as identifying and addressing

^{xiv} The Diversity and Inclusion at TD, Understanding Black Experiences, and Recognizing and Addressing Anti-Black Racism trainings are not required in U.S. states where such a requirement would be proscribed.

unconscious bias, worksheets to prompt consideration about being inclusive when filling open positions, and action plans, among other accountability tools.

- *Understanding Black Experiences.* Designed to enhance employee awareness of the experiences that some Black people may face every day, including the negative impacts of racism and common microaggressions.
- *Recognizing and Addressing Anti-Black Racism.* Covers examples of racism toward Black people; examples of discrimination toward other underrepresented groups; and guidance on identifying and addressing biases, including unconscious biases, among other topics. TD supplements this training with a Colleague Guide on “Engaging in Conversations Around Race and Anti-Black Racism.” TD is also developing an advanced course addressing equity that will expand on these topics. TD expects to roll out this course in 2024, starting with the Senior Executive Team and then expanding the offering through the organization. TD is also developing an Enhanced Equity Training specific to the SET with an emphasis on learning to identify and address systemic inequities in talent acquisition, assessment and promotion, and customer experience and processes.
- *Indigenous Awareness Training.* This course for Canadian colleagues covers topics including: recognizing the legacy of the Residential School system; demonstrating welcoming language and actions; recognizing cultural diversity of the three distinct groups of Indigenous Peoples in Canada; and identifying how employees can take action toward reconciliation. This course is reinforced with “Indigenous Peoples Cultural Awareness Huddles,” which are facilitated by team managers and leaders, and provide colleagues with the opportunity to ask questions through facilitated prompts. TD is currently exploring developing additional courses that will be offered through TD Thrive, the Bank’s internal education platform, which is described in greater detail below on page 57.

Progress and completion rates for these required trainings are automatically tracked through the Learning Management System by the HR Analytics and Reporting team, and managers of employees who do not complete these trainings receive

notifications from HR. Failure to take required trainings could lead to disciplinary action, though this is rare. Over 98% of employees have participated in these trainings.

C. Leadership Development, Learning, Mentorship, and Sponsorship Programs

TD offers its employees a variety of leadership development, learning, mentorship, and sponsorship programs designed to create a respectful and inclusive work environment, and maintain and develop a diverse workforce. Although some individual Areas of Focus track metrics to evaluate the success of these programs, such as with the Black Experiences mentorship program, the D&I team does not collect data or track participation in these programs at a centralized level and does not disaggregate participation by demographics, including for those programs open to all TD employees.

1. Leadership Development

TD has developed a series of leadership development programs designed to accelerate the growth of identified top talent, including diverse talent, and prepare them for senior roles at TD. These programs include the Graduate Leadership Program, the Senior Manager Impact Program, the AVP Executive Development Program, and the VP Executive Development Program. TD seeks to ensure equitable access to these programs across all demographic groups and closely monitors representation across these programs.

The Graduate Leadership Program is a two-year program, consisting of four six-month rotations, designed to attract new talent with a MBA or technical Masters' Degree to work in emerging areas of the Bank. Since 2015, 68 employees have participated in the Graduate Leadership Program and currently, the program selects seven new hires annually to participate.

The Senior Manager Impact Program is a nine-month program designed to build experience in emerging business skills and community impact, as well as to help participants realize their leadership potential. Since 2015, 420 employees have participated in the program with 70 new participants each year. Priority capabilities for the program include embracing diversity, leading change, and inspiring others. The program includes: (i) an assessment and engagement with an external coach to build self-awareness and identify growth opportunities; (ii) four immersion experiences that are held virtually; and (iii) an ESG capstone project. As part of the ESG capstone project, participants identify ESG risks and opportunities for TD, learn how to understand environmental and societal risks, and explore how to apply sustainable solutions to business models and strategy. For the 2021–2022 cohort for the Senior Manager Impact Program, TD saw diverse representation among the participants, with 49% of participants identifying as women, 40% of participants identifying as Visible Minorities, and 5% of participants identifying as Black.

Both the AVP and VP Executive Development Programs are ten-month programs that include: (i) two in-person immersion experiences and a virtual immersion experience; (ii) subject matter expert-led programs on building key capabilities such as “Talent and Teams” and “Networked Leadership;” (iii) tailored development through individualized leadership assessments; and (iv) a capstone project that is designated as a “priority initiative” by the Bank. The AVP Executive Development Program’s outcomes include “use empathy, authenticity, and trust to build successful, productive, and innovative teams,” and “learn strategies for inspiring and energizing teams by understanding their needs and drives,” among others. TD reported that as of July 2023, 172 employees have participated in TD’s AVP Executive Development Program since the program started in 2017, and 76 employees have participated in TD’s VP Executive Development Program since the program started in 2020.

In 2021–2022, TD saw strong diverse representation in both programs, with the AVP and VP programs having 67% and 56% of participants identifying as women, 35% and 25% of participants identifying as Visible Minorities, and 15% and 12% of participants identifying as Black. These programs include immersion experiences with focused D&I topics. For example, for 2023 programs, TD included a module on

“Cultivating Inclusion through Innovation and Accountability,” that touched on topics such as accountability in D&I, the role of leadership in D&I, tools and strategies to promote D&I, innovating for accountability in the D&I space, and overcoming D&I challenges.

TD has also developed several smaller leadership development programs outside of the Top Talent leadership programs. For example, in Canada, TD offers the Inspiring Leaders Program for Canadian Black, Visible Minority, and/or Indigenous colleagues designated as pipeline talent (L9–L11 level) who have not participated in the Top Talent program. This one-month leadership development program is designed to address common challenges faced by underrepresented communities within large organizations and develop skills to help them overcome those challenges, thrive, and show leadership. Since the program was launched in 2014, there have been 19 cohorts, each consisting of 24 participants. TD has a similar program in the U.S. that is open to all employees. In addition, TD offers the AMCB Leadership Readiness Program for L10–L12 level AMCB employees. This 18-month leadership development program includes classroom and experiential training focused on leadership skills, business acumen, professional development, and networking, and is designed to develop critical leadership skills and broaden the understanding for how the Bank does business. The most recent cohort was approximately 50% diverse. Out of a cohort of 20 individuals, seven were promoted following the program. The Bank also offers workshops and speaker series for the Black Employee Network and will roll out a similar program for Indigenous colleagues in Fall 2023.

TD solicits feedback from Top Talent program participants and evaluates the programs in terms of efficiency, alignment, effectiveness, and outcomes. This includes assessing Annual Pulse Survey responses of these participants, conducting an impact survey three to six months after the program, and conducting interviews with participants throughout the program. TD tracks these participants’ promotion, lateral movement, and retention rates, and assesses participant progress toward personal development goals. TD does not consistently do this for all of the smaller leadership development programs and does not currently assess program outcomes by demographics.

2. Learning

TD provides its employees with access to a self-directed, supplemental learning platform called TD Thrive that hosts a variety of D&I-related courses, programs, plans, and learning “pathways.” Pathways are designed to build hard and soft skills and raise employee awareness on certain topics. Pathways include Introduction to TD Thrive, Cyber Security, Career Development at TD, Data & Analytics Fundamentals, Diversity and Inclusion at TD, Inclusive Mindset, and various modules on Being an Ally, Countering Bias, and Leading Inclusively, among others. These pathways consist of mixed media, including external communications through TD Stories, podcasts, TD Tube and YouTube videos, articles, internal courses (e.g. FutureNow; Environmental, Social and Governance (“ESG”) Learning; Business Learning; and Leadership Ready), external courses through Harvard ManageMentor (e.g. Advance Your Organization’s Diversity Efforts; Becoming a Diversity Advocate; What Diversity Is—and Why It Matters; Lead Inclusively; and Understand and Counter Bias), and other self-reflection tasks.

3. Mentorship

TD offers a number of mentorship programs that are generally designed and implemented within business and corporate segments, though there are also country-specific mentorship programs. Though TD does not have a formal centralized mentorship program, TD offers an informal enterprise-wide mentorship program that allows employees to talk with their people managers and request a mentor. The mentoring relationship is “owned” by the mentor and the mentee and supported by People Managers through regular, ongoing performance and development discussions. TD also offers mentors and mentees enterprise wide with a common “Mentoring Guide” and “Mentoring Toolkit.” In addition, some Areas of Focus, such as Women at TD, offer enterprise-wide mentorship programs that are open to all employees. In Canada, some mentorship programs are designed specifically for employees within certain Areas of Focus, while in the U.S., mentorship programs are open to all.

In Canada, TD offers, among others, the following enterprise-wide mentorship programs:

- *Indigenous Peoples Mentorship Program.* Designed to increase Indigenous talent representation and colleague experience, this program was launched in 2021 and includes 30 participants at the L7+ level of the organization. TD does not track the matching of mentor/mentees or career trajectories following matches.
- *Black Experiences Mentorship Program.* This 18-month program includes modules on different areas of impact for Black community members, and career impact is monitored.
- *Each One Teach One Mentorship Program.* This group mentorship program, designed for Black employees and expanded to Visible Minority employees in at least one business segment, includes career development sessions on topics such as interview presence, career pathways and options, building an effective internal network, and having a standout LinkedIn/resume.

In the U.S., AMCB offers a mentorship program open to all employees and tracks participation by demographic. The most recent cohort included more than a dozen employees who completed the program, half of whom received promotions or lateral movement within the Bank following successful completion of the program.

4. Sponsorship

TD offers sponsorship programs within certain business and corporate segments, and for some Areas of Focus in Canada, though each are in a different stage of development. Examples of current sponsorship programs include:

- *Black Experiences Career Pathways Program.* This program was launched in May 2022 as an enterprise-wide sponsorship program. The sponsorship program, piloted in TD Finance, includes 10 Canadian employees selected through the Talent Assessment Process (described more fully below). The program is designed to support Black colleagues achieve career progression and

increase Black colleague representation at AVP+ levels. This program engages the business/corporate segment Senior Vice President to advocate as a sponsor for those who are part of the program as they progress in their careers. TD is planning to replicate this program across other business and corporate segments.

- *Leadership in Action Sponsorship Program.* This sponsorship program is designed for, and open to, L11–VP level employees across AMCB and Canada. Over 200 employees have participated in this program, which includes external learning facilitated by Harvard and nine one-on-one coaching sessions with a TD executive sponsor.
- *Sponsorship in Action Program.* This sponsorship program is designed for Visible Minority Canadian employees at the L9–L11 level. This one-year program includes the opportunity for participants to connect one-on-one with senior leaders to further develop experiences relevant to role progression. There have been two cohorts, consisting of 47 Black employees and 66 Visible Minority employees.
- *AMCB Diversity Leadership Team Sponsorship Program.* This program launched in Summer 2023 for all employees at the L11–AVP level and is designed to develop VP+ candidates. TD reports that the program has high utilization rates among diverse colleagues, particularly Black women. The program matches employees with executives at the SVP level on AMCB’s diversity council and supports their learning through a coaching program.

D. Resource Groups

TD views its employee-led resource groups as a valuable component of fostering community at TD. Since the Bank first established an Indigenous Peoples employee-led resource group in 2008, the Bank has since established over 20 resource groups, known internally as both business resource groups and employee resource groups, for communities of employees related to each Area of Focus,

including: Women at TD, Multicultural Network, Black Employee Network, Individuals with Diverse Abilities, 2SLGBTQ+, TD Salutes (Veterans) in the U.S., and Indigenous Circle@TD in Canada. Some of these function as umbrella groups for other resource groups. For example, resource groups that fall under the Multicultural Network umbrella include: TD United Pan-Asian Employee Resource Group (Ascend@TD) (which includes the South Asian Employee Community Network, East and South East Asian Leadership, TD Chinese Employee Network, Filipinos at TD, and TD Korean Employee Network), Latinos in Leadership, and various Multicultural Network groups across some business and corporate segments. There are over 51,000 total members across the resource groups.

Some of these resource groups, such as the Black Employee Network, also have chapters within certain regions and business or corporate segments, but this is not uniform across the Bank. For example, there are Indigenous Peoples resource groups only in some business and corporate segments and regions in Canada, though TD is working to develop Indigenous resource groups across all business and corporate segments and across every region in Canada. In addition, representation across the groups varies significantly due to differences in representation across the organization and due to each group's focus and approach.

Each resource group has an executive sponsor, and is led by employees on a volunteer basis. Resource groups have central funding, and may also get additional funding from business/corporate segments if they work with a segment to address a specific need or in respect of a specific event. Resource groups often support Area of Focus Leads and Area of Focus Consultants by planning and executing local Area of Focus-related events.

To facilitate communication, TD hosts intranet pages for each resource group related to the Areas of Focus for both Canadian and U.S. colleagues. These intranet pages contain information about upcoming events, initiatives, programs, resources, leadership and career development opportunities, blog posts, and information about heritage, history, and culture. Some pages also include recorded videos of past events and speakers.

E. Talent and Performance Evaluations

1. Talent Assessment and Reviews

TD's Talent Management, Colleague, and Culture team has developed a series of trainings and controls to mitigate bias in the talent review and performance review processes, including annually monitoring the diverse participation rate in its top talent pipeline. Throughout this process, with the support of HR Business Partners, business leaders identify "core talent," who are the majority of employees; "developing talent," who are employees that business leaders identify as having potential for becoming top talent; and, as referenced above, "top talent," who are employees that leaders believe have the potential to assume significant senior roles within the Bank.

HR Business Partners provide support to business leaders to ensure that diverse talent is considered in the developing talent and top talent groups. For example, these Business Partners ensure that assessments are consistent, navigate discussions with business leaders to ensure equitable outcomes, and coach business leaders to overcome bias. To support these goals, TD provides Business Partners with relevant training that includes a module on managing unconscious bias in others, guidance on various types of unconscious bias, and information regarding how unconscious bias may impact talent reviews, succession management, and talent development. Business Partners are also provided guidance documents that reinforce the concepts learned in the training.

2. Performance Reviews and D&I Recognition

In addition to the talent review process, employees participate in year-end performance reviews on an annual basis to assess their performance. As part of this process, People Managers are provided with a Performance Assessment Guide that includes a reminder for People Managers to be aware of unconscious bias and a link to a resource that provides additional information on the definition of unconscious bias and how to mitigate unconscious bias. Though some business and corporate segments consider an employee's D&I contributions as part of their performance review, this practice is not uniform across the Bank.

TD awards one D&I award per quarter to an employee in each business and corporate segment for their D&I contributions.

F. D&I Programming

TD offers expansive enterprise-wide D&I programming including summits, heritage moments, events, galas, and other initiatives, across all of the Areas of Focus. Programming is open to all employees. In addition to these enterprise-wide events, business and corporate segments also host their own events. TD regularly surveys participants for feedback after events and runs data analytics on employee surveys to identify trends based on demographics. The D&I team maintains a shared network drive of enterprise-wide programming, but the drive does not include information about each individual business/corporate segment's events and initiatives, and is only accessible to the D&I team; it is not otherwise shared with those who execute business and corporate segment programming at the Bank.

TD's annual Global D&I Summit, first held in 2019, is the Bank's signature D&I event of the year. The summit is open to all TD employees and is comprised of four days of in-person and virtual programming, which includes internal and external speakers. TD's senior leaders, such as TD's President and CEO and several members of the SET, regularly participate in the D&I summit. In addition, TD also hosts an annual Multicultural Network Summit that is open to all employees and includes a six-member colleague panel, with representation from different backgrounds, a keynote speaker, and remarks from the Multicultural Network Area of Focus leadership.

Throughout the year, TD hosts events and programs to align with heritage moments for each Area of Focus. TD's CEO generally speaks at each kick-off event. For example, TD hosts a series of events during Black History Month in both Canada and the U.S., Juneteenth and Emancipation Day in the U.S., Asian Heritage Month in both Canada and the U.S., and Hispanic Heritage Month in the U.S. and Latin American Heritage Month in Canada. These events often feature external and internal speakers, and host celebrations, talks, and educational components. In addition, TD also hosts events commemorating Indigenous Peoples. These include

National Indigenous Peoples Day, International Day of World's Indigenous Peoples, and National Day for Truth and Reconciliation. These events are generally attended by thousands of TD employees.

TD also hosts galas and banquets around heritage events, many of which have been offered for more than 10 years, including a Chinese New Year banquet in Canada, a Diwali banquet in Canada, a series of Lunar New Year galas in both the U.S. and Canada, and a South Asian gala in Canada. Open to all, thousands of TD employees participate, often dressed in traditional attire, including TD's CEO and other senior executives. These events often include opening performances, a keynote speech, remarks by TD's CEO, prizes and giveaways, and other entertainment such as fashion shows and dance performances. These events receive funding from individual business and corporate segments and TD's D&I team. Employees also pay a small fee to purchase tickets for the events.

TD hosts events and facilitates programming designed to raise awareness around specific Areas of Focus. These include: (i) wearing orange shirts on National Day for Truth and Reconciliation to raise awareness and acknowledge the impact of residential schools on Canada's Indigenous population; (ii) commemorating Missing and Murdered Indigenous Women and Girls and Two-Spirit People; (iii) Black Executive Forum events focused on Black executive representation at the Bank, the colleague experience, anti-Black racism, fair pay, and social impact and corporate citizenship; (iv) "Real Talk" speaker series hosted by the Black Employee Network and Multicultural Network; and (v) the "Banking While Black" education series, among others.

G. D&I Communications

TD develops a variety of internal D&I-related communications for its employees, including newsletters, video campaigns, guides, and awareness initiatives. Examples of these communications include: (i) a Ramadan guide with background on the holiday and guidance on how to support colleagues during Ramadan, such as by respecting prayer commitments, scheduling meetings earlier in the day when energy levels are higher, and celebrating the breaking of the fast (Eid-Al-Fitr); (ii) Monthly

Indigenous Peoples newsletters; and (iii) “My Name Is...” videos that include TD employees discussing how to properly pronounce their names and the cultural significance of those names. In connection with these videos, TD rolled out a feature on Microsoft Teams and in email signatures that enables employees to include a recording of the accurate pronunciation of their names.

In addition, TD publishes a variety of D&I-related articles, videos, and blog posts on its external TD Stories webpage.³⁰ TD also hosts an external-facing platform, the Equity Resource Hub, designed to serve as a resource to help teams incorporate an equity lens into their processes, projects, and solutions.³¹ The Hub includes resources, terms, templates, personas, and processes openly available for users to incorporate Inclusive Design practices into problem solving.³²

Recommendations for Culture

- TD could consider enhancing its existing D&I-related trainings to match the level of sophistication of the “Recognizing and Addressing Anti-Black Racism” and Indigenous Awareness trainings and ensure those trainings address a broad set of underrepresented communities. In addition, TD should continue its rollout of the advanced Enhanced Equity Training to People Managers, senior leaders, and the SET.
- TD should consider enhancing communications with employees about existing mentorship and sponsorship programs to encourage and increase participation in these programs. TD should also consider formalizing and centralizing its existing mentorship programs, and offering an enterprise-wide sponsorship program, leveraging the learnings of smaller, business/corporate segment- and Area of Focus-specific mentorship and sponsorship programs. To the extent that TD does not currently do so, the Bank should centrally track the demographics of participants in its mentorship and sponsorship programs to ensure equitable enrollment and consistently track career trajectories of program participants

against non-participants by demographic to assess impact.

- With respect to its leadership development programs, TD should continue to consider opportunities to more fully integrate D&I objectives, continue to promote and assess enrollment of diverse colleagues to ensure equitable participation, and promote awareness of courses to employees to build out skills needed for development opportunities. In addition, TD should continue to consistently track career trajectories (promotion, retention, and lateral movement rates) of program participants in the Top Talent programs, and identify opportunities to track career trajectories in smaller leadership development programs, against non-participants by demographic to assess impact.
- To expand internal awareness of D&I-related programming and events, TD should consider increasing its communication about and promotion of D&I programs and events, as well as further centralizing the tracking of those events, where appropriate to do so.
- TD should consider opportunities to increase resource group visibility and drive membership, by, for example, further promoting resource group awareness throughout the entire employee life cycle and leveraging employee demographic data to encourage membership. TD should continue its efforts to promote cross-collaboration among resource groups, particularly sub-groups under the same umbrella resource group (e.g. Multicultural Network) to increase resource group impact. TD should also continue its efforts to further develop resource groups in regions, business and corporate segments, and Areas of Focus, and assess whether resource groups are funded consistently and equitably.

¹ Sophie Ireland, *Biggest Banks In The World, As Measured By Total Assets, 2023*, CEOWORLD MAG. (Apr. 2, 2023), <https://ceoworld.biz/2023/04/02/biggest-banks-in-the-world-as-measured-by-total-assets-2023/>; TD, *Business Profile* (July 31, 2022), https://web.archive.org/web/20221013025207/https://www.tdbank.com/exc/pdf/TD_Bank_Corporate_Profile.pdf.

² TD, *Environmental, Social and Governance Report* at 53–54 (2022), <https://www.td.com/content/dam/tdcom/canada/about-td/pdf/esg/2022-esg-report.pdf> [hereinafter “2022 ESG Report”].

³ TD, *Ready Commitment Report* at 2–3 (2022), <https://www.td.com/content/dam/tdcom/canada/about-td/pdf/esg/2022-tdrc-report.pdf>.

⁴ Bharat Masrani, *A Message From Bharat Masrani: Additional Actions To Combat Racism And Its Impacts* (July 14, 2020), <https://stories.td.com/ca/en/article/actions-combating-racism-td>.

⁵ See 2022 ESG Report at 8.

⁶ See *id.*; *About TD*, TD, <https://www.td.com/ca/en/about-td>; 2022 ESG Report at 90; *Corporate Profile*, TD, <https://www.td.com/ca/en/about-td/corporate-profile>.

⁷ See *Corporate Profile*, TD, <https://www.td.com/ca/en/about-td/corporate-profile>.

⁸ See *Committees of the Board*, TD, <https://www.td.com/ca/en/about-td/corporate-profile/committees-of-the-board>.

⁹ See *Notice of 2023 Annual Meeting of Common Shareholders and Management Proxy Circular, Annual Meeting April 20, 2023*, THE TORONTO-DOMINION BANK, at 103, <https://www.td.com/content/dam/tdcom/canada/about-td/pdf/td-investor-2023-proxy-en.pdf>.

¹⁰ *See id.*

¹¹ *See* TD, *Corporate Responsibility Report* at 41 (2003), <https://www.td.com/content/dam/tdcom/canada/about-td/pdf/esg/td-crr-2003-report.pdf>.

¹² *See* 2022 ESG Report at 88.

¹³ *Id.*

¹⁴ *Id.*

¹⁵ *Notice of 2022 Annual Meeting of Common Shareholders and Management Proxy Circular, Annual Meeting April 14, 2022*, THE TORONTO-DOMINION BANK, at 30, <https://www.td.com/document/PDF/investor/2022/E-2022-Proxy-Circular.pdf> [hereinafter “2022 Proxy Circular”].

¹⁶ *Id.* at 31.

¹⁷ *See id.*; Masrani, *A Message From Bharat Masrani: Additional Actions To Combat Racism And Its Impart*, *see supra* note 3.

¹⁸ 2022 Proxy Circular at 31.

¹⁹ *See Corporate Information: Senior Leadership*, TD, <https://www.td.com/about-td/bfg/corporate-information/executive-profiles/group-heads/>.

²⁰ *Notice of Annual Meeting of Common Shareholders and Management Proxy Circular: Annual Meeting April 1, 2021*, THE TORONTO-DOMINION BANK, at 29, <https://www.td.com/document/PDF/investor/2021/E-2021-Proxy-Circular.pdf>.

²¹ Masrani, *A Message From Bharat Masrani: Additional Actions To Combat Racism And Its Impart*, *see supra* note 3.

²² See 2022 ESG Report at 54.

²³ See *id.*

²⁴ See TD, *Principles for Sustainable Insurance, Annual Disclosure 2021*, <https://www.tdinsurance.com/content/dam/tdinsurance/document/pdf/products-services/final-2021-principles-for-sustainable-insurance-annual-disclosure-acc.pdf>.

²⁵ See *id.*

²⁶ Veris Insights, <https://verisinsights.com/>.

²⁷ Join Handshake, <https://joinhandshake.com/>.

²⁸ BLK Capital Management, <https://www.blkcapitalmanagement.org/about>.

²⁹ SEO, <https://www.seo-usa.org/>.

³⁰ See *TD Stories*, TD, <https://stories.td.com/>.

³¹ *Welcome to the Equity Resource Hub*, <https://www.equityresourcehub.com>.

³² See *id.*