

TD's Approach to Equitable Pay

Diversity, equity and inclusion are core values and strategic business priorities for the Bank. Our goal is to foster a culture of inclusion and provide a working environment that is supportive of all our colleagues – where everyone has the opportunity to thrive and realize their full potential. We are committed to providing equitable compensation opportunities for all colleagues, regardless of gender, race, ethnicity, sexual orientation, gender identity, and disability. In keeping with our core values, we are committed to providing equitable and competitive compensation for all colleagues.

As part of our broader commitment to providing an inclusive environment, the foundation of our approach to equitable compensation is well-established and comprehensive programs and structures. Examples of these programs, and structures include:

- Compensation program eligibility, including both salary and incentive compensation, is based on role and level, and is applied consistently for all employees;
- The majority of employees are paid according to well-defined salary structures, which provide a range of pay that is competitive in the market while allowing for appropriate variation to recognize individual performance, experience and capability;
- These salary structures are supported by market analysis and a robust job evaluation process that measures the content of positions and organizes jobs of similar complexity and accountability together into job levels;
- Salary structures and incentive programs are reviewed regularly with information gathered from recognized third-party compensation surveys, and adjustments are made where required to achieve appropriate outcomes, including the ability to deliver market competitive pay;
- All employees (based on jurisdiction and business) participate in the same benefits programs that offer choice and flexibility in selecting coverage for medical, dental and other benefits to help support colleague health and well-being; and
- All employees (based on jurisdiction and business) are given the opportunity to participate in the same base retirement arrangements (qualified plans in the U.S. and registered plans in Canada) to support their financial well-being in retirement.

These programs and structures are designed so that employees performing similar work have the same opportunity, supporting internal equity, while recognizing the differences in experience, performance and contribution.

In support of these programs and structures, we have a number of practices to enhance consistency and verify that outcomes are appropriate including:

- Tools used to facilitate year-end base salary and incentive decisions include guidelines to support consistency in decision-making, and additional training and support is available to people managers.
- Year-end performance and compensation decisions go through a review process to monitor outcomes.
- We conduct detailed statistical analysis of compensation decisions to assess potential differences in outcomes based on gender and ethnicity.

After adjusting for factors¹ such as level, geography and role, our 2024 review (data is as at June 1, 2024), which included over 95,000 employees globally², found the following for both base salary and total compensation:

METRIC	RESULT ¹
Amount earned by women for every dollar earned by men	☐ More than 99 cents
Amount earned by visible minorities ² in Canada for every dollar earned by colleagues who do not identify as visible minorities	☐ More than 99 cents
Amount earned by minorities ² in the U.S. for every dollar earned by colleagues who do not identify as minorities	☐ One dollar

☐ Performance indicators for which EY has provided a limited level of assurance, as outlined in the 2024 Assurance Report for Sustainability Metrics.

1 The statistical analysis uses the Ordinary Least Squares (OLS) regression technique; a fundamental statistical method used to model the relationship between a dependent variable and one or more independent variables. A dependent variable is the outcome, or the variable of interest, that a statistical model aims to explain or predict. In this case, the dependent variable would be base salary or total compensation, whereas independent variables are drivers that help explain or predict differences in the dependent variable.

2 For the purpose of this analysis, in Canada "Visible minority" is defined as non-Caucasian in race or non-white in colour, other than an Indigenous person. In the U.S. "Minorities" is defined as a person who identifies as American Indian or Alaskan Native, Asian, Black or African American, Hispanic or Latino, Native Hawaiian or Other Pacific Islander, or two or more races. Visible minority, minority and gender data is voluntarily disclosed by colleagues and therefore may not be reflective of the actual workforce.

1 The statistical analysis adjusts for the following drivers of differences in pay: job level, functional hierarchy, management level, tenure, time in grade, recent hire/promotion/demotion, leave of absence, pay type, supervisory duties, general experience, performance, role type, location, and incentive plan eligibility.

2 This analysis covers all full-time, part-time and casual (colleagues with no guaranteed weekly hours) employees in Canada, the United States, the UK and Singapore; excluding temporary workers, senior executive team members, employees that have commission-based compensation arrangements and those on long term leave of absence (colleagues who are unable to complete the duties of their job or in some cases any job due to illness, injury, or medical condition for an extended period of time).



TD's Approach to Equitable Pay (continued)

The table below provides a summary of the results of the review by position group for Canadian-based employees³, comparing total compensation earned by women relative to men after adjusting for factors such as level, geography and role:

POSITION GROUP	TOTAL COMPENSATION ⁴ (ADJUSTED) FOR WOMEN RELATIVE TO MEN
Executive ⁵	96%
Management and Experienced Professionals ⁶	99%
Supervisory Professionals ⁷	100%
Admin and Operations ⁸	100%
Overall	99%

Unadjusted Pay Gap

In February 2024, the Government of Canada released a new online tool to show pay gaps within federally regulated industries. This tool calculates unadjusted pay gaps for women, Indigenous Peoples, visible minorities and persons with disabilities.

Unlike the pay ratios outlined above, which adjust for factors that drive differences in pay such as job level, geography and role, unadjusted pay gaps are driven by differences in representation among different groups. For example, at TD we see unadjusted pay gaps in areas of the Bank where there are more men in senior positions than women.

TD publishes an annual UK Gender Pay Gap report. Additionally, under new regulatory reporting requirements in Ireland, TD published the first Ireland Gender Pay Gap report on December 20, 2024.

Canadian Federal Pay Equity

The Canadian federal government has implemented a proactive pay equity regime with the objective of ensuring: "that pay equity is achieved and maintained, to help address systemic gender discrimination in compensation practices and pay systems, and to contribute to reducing the gender wage gap by addressing the portion of the gap due to the undervaluation of work done by women."

Pay equity in this context requires comparability of pay between roles at the same level in the organization that are predominantly done by women and roles that are predominantly done by men.

For colleagues in Canada, TD established a pay equity committee comprised of management and elected employee representatives to develop a pay equity plan, in accordance with the Pay Equity Act which applies to federally regulated organizations in Canada, including banks.

TD also establishes and maintains provincial pay equity plans in Ontario and Quebec, which are the only provinces in Canada with similar provincial pay equity legislation.

Pay Transparency

Pay Transparency is one of the ways TD fosters an inclusive workplace and provides fair and equitable pay to all colleagues. Understanding pay opportunity and salary ranges facilitates open dialogue about pay and facilitates fair pay negotiations. As part of TD's journey towards greater pay transparency, all Canadian and U.S. job postings include pay details and all salary ranges are posted on our internal intranet for all colleagues to access.

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³ This comparison includes full-time, part-time and casual employees in Canada; excluding temporary workers, senior executive team members and employees that have commission-based compensation arrangements.

⁴ Total Compensation includes base salary, short-term incentives, and long-term incentives (where applicable). It includes cash and equity (value at grant date) incentive.

⁵ Executive includes all executive levels; E01 and above, excluding Senior Executive Team members.

⁶ Management and Experienced Professionals includes level 9, level 10 and level 11.

⁷ Supervisory and Professionals includes level 7 and level 8.

⁸ Admin and Operations includes level 6 and below.

