

# Toronto Finance International Whistleblower Policy

April 2019

## Purpose

TFI is committed to maintaining the highest ethical standards in the conduct of its business. It is the policy of TFI to comply with and require its directors, officers, employees and contractors/consultants to comply with all legal and regulatory requirements including corporate reporting and disclosure, accounting and auditing controls and procedures, and all other matters pertaining to fraud and/or unethical business conduct. Every employee/contractor has the responsibility to assist TFI in meeting these requirements.

The Audit Committee is responsible for establishing procedures for:

- (i) the receipt, retention and treatment of complaints received by TFI regarding accounting, internal accounting controls and auditing matters; and
- (ii) the confidential, anonymous submission by employees/contractors of TFI of concerns regarding questionable accounting or auditing matters.

In order to meet these requirements, the Board has adopted this policy to ensure that:

- (i) complaints are received, investigated and retained on a confidential and anonymous basis that is in compliance with all applicable laws; and
- (ii) persons reporting a complaint will not be penalized or retaliated against for making a good-faith report of a complaint.

## Scope

Every employee shall report any evidence of activity (“Reportable Activity”) by any officer, director, employee and retained consultant, including external auditors, of TFI that to his or her knowledge constitutes:

- (i) accounting, auditing or other financial reporting fraud or misrepresentation;
- (ii) violation of federal or provincial or municipal law that could result in fines or civil damages payable by TFI, or that could otherwise significantly harm TFI’s reputation or public image;
- (iii) unethical business conduct in violation of any TFI policy; or,
- (iv) danger to the health, safety or well-being of employees and/or the general public.

TFI’s internal controls and corporate reporting and disclosure procedures are intended to prevent, deter and remedy any violation of the applicable laws and regulations that relate to reporting and disclosure, accounting and auditing controls and procedures, and other matters pertaining to fraud. Even the best systems of control and procedures, however, cannot

# Toronto Finance International Whistleblower Policy

April 2019

provide absolute safeguards against such violations. TFI has a responsibility to investigate any violations relating to corporate reporting and disclosure, accounting and auditing controls and procedures, and other matters pertaining to fraud, and the actions taken by TFI to remedy such violations.

This policy governs the process through which employees and others, either directly or anonymously, can notify the Audit Committee of actual or potential Reportable Activities. In addition, this policy establishes a mechanism for responding to, and keeping records of, complaints from employees and others regarding such actual or potential Reportable Activities.

## Reporting Alleged Reportable Activities

If an employee/contractor reasonably believes that any employee or other person acting on behalf of TFI has committed a Reportable Activity, the employee/contractor should immediately report his or her concern to their supervisor or to any member of management whom he/she is comfortable approaching. If the employee/contractor is not comfortable reporting a concern to management, he/she should report the concern to the Chair of the Audit Committee, as follows:

In writing: Christine Morris  
SVP, Real Estate Secured Lending, TD Bank Group  
77 King Street West, TD North Tower, 16<sup>th</sup> Floor  
Toronto, Ontario M5K 2A1

By e-mail: [Christine.morris@td.com](mailto:Christine.morris@td.com)

By Telephone: 416-388-3075

Any manager who receives a report of a Reportable Activity must immediately forward the report to the Chair of the Audit Committee, maintaining anonymity of the employee/contractor if the employee/contractor desires (see below). The Chair will communicate all reports of alleged Reportable Activities to the Audit Committee and, if necessary, the Board.

Reports of alleged Reportable Activities may be submitted to the Audit Committee anonymously if the employee/contractor desires. Although anonymous reports may be submitted via any of the above methods, reports submitted by e-mail or telephone tend to be less likely to remain anonymous than those submitted in writing. All reports of alleged Reportable Activities, whether or not they were submitted anonymously, will be kept in strict confidence to the extent possible, consistent with TFI's need to conduct an adequate investigation.

Reports of alleged Reportable Activities should be factual, rather than speculative, and should contain as much specific detail as possible to allow for proper assessment. The complaint describing an alleged Reportable Activity should be candid and should clearly set forth all of the information that the employee knows regarding the Reportable Activity. In addition, the complaint should contain sufficient corroborating information to support the

# Toronto Finance International Whistleblower Policy

April 2019

commencement of an investigation. TFI may, in its reasonable discretion, determine not to commence an investigation if a complaint contains only unspecified or broad allegations of wrongdoing without appropriate factual support.

## Investigation of Complaints

Upon receipt of a complaint alleging a Reportable Activity, the Audit Committee will make a determination as to whether a reasonable basis exists for commencing an investigation into the Reportable Activity alleged in the complaint. If the Audit Committee concludes that an investigation is warranted, it shall take appropriate measures to implement a thorough investigation of the allegations. The Audit Committee shall have the authority to obtain assistance from TFI's management, counsel or auditors, or to retain separate outside legal or accounting expertise as it deems necessary or desirable in order to conduct the investigation. All investigations of Reportable Activities shall be carried out in a manner to ensure confidentiality of the matter and will involve only those individuals who need to be involved in order to conduct the investigation. If requested by the complainant, the investigation will be carried out in a manner to protect the anonymity of the complainant.

At each quarterly meeting of the Audit Committee, the Audit Committee will discuss the status of any ongoing investigation and review the resolution of each complaint submitted during the previous quarter, whether or not the complaint resulted in the commencement of a formal investigation.

## Corrective Action

The Audit Committee is ultimately responsible for determining the validity of each complaint and fashioning, with the input of its advisors and management, if requested, the appropriate corrective action. The Audit Committee shall report any legal or regulatory non-compliance to management and ensure that management takes corrective action.

Any director, officer or employee/contractor deemed to have committed a Reportable Activity may be subject to disciplinary action, up to and including termination.

## No Retaliation

Employees should feel confident to report violations as described above or to assist in investigations of such alleged violations. TFI will not tolerate retaliation or discrimination of any kind by or on behalf of TFI and its employees/contractors against any employee/contractor making a good faith complaint of, or assisting in the investigation of, a Reportable Activity. Anyone engaging in retaliatory conduct will be subject to disciplinary action by TFI, which may include termination.

More specifically, neither TFI, nor any person acting on behalf of TFI or in a position of authority in respect of TFI's employees/contractors will take any disciplinary measure against, demote, terminate or otherwise adversely affect the employment of an employee or threaten to do so with the intent to compel an employee to abstain from reporting a

# Toronto Finance International Whistleblower Policy

April 2019

Reportable Activity to a law enforcement and/or regulatory authority or with the intent to retaliate against the employee because the employee has reported a Reportable Activity to a law enforcement and/or regulatory authority. Engaging in retaliatory conduct may be considered an offence under various Canadian laws.

## Publicizing the Process for Reporting

A copy of this policy will be posted on TFI's shared network drive. TFI will also make known to employees/contractors the process for reporting on an anonymous and confidential basis on an ongoing basis. This information will make it clear that no employee/contractor will be penalized for making a good-faith report of a Reportable Activity nor will TFI tolerate retaliation against an employee who makes a good-faith report of a Reportable Activity. TFI will also periodically (at least annually) communicate reminders to employees/contractors of the process for reporting Reportable Activities.

## Retention of Complaints and Documents

All investigations of Reportable Activities will be fully documented in writing by the person(s) designated to investigate the Reportable Activity. The Audit Committee shall retain all documents and records regarding any Reportable Activity for a period of seven (7) years. Such documentation will be available for inspection by members of the Audit Committee, the external auditors and any external legal counsel or other advisors hired in connection with the investigation of the Reportable Activity. Disclosure of such documentation to any other person, and in particular any third party, will require the prior approval of the Chair of the Audit Committee to ensure that privilege of such documentation is properly maintained.

It is illegal and against TFI's policy to destroy any corporate audit or other records that may be subject to or related to an investigation by TFI or any federal, provincial, state or regulatory body.

## Compliance with this Policy

All employees/contractors must follow the procedures outlined in this policy and cooperate with any investigation initiated pursuant to this policy. Adherence to this policy is a condition of employment. TFI must have the opportunity to investigate and remedy any alleged Reportable Activity, and each employee/contractor must ensure that TFI has an opportunity to undertake such an investigation.

This policy should not be construed as preventing, limiting, or delaying TFI from taking disciplinary action against any individual, up to and including termination, in circumstances

# Toronto Finance International Whistleblower Policy

April 2019

(such as, but not limited to, those involving problems of performance, conduct, attitude, or demeanor) where TFI deems disciplinary action appropriate.

## **Inquiries**

Any questions with respect to the general application of this policy should be made to the CEO.