



Business Insights

Information and analysis from TD Commercial Banking

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Making 'green' a part of your corporate brand

Making your brand more appealing to customers who are conscious of environmental issues can help your business reap substantial rewards. Many positive environmental and other socially responsible practices can enhance your company's image and contribute to the bottom line.

All the processes involved in producing your company's goods and services can be evaluated with sustainability concerns in mind. The exercise may even lead to modifying end products or services to be more environmentally friendly.

The potential advantages of adopting more sustainable business practices are numerous.

Among them:

- ▶ Lower costs (for example, by reducing power consumption or waste).
- ▶ Brand awareness as the company's socially responsible reputation grows.
- ▶ Increased customer loyalty.
- ▶ Growing market share.

Steps to take action

Associating your brand with the "green" movement should start with the way you do business — it is not a marketing exercise. Here are seven tips for making sustainability an integral part of a business.



Promoting your company's sustainable business practices is not a marketing exercise. It begins with assessing the impact of all of your processes and activities on the environment.

1 INCORPORATE SUSTAINABILITY ISSUES INTO YOUR COMPANY VISION AND VALUES.

Sustainability should be a core company principle and a key component of every aspect of the business. This includes manufacturing, sales and distribution, as well as your choice of suppliers.

Consider formulating a vision statement to show customers, investors and other communities that the company is serious about the environment and other issues of importance.

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The benefits of hiring a diverse workforce and attracting top talent

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Our dollar's rise has been a curse for some and a boon for others

Our goal is to help you achieve yours

Making 'green' a part of your corporate brand

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Many positive environmental practices can enhance your company's image and contribute to the bottom line.

2 CONDUCT SUSTAINABILITY AUDITS. An initial audit will help identify how your business activities affect the environment and determine any positive changes that can be made. Regular annual audits measure progress in meeting sustainability objectives, and help identify future opportunities.

3 INCORPORATE SUSTAINABILITY INTO YOUR BUSINESS STRATEGY. Every part of the company must evaluate the environmental and social impact of its activities, and strive to conform to the company's sustainability vision.

All aspects of the business should set firm mandates and requirements for sustainability practices, and be encouraged to innovate.

4 ASSIGN RESPONSIBILITY AT A HIGH LEVEL. An executive or executive committee should be responsible for ensuring that the company moves in the right direction.

5 JOIN ENVIRONMENTAL ORGANIZATIONS. Environmental groups and networks offer participants great ways to tap new ideas and promote initiatives.

6 SUPPORT WORTHWHILE CAUSES. Associating your brand with positive developments — for example, environmental cleanups or sponsoring groups that promote socially responsible initiatives — helps present your company as a responsible corporate citizen. Allot part of the company's annual budget to these causes.

7 PROMOTE GREEN INITIATIVES. Tell customers about green initiatives in marketing material. Push for media coverage. And let investors know through shareholder communications.

But beware: Do not try to "greenwash" the public. Promoting marginal practices or failing to live up to the company's sustainability vision can backfire. Always be prepared to practise what you preach. ●

Digging in to the environment

A mobile greenhouse travels across Alberta, stopping to give schoolchildren a hands-on lesson about the environment. Local Rotarians rally on the shores of the Avon River in Ontario to plant 10,000 native species of aquatic vegetation. A fish habitat is saved on the Atlantic Coast by diverting a sand plume.

These are just a few of the projects funded last year by the TD Friends of the Environment Foundation*, which provides financial support to organizations dedicated to the well-being of our environment. Since its launch in 1990, the Foundation has contributed more than \$42 million to some 16,000 environmental projects across Canada. Funds are raised thanks to the contributions of more than 126,000 TD Canada Trust customers and employees who donate monthly, with matching corporate funds of up to \$1 million each year.

TD Friends of the Environment is just one component of the Environmental Initiatives



The TD Friends of the Environment Foundation proudly supports the efforts of Canadians who are dedicated to the well-being of our environment.

Framework of TD Bank Financial Group¹. Visit the Foundation's website at www.fef.ca to learn more about the environmental projects it funds.

Diversity: The key to 'brain gain'

Canada's labour pool is packed with highly skilled immigrant workers who can help businesses grow and prosper. Yet many companies are not taking full advantage of this talent. The international mobility of highly skilled workers provides a unique opportunity to enrich your workforce.

At a time when Canada faces shortages in many professions — and you may be as likely to seek talent from around the world as across the country — it makes sense to bolster your own company's workforce through diversity.

According to recently released census data, one in five people living in Canada was born outside of the country, many of them visible minorities. The proportion is even higher in major urban centres — about half in the Greater Toronto Area. Many have gained entry to Canada in part because of their job skills and qualifications.

Companies that tap this diverse workforce for "brain gain" are discovering the benefits of hiring skilled immigrants. These include:

- ▶ Specialized skills, some of which may be lacking in the Canadian-trained labour force.
- ▶ A solution to labour shortages.
- ▶ An offset to "brain drain," when Canadian-trained workers leave the country.
- ▶ A strong work ethic and enthusiasm.
- ▶ An ability to develop, work with and better cater to niche and ethnic markets within Canada.
- ▶ Culture and language skills that help your company expand in international markets.
- ▶ New perspectives and ideas that can lead to innovation.

To attract and retain this talent requires a top-down commitment to promote diversity within your organization. Here are some key steps.

1 Build awareness

START AT THE TOP. Company executives should support efforts to build a more diverse workplace and attract skilled immigrants and visible minorities. They should recognize the business case for diversity in planning for the company's future.

EDUCATE. Ensure managers involved in the hiring process have practical training and education.

Conduct sessions or workshops to make the case for diversity in the workplace and hiring skilled immigrants.

PROVIDE LEADERSHIP. A senior executive should be specifically charged with promoting and guiding diversity within your organization.

2 Find talent

DEVELOP A RECRUITMENT POLICY. Establish a strategy for recruiting and hiring skilled immigrants, particularly in any areas where you may currently face skills shortages. Focus on qualifications, education and skills — not on country of origin or minority group. This will promote bias-free hiring.

THINK MORE GLOBALLY. Recognize international experience and education. Identify global educational institutions that generate graduates with the required skills. If Canadian licensing is required, consider how to help immigrants achieve those requirements.

BE FLEXIBLE. In some cases, highly skilled job applicants should not be ruled out because they are not fluent in English or French. They may be suitable for positions where communications skills are less important. Be prepared to conduct interviews in foreign languages.

3 Develop talent

Attracting new talent is just the first step. Maintaining diversity in the workplace and helping employees reach their full potential will bring long-term benefits. Consider:

- ▶ Language training when necessary.
- ▶ Mentoring programs.
- ▶ Support for job-related licensing or certification through financial initiatives for courses, or paid time off for study.
- ▶ Leadership skills training.
- ▶ Workplace programs to celebrate cultural diversity. ●



A diversity of cultural connections and language skills can help your business expand into foreign markets.

Companies that tap Canada's diverse labour force are discovering the benefits of hiring skilled immigrants.

Prospects for the Canadian dollar

BY CRAIG ALEXANDER, DEPUTY CHIEF ECONOMIST, TD BANK FINANCIAL GROUP

We believe the strong Canadian dollar will persist for some time.



Depending on whom you ask, the past appreciation in the Canadian dollar has been either a curse or a boon.

Canadian exporters have been facing a brutal combination of a strong Canadian dollar and weakening U.S. demand due to a housing-led economic slowdown. Conversely, many Canadian importers have profited from the high-flying loonie.

Parity-forced price cuts

Canadian households have also reaped some benefits, since the move in the Canadian dollar to

parity forced many retailers to cut prices. This has led to lower inflation and has given the Bank of Canada flexibility to lower interest rates.

Since Canada imports roughly 80% of its machinery and equipment, the cost of buying new business capital has fallen in reaction to both the strength in the Canadian dollar and lower interest rates.

Ongoing strength expected

The main question is where the loonie is headed in the future. There is always considerable uncertainty in predicting the future value of a currency because exchange rates are notoriously volatile. Having said that, we believe that the strong Canadian dollar will persist for some time, but the general trend will be for the currency to head down towards 94 U.S. cents by the end of this year and to 90 U.S. cents by the end of 2009.

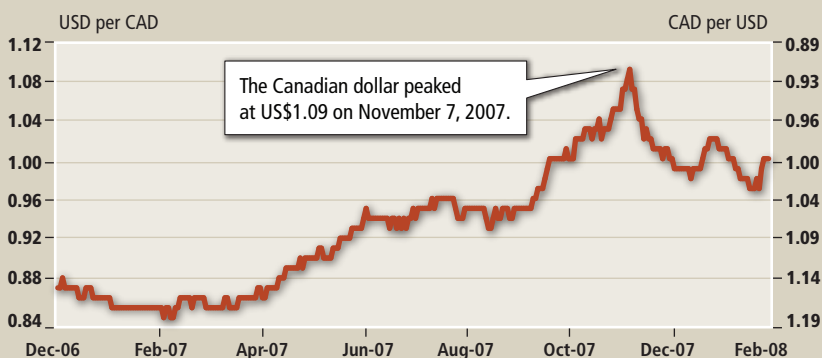
Why? Some of the recent strength in the Canadian dollar has been due to weakness in the U.S. dollar, but markets are so pessimistic about the U.S. economic outlook that we believe that this effect will wane in the coming months. The Canadian dollar has also benefited from rising commodity prices in recent years.

Some change in altitude

However, the U.S. economic slump is likely to dampen global economic growth and lead to modestly lower commodity prices in the year ahead. So, we look for the loonie to lose a bit of altitude, but expect the level of the exchange rate to remain lofty. ●

Lofty days for our currency

The loonie hit record heights against the U.S. dollar, but is trending down.



Source: Federal Reserve Bank of New York/Haver Analytics, January 29, 2008

UNDERSTANDING - EXPERTISE - SOLUTIONS - COMMITMENT

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The information in this newsletter is current as at March 15, 2008.

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