

Gender Pay Gap Report 2017

April 2018



The UK government has enacted Gender Pay Gap legislation requiring employers with 250 or more employees in England, Scotland and Wales to publicly disclose comparative information about compensation for men and women. Under this legislation, the pay gap is the difference in the average pay between men and women without consideration of factors such as level, role, experience or performance.

At TD, inclusion and diversity are core values and strategic business priorities. Our goal is to sustain a working environment that is supportive of all our people - where every employee has the opportunity to realise their potential to the fullest. In keeping with these core values, we are committed to providing equitable compensation and professional opportunities for all employees, while continuously working to address the factors that can contribute to a gender pay gap.

In this report, we summarise the required gender pay gap reporting, provide commentary on the key drivers of the results, and highlight some of the activities that we have taken and will continue to pursue to ensure an inclusive and equitable culture at The Toronto-Dominion Bank, London Branch ('TD Securities London').

About TD Securities London

The Toronto-Dominion Bank and its subsidiaries are collectively known as TD Bank Group (TD). TD is the sixth largest bank in North America by branches and serves more than 25 million customers worldwide in three key businesses: Canadian Retail, US Retail, and Wholesale Banking, including TD Securities.

TD Securities operates out of 14 key financial centres, offering corporate and investment banking and capital markets products and services to a global client base. TD Securities' European

operations are centred in London with approximately 280 employees.

The London office is important to the overall TD Securities strategy, leveraging core businesses and product offerings to promote the franchise in Europe. London employees perform a wide range of client-facing and support & control function roles across various businesses.

2017 Results

In accordance with the legislation, a snapshot of the employee population was taken as at 5 April 2017, and used to calculate the prescribed statistics. In scope for our review were 284 employees of which 197 (69%) were men and 87 (31%) were women. The results detailed on page two show that TD Securities UK has a gender pay gap that is caused by having more men than women in higher-paying senior roles. Men and women performing the same job were found to receive comparable compensation adjusting for performance and experience.

We are committed to fostering an inclusive and diverse environment, and efforts to address the barriers that can impact the attraction, retention, and career progression of women are outlined on page three. By addressing these barriers and working to increase the proportion of women at senior levels, we expect to make progress in closing the gender pay gap.

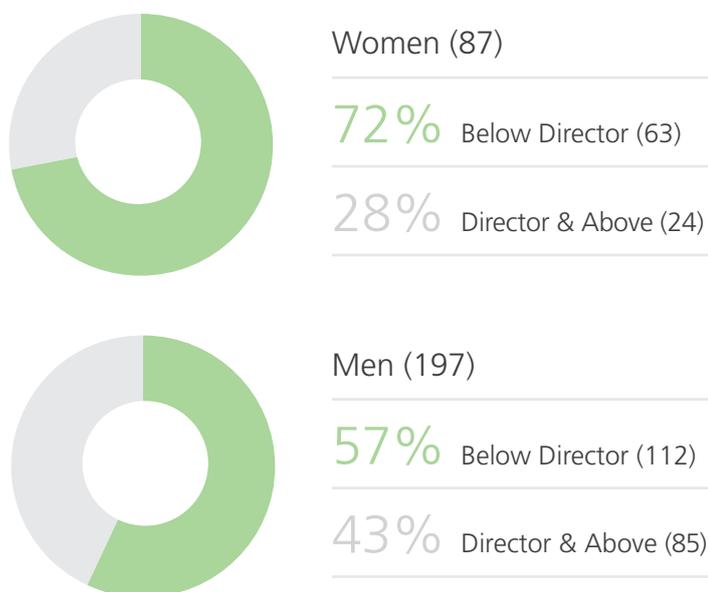
Gender Pay Gap Results

April 2018

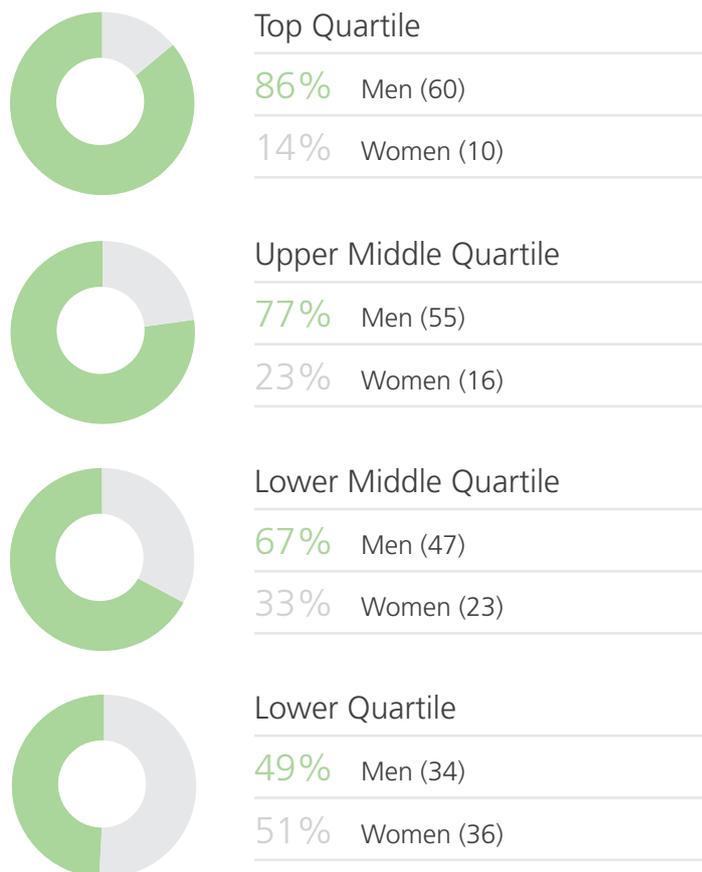
As illustrated in the diagrams, the population in scope includes both fewer women in total, and proportionately fewer women in roles that are at the director level or above:

- 28% of women are at the director level and above
- 43% of men are at the director level and above.

The combined impact of these factors is that almost 80% of employees at director level and above are men.



The distribution of men and women at different levels is similarly reflected in the pay quartiles outlined below:



We have completed a detailed assessment of our population and note that these demographic factors are the key driver of the differences that we see in average pay and average bonus pay. The table below summarizes the required reporting:

	Mean	Median
Gender Pay Gap	43.4%	47.9%
Gender Bonus Pay Gap	63.0%	84.1%

Comparable Positions

As part of our assessment, we have reviewed the remuneration for men and women who are performing the same job and confirm that such individuals receive comparable compensation adjusting for performance and experience. Eligibility for compensation programs is defined based on role and applied consistently regardless of gender.

Bonus Eligibility

All regular full-time and part-time employees at TD Securities are eligible for bonuses. During the year-ended 5 April 2017, bonus pay was awarded to 91% of men and 89% of women. In nearly all cases where bonuses were not awarded, the individuals (both men and women) had joined the firm after the end of the company's fiscal year (31 October 2016) and would therefore not be eligible for bonus compensation.

Our Commitment to an Inclusive and Diverse Workplace

April 2018

TD is committed to fostering an inclusive and diverse environment for all employees throughout the organisation. Our leaders are accountable for continuing to make progress on this journey, including increasing the representation of women at all levels across our businesses. We have been working to identify and address the barriers that can impact career progression for women and other diverse populations, and to champion diverse candidates in our talent development and promotion process. This will ensure that we are able to attract, retain and develop the next generation of leaders, both male and female. Key initiatives that we are focused on include:

Titling and Promotion Framework for Managing Directors

We refreshed our framework for promotion using feedback from our internal Inclusion and Diversity Councils and by looking at best practices externally to introduce greater transparency into the skills, knowledge and critical experiences required for success. This framework includes an objective set of criteria against which all candidates are evaluated, and thereby reduces the individual subjectivity that can bias assessment outcomes and impact individuals' career opportunities. The criteria are published to enable all colleagues to understand the requirements for promotion and to build and manage their career plans to acquire the relevant experiences and demonstrate the necessary capabilities.

Resource and Succession Planning Process

We actively manage high-potential female colleagues via our annual Resource and Succession Planning Process. High-potential women have leadership sponsors and structured development plans to prepare them for future roles. They are also considered whenever potential promotion and development opportunities arise.

Diversity Sourcing Strategy

We continue to focus on our talent acquisition process to ensure diverse candidate pools. This includes holding our external partners accountable for providing a diverse candidate slate; reviewing our job postings to ensure there is no bias in language; and ensuring there are diverse interview panels especially in businesses where there is currently a lack of female leadership. We will also be applying a diversity lens to our Early in Career recruitment activity across multiple business lines.

Inclusion and Diversity Leadership Council

Our Regional Senior Executive Team acts as our Diversity and Inclusion Leadership Council and provides oversight to this focus, demonstrating "top of the house" commitment to progress. This also means that our efforts are fully integrated with business planning activities, eliminating organisational silos.

Inclusive Leadership

All of our leaders are required to attend a programme on how to be an inclusive leader. This programme surfaces some of the biases and barriers to inclusion which are common in our industry and sets a clear expectation of leadership behaviour to create an inclusive workplace at TD.

Women-in-Leadership (WIL) and Employee Resource Councils

Our WIL programme and Employee Resource Councils are designed in partnership with external expertise and incorporating feedback from our internal Diversity Survey and WIL focus groups. The programmes provide practical insights and support on proactive career management, networking advice, flexibility at work, and personal branding to women building their career at TD.

At TD, we are known for our culture and we have a history of attracting and retaining the best people. In order to continue to be known for our strong employment brand and deliver on our promise, we know that we must create an inclusive and diverse workforce at all levels. We are committed to creating an environment where everyone has the opportunity to develop, grow both personally and professionally, and succeed.

Peter Walker

Vice Chair and Regional Head,
Europe and Asia-Pacific, TD Securities
3 April 2018