



City of Toronto Environmental, Social & Governance Performance Report



November 2020

Content Outline

Chief Financial Officer and Treasurer Message

As the Chief Financial Officer and Treasurer, I am extremely pleased to introduce the City of Toronto's first-ever Environmental, Social and Governance (ESG) Performance Report. This report outlines how the City has prioritized ESG Performance as a vital part of building a sustainable and resilient future. As financial stewards, it's our responsibility to provide information on how we are focussed on both the opportunities and risks in our pursuit of the City's strategic and corporate priorities, sustainable finance and positive socioeconomic outcomes.

Global cities like Toronto must be accountable for their actions in reducing greenhouse gas emissions and enhancing social outcomes for residents and our global community. With strong governance, the City is leading with a sense of purpose and making a positive impact across key ESG priorities. A climate emergency was declared for the City of Toronto in 2019 to deepen our commitment to protect our economy, our ecosystems and our community from climate change. Our council has committed to accelerating a net zero greenhouse gas emissions target by 2050.

In 2019, the World Council on City Data (WCCD) awarded the City of Toronto a platinum designation for its compliance with ISO 37120 – the first international standard for sustainable cities, allowing cities to compare their service delivery and quality of life to other cities.

In March 2020, a State of Emergency was declared for the city of Toronto, enacting the City's COVID-19 pandemic response to help save lives and livelihoods. Although the immediate focus remains on the municipal response to COVID-19, the City is committed to the long-term investments and efforts to support ESG objectives.

Despite COVID-19, we have championed change at an unprecedented pace while navigating the challenges of the virus and adjusting to evolving priorities. We've accelerated digital transformations across the organization and are leveraging technology to drive growth, manage digital workforces and deliver an equitable public service for all. The last several months have tested our agility, resilience and ability to work together, even when we needed to be apart.

I want to thank staff, along with the City Manager and Senior Leadership Team, who have worked tirelessly to demonstrate our commitment to sustainability. In the face of competing challenges and priorities, we will continue to lead with a sense of purpose, ensuring that the City is making a positive impact when it comes to environmental, social and governance priorities. With the continued support from our partners and investors, the City of Toronto will embrace innovation and lead transformation to ensure we nurture a prosperous, inclusive and liveable city, with a high quality of life for its residents now and in the future.



A stylized handwritten signature in blue ink, appearing to read 'Heather Taylor'.

Heather Taylor, FCA, FCPA
Chief Financial Officer and Treasurer
City of Toronto



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About this Report

2.A Reporting Scope and Period

This Environmental, Social and Governance (ESG) Report (“Report”) contains information about the City of Toronto (excluding agency and corporation subsidiaries). It provides an overview of our strategic priorities, key performance indicators, and highlights during 2019 on ESG factors relevant to the City of Toronto, as well as other Canadian municipalities.

This Report complements information on the results of our operations and financial condition in our 2019 Annual Report. Information on the City’s governance system¹ is available at toronto.ca.

This Report includes data and activities for 2019 when possible, unless otherwise noted. We have provided data for 2019, and the two preceding years wherever possible, to present a wider scope of our performance trends over a three-year period.

2.B Reporting Frameworks

The structure and content of this Report is developed using the following regulations, standards, methodologies and frameworks as reference based on their relevance and usability:

- Sustainability Accounting Standards Board standards (SASB²),
- MSCI ESG Government Ratings Methodology³,
- Global Reporting Initiative (GRI⁴),
- International Integrated Reporting Council (IIRC⁵) Integrated Reporting Framework and
- United Nations Sustainable Development Goals (SDGs⁶).

We will continue to monitor the development of international ESG reporting standards, along with the expectations of the City’s stakeholders regarding these standards.

2.C Stakeholders, Oversight, Review and Assurance

This Report has been published for all City of Toronto stakeholders. Our stakeholders include, but are not limited to, current and prospective residents, investors, employees, suppliers, other levels of governments, peer municipalities, regulators and community organizations. Accountability is one of our core beliefs. We are providing relevant disclosure to our stakeholders regarding our ESG performance as accountability is one of our core beliefs.

Accountability for our ESG strategy is part of the mandate of City Council. The City’s Senior Leadership Team manages enterprise risk, including ESG risk factors, with support from Internal Audit. The City’s Enterprise Risk Assurance Committee oversees the risk management structures and processes. Limited assurance engagement by an independent verifier for a select number of City’s performance indicators is currently being considered and is expected to be available for the City’s ESG reports in the future.

2.D Currency

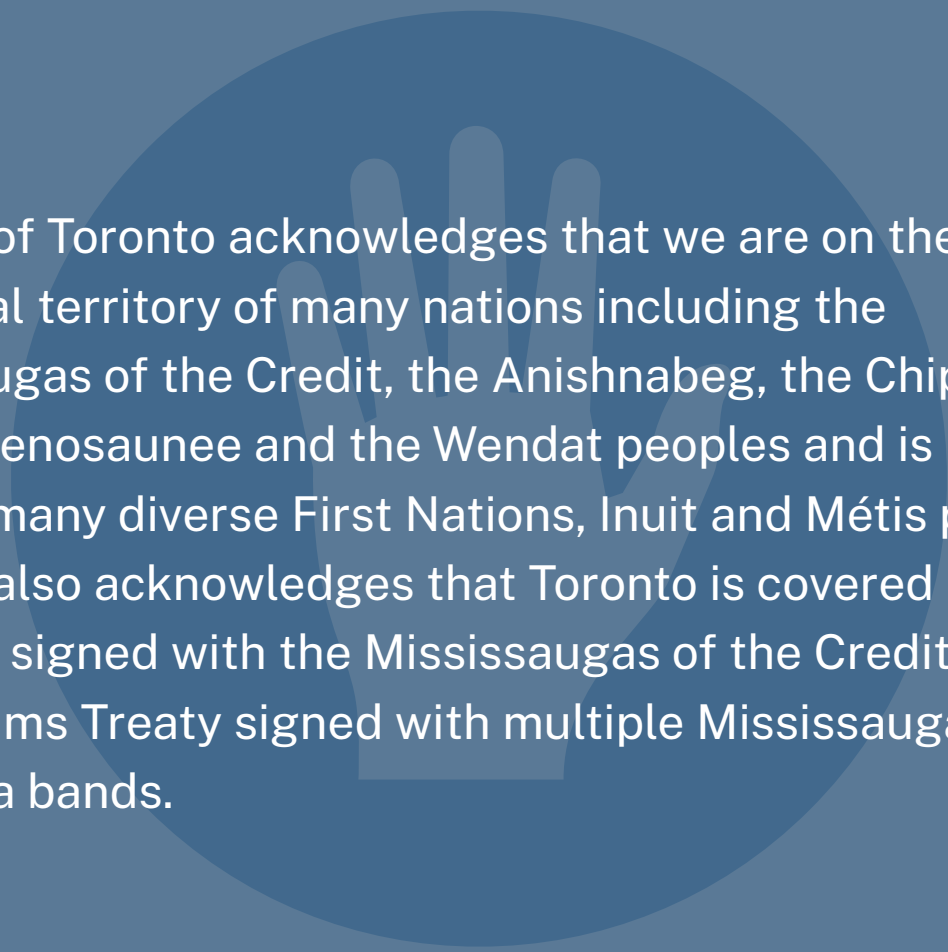
All amounts in this document are in Canadian dollars unless otherwise noted.

2.E Endnotes

The endnotes on page 54, provide more detail on various topics mentioned in the report.

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About City of Toronto



The City of Toronto acknowledges that we are on the traditional territory of many nations including the Mississaugas of the Credit, the Anishnabeg, the Chippewa, the Haudenosaunee and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis peoples. The City also acknowledges that Toronto is covered by Treaty 13 signed with the Mississaugas of the Credit, and the Williams Treaty signed with multiple Mississaugas and Chippewa bands.

3.B Our City

Toronto is Canada's leading economic engine and one of the world's most diverse and livable cities. As the fourth largest city in North America, Toronto is home to more than 2.9 million residents whose diversity and experiences strengthen our great city.

Toronto is an international leader in technology, finance, film, music, culture, and innovation. We consistently place at the top of international rankings due in part to investments championed by residents and businesses, and in turn led by Toronto City Council and carried out through the work of the Toronto Public Service.

Provincial regulations and legislation define the City's relationship with the Ontario government. The most significant is the City of Toronto Act, 2006⁷, which gives the City powers to provide services to its residents, manage its finances, and establish accountability officers for the City.

3.C Our Services – Making a Difference

The City of Toronto's vast services keep our neighbourhoods safe and vibrant, encourage business growth and investments, and make Toronto welcoming for visitors from around the world.

Garbage collection, public libraries, road repair, TTC, recreation programs, childcare, water testing, police, fire and emergency medical response are all municipal services the City provides. Many of the City's 150+ services are provided 24 hours a day, seven days a week.

Our approach to delivering services is professional, innovative, and people-focused. We care about making a difference in people's lives.

Level of Government	Federal	Provincial	Municipal
Powers defined by	Constitution Act, 1867	Constitution Act, 1867	City of Toronto Act, 2006
Powers	National Defence and Canadian Armed Forces Postal service Banking Employment Immigration and citizenship Census Foreign affairs and international trade Agriculture and more	Health Education Driver and vehicle licensing Energy Human Rights Natural resources Environment Social services and more	Water treatment and sewers Parks and recreation centres Libraries Garbage collection Public transit Land use planning Traffic and parking Police and fire services Paramedics Homeless shelters Childcare and more

3.D Our Vision and Priorities

Toronto is a caring and friendly city.

We have opportunities to sustain and enrich our lives and reach our highest potential. Our diversity is valued and celebrated and our communities are a source of pride. We are actively involved in the social, cultural and political life of the city.

Toronto is a dynamic city.

As the nation's leading economic engine, we are a centre of innovation and growth with a strong international presence. Our dynamic city is well positioned to succeed in the world economy.

Toronto is a clean, green and sustainable city.

We integrate environmental stewardship into our daily activities. We maintain and improve the health of the environment for present and future generations.

Toronto invests in quality of life.

We invest in quality of life – socially, economically, culturally and environmentally – to make Toronto a desirable place to live, prosper and visit.

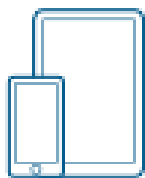
Our Corporate Priorities

Will improve the performance of our organization



Financial Sustainability

We will work and partner to ensure value and affordability for taxpayers, adequately fund municipal services and infrastructure, make needed investments in the city, and improve our financial health. We will make informed financial decisions and effectively manage resources for Toronto's future.

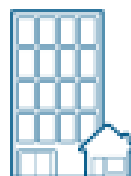


A well run city

We will improve the lives of residents, businesses and visitors by providing simple, reliable and connected services that anticipate changing customer needs. We will build trust and confidence in local government through a committed engaged and diverse workforce.

Our Strategic Priorities

Will improve quality of life for Torontonians



Maintain and create housing that's affordable.

We are committed to a city where families and individuals live in safe, stable and affordable housing with respect and dignity.



Keeping Toronto Moving

We are committed to a city with safe affordable and accessible transportation choices for people and goods.



Invest in People and Neighbourhoods

We are committed to a city that protects and improves quality of life for all including safety, health, and social and economic well-being and inclusion.



Tackle Climate Change and Build Resilience

We are committed to fighting climate change and preparing our City government, our ecosystems, and our communities, especially the most vulnerable communities, for a changing climate.

3.E 2019 Financial Performance

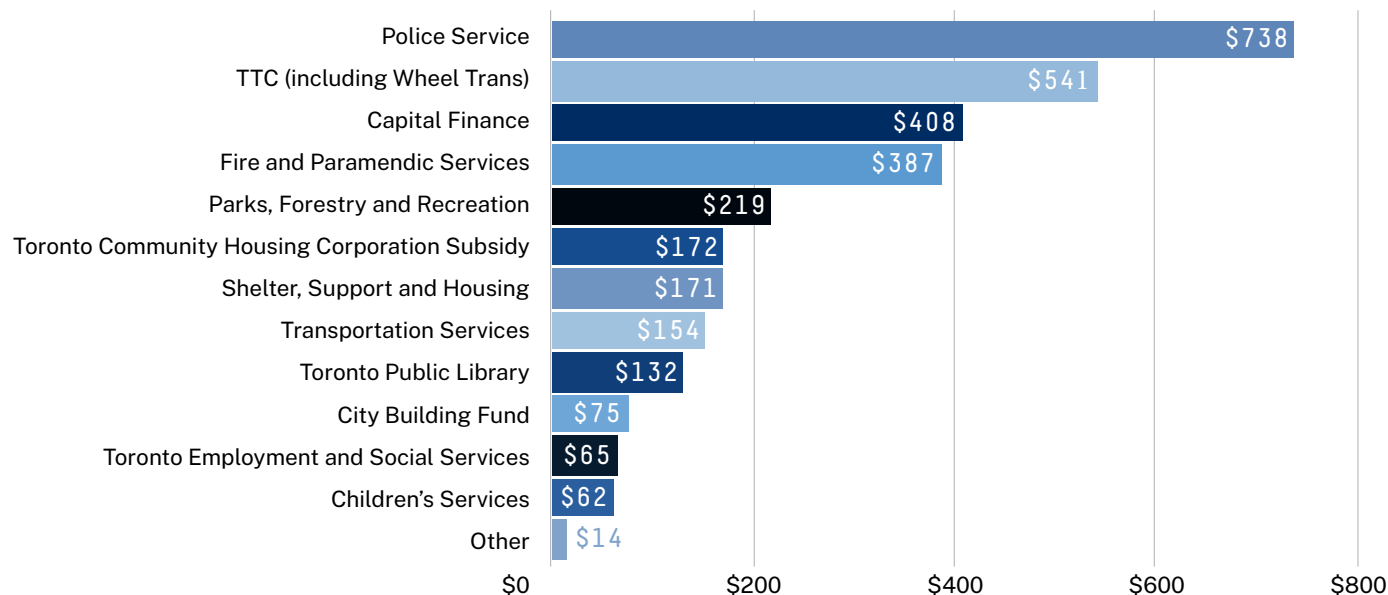
(in \$ Millions)	2019	2018	2017
Own Source Revenue*	\$8,735	\$8,335	\$8,031
Annual Surplus	\$1,632	\$1,434	\$1,249
Total Assets	\$47,336	\$44,558	\$40,865
Total Long-Term Debt	\$7,104	\$6,502	\$5,950
Total Reserve and Reserve Funds	\$2,241	\$2,276	\$2,038

*"Own Source Revenue" is defined as Property taxes, User Charges, and Municipal Land Transfer Tax.

3.F Economic Value Distributed

When translated into an average tax bill of \$3,141 for the average value of a home assessed at \$0.703 million, the chart below shows how 2020 property taxes will be spent based on the approved 2% residential property tax rate increase and additional 1% of City Building Fund.

How Your Tax Dollar Worked for You in 2020

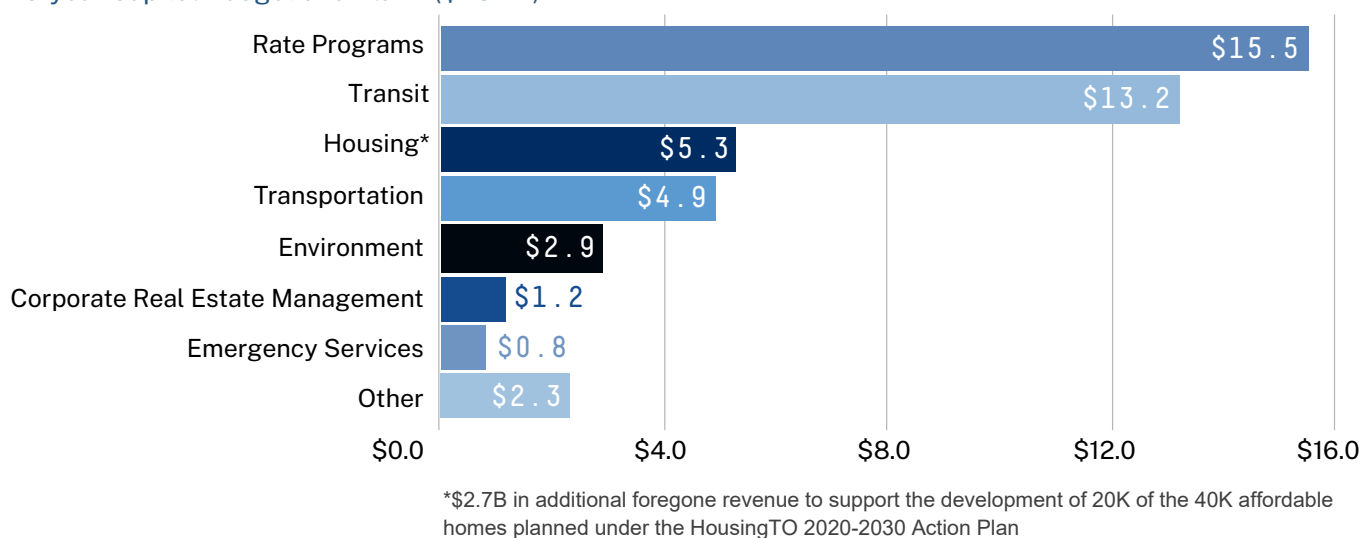


3.G Our Environment, Social and Governance (ESG) Approach

The City takes an integrated ESG approach, with responsible practices embedded across the City to build a sustainable and resilient foundation for delivery of quality services and value over the long term. ESG factors can influence, and be influenced by, our decisions and activities. If not appropriately addressed, ESG factors can deteriorate into material risk.

At the same time, ESG factors can also be opportunities that can be leveraged into material positive changes. Our integration approaches and processes focus on both opportunities and risks across our activities, such as investment management, debt issuance, infrastructure investment and internal operations.

10-year Capital Budget and Plan⁸ (\$43.4B)



3.G.I Integrated ESG approach to our Investment Portfolio

The City is committed to integrating Environmental, Social, and Governance (ESG) factors throughout the entire organization, including our investment activities. Responsible investing means integration of ESG factors in investment decision-making and developing processes to monitor the ESG performance of the investments.

The City's investment activities are governed by Ontario Regulation 610/06⁹, Financial Activities, under the City of Toronto Act, 2006 and Council-approved Investment Policy. The Toronto Investment Board¹⁰ (Board) was established by Council in 2017. It is responsible for the stewardship, management, and control of the City's investments that are not immediately required for liquidity purposes (over \$5.0 billion at the end of 2019).

The Board is comprised of the City's Chief Financial Officer and Treasurer and six other independent industry experts in investment and risk oversight, as well as best practices for responsible investment. The Board provides valuable governance, guidance, and direction regarding the City's investments.

The City's Investment Policy¹¹ incorporates ESG in its investment beliefs, policies, and procedures. The City of Toronto believes that well-managed companies are those that demonstrate strong governance, high ethical and environmental standards and respect for their employees, human rights, and the communities in which they do business. These actions contribute to long term financial performance. The City is committed to incorporating all of the United Nations 17 Sustain-

able Development Goals when making investment decisions. As such, all of the City's external investment managers are signatories to the United Nations Principles for Responsible Investment (UN PRI).

The City has reviewed how each external investment manager integrates ESG factors into their investment decision making process as well as their strategies in active stewardship. With the awareness of the links between ESG performance and investment returns, our external investment managers integrate ESG factors into their investment process. While they consider the ESG factors with care, in general they do not exclude any particular investment or industry based on ESG factors alone.

The City wants to ensure that its external investment managers have engagement strategies to effectively communicate their views on material ESG issues as an investor. Engagements are undertaken to influence ESG practices and/or improve ESG disclosure. The City has investments in both equities and fixed income. Our equity investment managers use proxy voting as a key engagement tool to convey the message to the boards and management. As an essential capital source, fixed income investment managers can also exert meaningful influence over issuers. Our fixed income investment managers usually consider using engagement first before choosing alternative strategies such as divestment. Divestment leaves investors with no stake and no potential to help drive responsible corporate practices. By engaging with issuers, fixed income investors encourage behaviour designed to improve sustainable long-term investment returns while maximizing positive ESG outcomes.

The City is in the process of developing a reporting process to begin tracking and monitoring the ESG performance of its long-term investment portfolio for future reports.

3.G.II Sustainable Debt Issuance Program

Toronto's overall approach to Sustainable Finance includes

1. alignment with the City's Corporate Strategic Plan¹²;
2. alignment of project useful life with debt term; and
3. generating measurable impact.

Building on the strength of the City's long-standing conventional bond issuances, sustainable financing has become a growing part of City of Toronto's debt issuance program in recent years.

Toronto's Debt Issuance Program



The objective of the City's sustainable debt issuance program is to align with the City's strategic priorities and enhance ESG outcomes in Toronto. Some examples are sustainable clean transportation, energy, and environment; social and affordable housing; access to essential services; socioeconomic advancement and empowerment.

How Toronto's Debt Issuance Program aligns with the Corporate Strategic Plan

Since 2018, the City has issued \$500 million of Green Bonds (\$300 million in 2018 and \$200 million 2019). Previewing some highlights in 2020, the City of Toronto was the first Canadian government to issue a Social Bond and continues to be a pioneer in advancing ESG objectives within the Canadian government sector. For details of the City's Green Bond and Social Bonds, please see sections 5(c) and 6(c) of this report.

Capital Projects — Corporate Strategic Plan	Debenture Type		
	Green	Social	Conven- tional
Maintain and create housing that's affordable.		✓	✓
Capital projects that reduce GHG emission e.g. energy retrofit	✓		
Keeping Toronto Moving		✓	✓
Capital projects that reduce GHG emission e.g. subway	✓		
Invest in People and Neighbourhoods		✓	✓
Capital projects that reduce GHG emission e.g. green roofs	✓		
Tackle Climate Change and Build Resilience	✓		✓
Maintain a well run city	✓	✓	✓

Material ESG Factors

3.H Our ESG priorities

It is important to identify material ESG factors that are likely to affect the City's value creation process. Managing these material factors effectively has an important bearing on the long-term competitiveness and sustainability of the City's economy and, in turn, the attractiveness of Toronto as an investment destination. The ESG factors have been grouped into three key themes of environmental, social, and governance and workplace culture that drive the content, structure and scope of our reporting. The ESG factors will be reviewed at least annually.

All the ESG factors included in the table below are very important to the City of Toronto. However, given limited resources, prioritizing these ESG factors based on their relative materiality can help the City to concentrate resources on activities that can generate the greatest impact and create the most value to both the City and its stakeholders. During 2020, social programs to address equity and programs to address climate change have been identified as the priorities for the City. In addition, the City plans to prioritize ESG factors that are material not only to the City but to its stakeholders. The City is currently in the process of engaging stakeholders and plans to include a Materiality Map for the ESG Performance Report in the future. The Materiality Map will reflect the importance of each material ESG factor to the City of Toronto and its stakeholders.

Environmental	Social	Governance & Workplace Culture
Climate Change	Human Rights	Responsible Governance Practices
Resilience	Social Inclusion Social Empowerment and Advancement Economic Inclusion	Financial Governance Conduct and Trust Risk Management Cyber Security and Privacy Inclusion and Diversity Health and well-being Talent Attraction, Engagement and Retention Digital Enablement Responsible Procurement and supplier diversity
Socially Responsible Financing		
Socially Responsible Investing		

4 Statement of Performance Summary





Objective	Performance Metrics	Targets (if any)	2019	2018	2017
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Environment

Address climate change by achieving net-zero greenhouse gas (GHG) emissions across all sectors in Toronto by 2050 or sooner	Total GHG emissions (Mega-tonnes CO2e)	Reduce GHG emissions by: 30% by 2020 (to 18.2 MT) and 65% by 2030 (to 9.1 MT) relative to 1990 levels, and to net zero by 2050 or sooner (0 MT)	N/A	16.2	15.1
	Per capita GHG emissions (tonnes CO2e/person)	N/A	N/A	5.6	5.32

Social and Economic Inclusion

Improve connection to cycling routes in the City	% of people and employment within prescribed access to a cycling route	100%	56.0%	55.8%	55.0%
Increase access to services for people experiencing or at risk of homelessness	# of shelter beds added	2,800+ *			
New housing benefits to support people experiencing homelessness or at risk of homelessness	# of households with a housing allowance	6,000*			
Increase funding for social housing capital repairs	\$ funding to non-profit housing providers	\$1.1 billion*			

Governance and Workplace Culture and Inclusion

Engagement of Decision Makers	Average annual City Councillor attendance	92%	82%	90%
Governance: be diverse and inclusive	% women councillors	31%	31%	31%
	% women Senior Management (Division Head or Above)	44%	40%	N/A
	% Racialized Senior Management (Division Head or Above)	21%	21%	N/A
Reflect diversity and be inclusive of the City we serve	TPS Workforce:			
	% Women	49.4%	48.8%	N/A
	% Racialized People	37.2%	35.7%	N/A
	% Indigenous Peoples	1.3%	1.4%	N/A
	% Persons with Disabilities	5.3%	5.4%	N/A
	% LGBTQ2S+	3.4%	3.2%	N/A
Attract & retain a diverse and inclusive workforce	Turnover Rates:			
	All Active Employees (excl. Recreational Workers)	8.1%	7.9%	7.3%
	Growth Opportunities:			
	Promotion and Internal Hires (% Total Hires)	27%	25%	26%

*for the period of 2010-2019

5 Priorities for the Environment



The City's vision includes Toronto as a clean, green, and sustainable city. Tackling climate change and building resilience is one of Toronto's Corporate Strategic Plan priorities and the City has multiple strategies working in coordination to achieve these outcomes.

5A **TransformTO**

TransformTO¹³ is the City of Toronto's ambitious climate action strategy. TransformTO seeks to reduce greenhouse gas (GHG) emissions community-wide and increase climate resilience while improving social equity, health, and economic prosperity.

In October 2019, City Council declared a climate emergency, deepening the City's commitment to addressing climate change. As part of the climate emergency declaration, Toronto's long-term GHG emissions target was revised to achieve **net-zero emissions by 2050 or sooner**. The City's 2030 target of 65% GHG reduction will help put Toronto on that path.

Homes and buildings

- By 2030, all new buildings will be built to produce near-zero GHG emissions.
- By 2050, all existing buildings will have been retrofitted to achieve net-zero emissions.

Energy

- By 2050, at least 30% of total floor space across Toronto will be connected to low-carbon heating and cooling energy.

Achieving net-zero emissions will require transformational changes in how we live, work, build and commute. Everyone will have a role in making Toronto a low-carbon city. To reduce the worst impacts of climate change, TransformTO has set the following goals in these four key areas:

The City's Sustainable Energy Plan Financing (SEPF) program¹⁴ provides City Divisions, Agencies and Corporations, community organizations, and the private sector opportunities to increase energy performance.

Transportation

- By 2050, 100% of vehicles in Toronto will use low-carbon energy; 75% of trips under 5 km will be walked or cycled.

Waste

- By 2050, 95% of waste will be diverted from landfill; and we will have advanced towards a zero waste circular economy.

In addition to moving the City to net-zero GHG emissions, TransformTO will integrate climate resilience. The City's Resilience Strategy sets out a vision, goals, and actions to help Toronto survive, adapt and thrive in the face of any challenge, particularly climate change and growing inequities.

5.B Performance Metrics

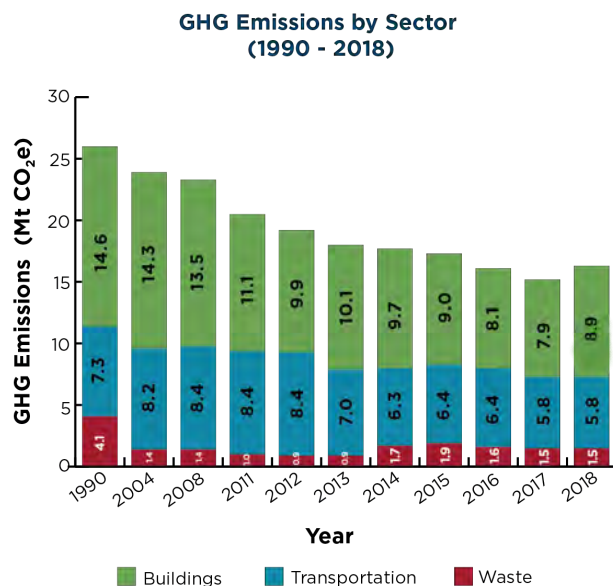
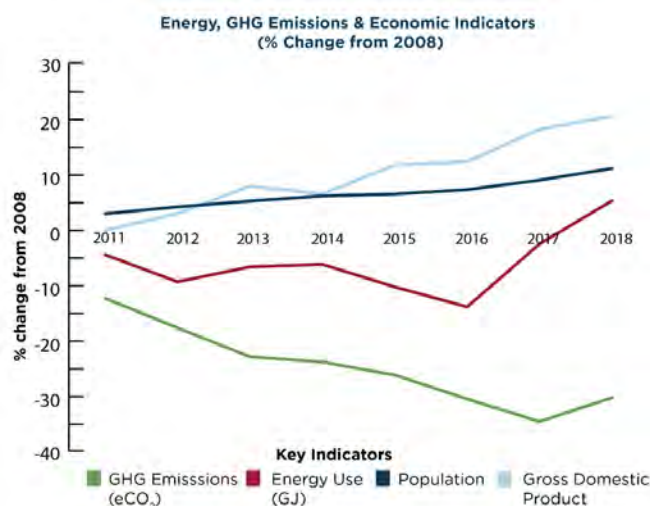
Objective	Performance Metrics	Targets	2019	2018	2017
Environment					
Address climate change by achieving net-zero greenhouse gas (GHG) emissions across all sectors in Toronto by 2050 or sooner	Total GHG emissions (Mega-tonnes CO _{2e})	Reduce GHG emissions by: 30% by 2020 (18.2 MT), 65% by 2030 (9.1 MT), and to net zero by 2050 or sooner (0 MT), relative to 1990 levels	N/A	16.2	15.1
	Per capita GHG emissions (tonnes CO _{2e} /person)	N/A	N/A	5.6	5.3
100% of new buildings are designed and built to be near zero GHG emissions by 2030	Average GHG Intensity of new building development applications (kg CO ₂ /m ²)	N/A	19	19	23
30% of total floor space community-wide – residential and commercial – will be connected to low-carbon thermal energy by 2050	Area of community-wide floor space (m ²) with energy derived from renewable or low-carbon thermal energy	N/A	4,000,000	4,000,000	3,950,000
Attract intergovernmental funding for climate-related initiatives	Amount of funding received (\$)*	N/A	**\$9,250,000	\$1,100,000	***\$28,346,298

* The performance metric describes funding received by City Divisions, Agencies, and Corporations, specifically grants from the Federation of Canadian Municipalities (FCM), and intergovernmental grants and incentives attracted and enabled by the City's Sustainable Energy Plan Financing (SEPF) program.

** In 2019 the City signed an agreement to provide TCHC with an SEPF loan that would enable TCHC to receive an incentive payment of \$8.9 million from the IESO.

*** In 2017 the City signed an agreement to provide TCHC with an SEPF loan that enabled them to receive a grant of \$28.3 million through the Social Housing Apartment Retrofit Program.

The City's Sustainable Energy Plan Financing (SEPF) program¹⁴ provides City Divisions, Agencies and Corporations, community organizations, and the private sector opportunities to increase energy performance and reduce GHG emissions. From 2017 to 2019, the SEPF program approved \$87.9 million in loans that have enabled \$142.7 million of projects across the city by leveraging co-investments and partnerships.



The City's community-wide GHG emissions inventory measures the emissions from local energy use in buildings, vehicles, waste and industry. In 2018, community-wide GHG emissions were 16.2 megatonnes (MT) eCO₂. GHG emissions in Toronto were 37% lower in 2018 than in 1990 thereby exceeding Toronto's 2020 target of 30% reduction of GHG emissions by 2020.

The 7% increase in GHG emissions between 2017 and 2018 can be explained by a cooler winter season which drove up natural gas usage in 2018, in addition to a sharp increase in the emissions factor for electricity. The emissions factor for electricity is directly related to the sources of electricity generation used in the provincial grid mix for any given year. In 2018, the province increased its use of natural gas generated electricity to make up for the loss of nuclear power generated electricity due to nuclear plant refurbishments. Transformative action will be required to meet the ambitious 2030 target and net-zero target by 2050 or sooner. Reporting annually is part of the City's commitment to address climate change and inform the development of its climate strategy and policy.

The Energy, GHG Emissions & Economic Indicators graph indicates that **GHG emissions** in Toronto have de-coupled from economic prosperity (as measured by GDP), population and energy use. Generally over time, emissions are decreasing even as population and GDP rise, showing Toronto has started on the path to a low-carbon future.

The City of Toronto's progress on addressing climate has continued in 2020 in the context of the COVID-19 pandemic. This included implementation of TransformTO, the City's climate action strategy, and development of a Net-Zero Strategy to align with Toronto's updated GHG-reduction target of achieving net-zero GHG emissions by 2050 or sooner. In some areas, work continued but at a slower pace due to staff redeployment to essential services and resource constraints. In other areas, the City embraced climate-positive action in its COVID recovery measures. For instance, the ActiveTO¹⁵ program rapidly created new space for active transportation, the City completed a record expansion of the City's Cycling Network and development of transit priority corridors were accelerated, to provide transportation options for essential workers, reduce pressure on transit and allow for physical distancing.

5.C Advocacy and Achievements in Climate Action

The City of Toronto is a leader in addressing climate change both domestically and internationally. The City is a member of C40 Cities¹⁶ which connects 96 world cities to take bold climate action, leading the way towards a healthier and more sustainable future. Toronto is a signatory of the Global Covenant of Mayors for Climate and Energy¹⁷ and reports through the Carbon Disclosure Project (CDP)¹⁸. Toronto is also a member of the Carbon Neutral Cities Alliance (CNCA)¹⁹.

Highlights of recent achievements in the four key areas:

Buildings Currently under construction, the Mount Dennis Early Learning and Child Care Centre will be the City's first net-zero GHG emission building and the 9th design in Canada to achieve Zero Carbon Building Certification by the Canada Green Building Council (CaGBC)²⁰. The building design will improve the building's resilience, capturing storm water runoff and providing on-site backup energy during power outages.

The Rob and Cheryl McEwen Graduate Study and Research Building at York University opened in 2019 and is an example of new development that far surpasses the minimum energy and emissions performance requirements of the Toronto Green Standard (TGS)²¹. Through the Independent Electricity System Operator High Performance New Construction Program, City staff in Environment and Energy assisted York University in obtaining financial incentives for this project. This development is just one example of how TransformTO goals are being taken up by diverse organizations throughout Toronto.

The Green Will Initiative (GWI)²² is a City program driving public and private sector building portfolios across Toronto to net-zero GHG emissions. Eleven major building portfolio owners, with over 4,500 buildings and over 300 million square feet of building space, have committed to accelerate GHG emission reductions and build a pathway to net-zero emissions by 2050 through the GWI.

BetterHomesTO²³ offers a comprehensive online resource where Toronto homeowners can find information, tools and resources to help them undertake home

energy retrofits. This includes access to HELP, the City's Home Energy Loan Program, which offers financing of up to \$75,000 to cover the cost of home energy efficiency improvements. BetterHomesTO was funded by a Natural Resource Canada grant of \$350,000.

Through its Energy Retrofit Loan²⁴ program, the City supports energy efficiency and decarbonisation projects in buildings through low-interest loans. The Energy Retrofit Loan offers business case based financing for up to 100% of project costs, at a rate equal to the City's cost of borrowing, with repayment terms up to 20 years. All buildings located in Toronto are eligible.

Navigation and Support Services is a City program²⁵ offering a one stop shop for buildings in Toronto looking to reduce their GHG emissions. Focusing specifically on medium to small sized buildings, the program offers guidance on energy retrofit projects including access to incentives and financing. Since the program's launch in 2019, it has assisted participants in applying for and receiving over \$300,000 in incentives and grants.

The City also provides strategic direction to City agencies and Corporations on ESG priorities. Toronto Community Housing Corporation (TCHC)²⁶, Canada's largest provider of social housing, is exploring the integration of Passive House principles into the design and construction of new residential projects starting with revitalizing the Alexandra Park community²⁷ including 21 townhome units that will be Passive House certified.

Energy Redevelopment of the Honest Ed's department store at Bathurst Street and Bloor Street will see the creation of nearly one million square feet of purpose-built rental housing and retail space. Currently under construction, the development will be supplied with low-carbon heating and cooling through a thermal energy network where waste heat is recovered from the process of partial on-site electricity generation for resilience, supported and approved by the City. Under an innovative arrangement, an energy developer covers the capital costs of low-carbon heating and cooling, and they eventually recover their capital cost and are able to earn a return, while the unit owners pay the same or less on their monthly utility bills.

Expansion of Enwave's Deep Lake Water Cooling and hot water distribution networks will include a new energy storage facility at The Well, a mixed-use residential, commercial and retail development located in Toronto's downtown west. This collaboration is the first one of its kind in Canada and will provide low-carbon and resilient cooling and heating.

In 2019, the City of Toronto completed its first solar photo-voltaic (PV) energy storage project on Toronto Paramedic Services' EMS station 46²⁸. The system offsets 39% of the site's electricity costs and is expected to provide indefinite emergency back-up power, reducing GHG emissions and improving resilience.

In 2019, the City designed its first Building Integrated Photovoltaics (BIPV) system, allowing on-site electricity generation using solar glass windows where roof space is limited. The system has been installed and is being tested.

Three of Toronto's four wastewater treatment facilities have on-site digesters which produce biogas. Biogas can be upgraded to renewable natural gas, which can be used to displace higher carbon fuels such as natural gas.

Transportation Toronto's first Electric Vehicle (EV) Strategy, developed through extensive collaboration in 2019, commits Toronto to the actions that need to be taken to ensure Toronto is prepared for the global shift towards electric mobility and achieves the key TransformTO goal of 100% of transportation using zero-carbon energy sources by 2050.

The King Street Transit Priority Corridor²⁹ was made permanent in 2019 after a pilot period, restricting through movements at most intersections for private vehicles and providing priority to streetcars. Streetcars now travel faster and more predictably, saving King streetcar riders 30,000 minutes of travel time daily and increasing daily weekday ridership by 16%.

Through the City's Cycling Network Plan³⁰ approximately 44 lane km of new or upgraded cycling infrastructure was added in 2019. Raised streetcar transit stop platforms - They help improve safety for cyclists, streetcar riders and drivers, and improve accessibility by making it easier to board/exit streetcars; examples on King St., Roncesvalles and Sherbourne.

Raised streetcar transit stop platforms help improve safety for cyclists, streetcar riders and drivers, and improve accessibility by making it easier to board/exit streetcars; examples on King St, Roncesvalles and Sherbourne.

The City of Toronto delivers transportation demand management strategies through the Smart Commute Program. The program helps employers and commuters adopt smart travel options by providing tools, resources and campaigns to encourage more sustainable commuter habits. With the goal of reducing single-occupant vehicle trips, Smart Commute helps to ease gridlock, improve air quality and reduce GHG emissions. The City works with Service Delivery Agents to deliver the program to hundreds of businesses and organizations and over 300,000 commuters in Toronto, including City staff. Clients of the Smart Commute Program include many of the large hospitals, colleges and universities, private sector businesses, property managers and BIAs in Toronto.

In 2019, City Council adopted the Pathway to Sustainable City of Toronto Fleets³¹, a five-year green fleet plan that addresses climate mitigation and adaptation with strategies for transitioning City fleets to sustainable, climate-resilient, low-carbon operations. Through Trans-formTO, the City has committed to transitioning 45% of the City-owned fleet to low-carbon vehicles by 2030.

The City also provides strategic direction to City agencies on ESG priorities. As part of the City's commitment to lead by example, the TTC ordered 60 electric buses for delivery in 2019 and 2020. By the end of 2019, the TTC had taken delivery of 23 eBuses, with 17 put into service. The project was funded by the City of Toronto and the Government of Canada.

Waste and the Circular Economy The City of Toronto's Long Term Waste Management Strategy³² includes an aspirational goal of transitioning to a circular economy and zero waste future. The City of Toronto manages approximately 900,000 tonnes of waste each year. With a growing population, the changing nature of waste, and risks associated with climate change, this amount of waste and its impact on our environment is not sustainable. To address this urban challenge, the City of Toronto is working towards a circular economy and zero waste future. Transitioning to a circular econ-

omy requires innovation to re-examine how programs and services can be delivered and applying a circular lens to activities and assets. The City of Toronto is currently implementing a variety of initiatives to drive innovation and the growth of a circular economy to achieve the following outcomes:

- change the way waste is viewed (i.e., as a resource);
- influence decision making on how waste is managed to maximize resource recovery;
- increase investment in circular economy; and
- shift thinking from the traditional linear approach to waste management and disposal to innovative ways to conserve and recover resources.

The City's Waste Reduction Community Grants³³ provide grants of up to \$25,000 to support innovative community-based efforts to reduce residential waste and increase participation in the City of Toronto's waste diversion programs. Priority is placed on investing in actions that address multi-residential buildings, multi-lingual communities, equity-seeking groups and Neighbourhood Improvement Areas.

The City's Live Green @ Work³⁴ program encourages City staff to get involved in greening their workplace, including waste reduction, and contribute to reaching TransformTO emission reduction targets at work.

5.D Climate Resilience

As described in the [City's Resilience Strategy](#)³⁵, the City of Toronto has many large-scale initiatives to improve resilience, including social, infrastructure and climate resilience.

A key example of the City's climate resilience work to prevent flooding is the Basement Flooding Protection Program³⁶, a multi-year program that is helping to reduce the risk of flooding by making improvements to the sewer system and overland drainage routes. Another is Toronto's Wet Weather Flow Master Plan (WWFMP)³⁷. Within this plan, the Don River and Central Waterfront Wet Weather Flow System Projects comprise the most significant water quality improvement program in the City. A recent Tree Canopy Study indicates that Toronto's canopy cover increased over the past ten years to 28-31% canopy cover in 2018, representing an increase of 10.2 million to 11.5 million trees.

The tree canopy, along with other green infrastructure, improves urban resilience by preventing flooding as well as helping to manage extreme summertime heat.

5.E Climate lens in City decision-making

City Council declared a climate emergency in October 2019 and directed staff to implement a climate lens to be used during decision making. As part of City's ESG integration approach, the City has implemented a climate lens into the annual budget process so that climate-related spending data is captured and can be reported. Along with the equity lens, the implementation of a climate lens in the budget process represents a paradigm shift in how Toronto considers its annual budget. Non-traditional economic measures are being applied to the budget process to gain a better understanding of how money is being spent and so that the City can deliver outcomes to Torontonians in alignment with corporate strategic priorities.

Future iterations of Toronto's climate lens will require City-wide capital projects to quantify their GHG emissions and to conduct standardized resilience assessments. It is expected that the enhanced climate lens will result in the following outcomes:

- drive a culture change so that the climate is considered in all development and planning processes;
- increase accountability and transparency by quantifying and reporting impacts to the climate;
- position the City well for intergovernmental funding; and
- capture data so that evidence-based policy decisions can be made.

5.F The Atmospheric Fund

The Atmospheric Fund (TAF)³⁸ is a regional climate agency (not included in the scope of this report) that invests in low-carbon solutions for the Greater Toronto and Hamilton Area (GTHA) and helps scale them up for broad implementation. The Toronto City Council created TAF in 1991 to finance local initiatives to combat climate change and improve air quality in Toronto. A \$23 million endowment, coming from the sale of a City-owned property, was set up to fund TAF's work.

TAF is a registered non-profit corporation, with a Board of Directors appointed by the City and made up of City councillors and citizens.

In 2016, the Province of Ontario provided TAF with a \$17 million endowment to enable services to be offered throughout the GTHA. In 2020, the Government of Canada provided TAF with a further \$40 million endowment to accelerate climate action. TAF is self-supporting and does not rely on City, provincial, or federal taxpayer funding for operations.

In 2019, TAF provided \$1.176 million in grant funding to strategic climate projects, as well as investing \$1.08 million in internally managed climate programs. TAF's 2019 initiatives will achieve an estimated 112 kt CO₂e of direct emission reductions over the life of the projects, with long-term scale-up potential estimated at 11.2 Mt CO₂e.

5.G Green Bond

The City of Toronto has an ambitious goal of achieving net zero greenhouse gas (GHG) emissions by 2050. To achieve this goal, investment in the City's core urban systems—buildings, energy supply, transportation, natural environment and waste management is necessary to realize a low-carbon future. To advance this initiative, the City developed and launched its Green Bond³⁹ program in 2018 in accordance with International Capital Market Association's (ICMA) 2018 Green Bond Principles. Details are described in the City's Green Bond Framework.

The proceeds of each green debenture are applied exclusively to finance or refinance, in whole or in part, new and/or existing eligible capital projects. Eligible capital projects are identified capital projects that meet the City's environmental objectives. Such projects generally include:

- Mitigation and adaptation to the effects of climate change;
- Abatement and avoidance of GHG emissions;
- Resource recovery and a hierarchical waste management approach; and
- Air, water, and soil pollution prevention and control.

The \$500 million of Green Bonds that the City has issued in two offerings since the program's inauguration has financed the following projects:

Inaugural green bond offering of \$300M (30-year term) in July 2018:

- Mainly for capital projects related to fleets and supporting infrastructure for sustainable clean transportation (subway related)

Second green bond offering of \$200M (20-year term) in Sept 2019:

- Mainly for capital projects related to supporting infrastructure for sustainable clean transportation (subway & cycling), and sustainable energy & environment (retrofit, flood protection, energy efficiency)

With demand for green bonds increasing rapidly, many investors are actively engaging issuers to encourage further sustainable debt issuances. The City seeks to gain further footing in Sustainable Financing and plans to be a regular annual Green Bond issuer in the coming years to progress its ESG initiatives.

5.H Alignment with Sustainable Development Goals (SDGs)

The City is implementing strategies that align with the UN Sustainable Development Goals. The City's climate action strategy, TransformTO, has the goal of achieving net-zero GHG emissions in Toronto by 2050 or sooner while improving climate resilience, health, social equity and economic prosperity. TransformTO is aligned with achieving the following environmental SDGs:



Goal 3 Ensure healthy lives and promote well-being for all at all ages



Goal 6 Ensure availability and sustainable management of water and sanitation for all



Goal 7 Ensure access to affordable, reliable, sustainable and modern energy for all



Goal 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Goal 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Goal 11 Make cities and human settlements inclusive, safe, resilient and sustainable



Goal 12 Ensure sustainable consumption and production patterns



Goal 13 Take urgent action to combat climate change and its impacts



Goal 15 Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss



6 Priorities for Society



Toronto's motto "Diversity Our Strength" represents the diversity of the city's 2.9 million residents. The City strives to be a caring and friendly city that invests in quality of life for all, an objective that includes social and economic well-being and inclusion.

6.A Social Priorities

The City of Toronto adopted a 10-year affordable housing action plan⁴⁰ for 2010-2020 to guide our work and investment decisions in partnership with federal and provincial governments, as well as the public and private housing sectors. During the period of 2010-2019, a Toronto Housing Charter⁴¹ has been established to ensure all residents have a safe, secure, affordable and well-maintained home. Also, the City has continued with its relentless advocacy efforts and achieved an increase of 50% by 2022 in federal funding for the homeless. In addition, the City was able to maintain funding for social and co-op housing at existing levels while obtaining new long-term funding for repairs through the Close the Housing Gap campaign.

During 2019, the City completed a comprehensive public and stakeholder consultation to update its first housing plan, the Housing Opportunities Toronto Action Plan 2010-2020⁴². The new City's HousingTO 2020-2030 Action Plan ("Plan") provides a blueprint for action across the full housing spectrum – from homelessness to rental and ownership housing to long-term care for seniors. It aligns with other City policies, such as the Poverty Reduction Strategy, Resilience Strategy,

TransformTO and the Seniors Strategy, with an aggressive housing agenda focused on supporting people over the next 10 years. Additionally, the Plan provides for increased accountability and oversight over a range of government resources necessary for improving housing outcomes for residents.

The City's Housing Secretariat will be responsible for monitoring targets and reporting to Council on the HousingTO 2020-2030 Action Plan, with several City of Toronto divisions and external partners involved in the implementation of HousingTO actions.

The City of Toronto is also committed to building an inclusive society and providing an accessible environment in which all individuals have access to the City's services and programs that respects the dignity and independence of people with disabilities. The Integrated Accessibility Regulation, under the AODA is now law and includes accessible standards in Customer Service, the standards for Employment, Information and Communication and Transportation. The City's Multi-Year Accessibility Plan (MYAP) 2020-2025⁴³, adopted by the Toronto Accessibility Advisory Committee on November 1, 2019 and Toronto City Council on December 17, 2019, outlines outcomes and initiatives that

reaffirm the City of Toronto's commitment to an accessible city and to building an equitable and inclusive society that values the contributions of people with disabilities. The City has made significant progress since its first multi-year accessibility plan, but there is more work to be done.

The HousingTO and Accessibility Plans align with and supports the City's Strategic Priorities in the following ways:

Maintain and create housing that's affordable

Committed to maintaining a city where families and individuals live, with respect and dignity, in safe, stable, and affordable housing.

Invest in people and neighbourhoods Committed to maintaining a city that protects and improves quality of life for all, including safety, health, social and economic wellbeing and inclusion.

Tackle climate change and build resilience

Committed to fighting climate change and preparing City government, economy, ecosystems, and communities, especially the most vulnerable communities, for a changing climate.

Keep Toronto moving

Committed to a city with safe, affordable and accessible transportation choices for people and goods.



6.B Performance Metrics

Housing Plan 2010-2020 Achievements	As at the end of 2019
Increased access to services for people experiencing or at risk of homelessness – including new emergency shelters	2,800+ Shelter bed added
	New 24-hour respite site services
	250 households assisted through the new Eviction Prevention in Community (EPIC) program
	7,300 Interest-free rent bank loans and 488 tenant defence fund grants
Provided new housing benefits to support people experiencing homelessness or at risk of homelessness	6,000 households with a housing allowance
	300 households with access a new provincial portable housing benefit for survivors of domestic violence
Increased funding for capital repairs for social housing	\$1.1 billion in funding to Toronto Community Housing and other non-profit housing providers
	Replacing or refurbishing rent-geared-to-income and affordable homes as part of revitalization of TCHC communities for 1,811 households
Supported tower renewal communities –including capital improvements	Capital improvements for 20,000 units to increase energy efficiency and water conservation. Capital improvements for 20,000 units to increase energy efficiency and water conservation.
	Essential repairs and modifications of lower-income 10,192 households, many of them seniors and persons with disabilities
Increased the supply of new affordable and supportive housing	2000+ supportive housing opportunities
	Affordable rental homes opened for 4,093 households
Access to new affordable ownership homes	Affordable ownership opportunities for 1,533 households
	Land transfer tax rebates to 173,160 first time home
Activated surplus public lands available for new affordable housing	6,420 new affordable rental and ownership homes on 52 public properties

Looking ahead into 2020, there is an updated set of performance metrics to measure the progress towards the targets set for the new HousingTO 2020-2030 Action Plan objectives.

Accessibility Targets

Objective	Performance Metric	Target	2019	2018	2017
Improve access to and mobility through Toronto's transportation network for all equity-seeking groups	Pavement Quality Index (PQI) Equity Ratio ⁴⁴	1.0	Data was not available.	Data was not available.	0.93
Improve connection to cycling routes in the City	% of people and employment within prescribed access to a cycling route ⁴⁵	100%	56.0%	55.8%	55.0%

6.C Key Strategic Actions addressing Affordable Housing and Shelter

Strategic Improvements

Implementing the revised Toronto Housing Charter

- Council adopted an updated "Toronto Housing Charter - Opportunity for All" in December 2019
- Ongoing engagement with human rights experts to explore options for establishing a Housing Commissioner role

Improving Accountability and Transparency in Delivery of Housing Services to Residents

- The Implementation Plan was developed in consultation with City divisions to set an accountability framework outlining roles and responsibilities for internal and external partners
- The Plan also includes actions for the next 10 years and outcomes and measures to monitor the progress towards achieving Council approved targets.

Social, Supportive, and Affordable Housing

Preventing Homelessness and Improve Pathways to Housing Stability

- Increased Rent Bank⁴⁶ funding by \$2 million (\$3.4 million total) to support approximately 750 households in rental arrears
- Invested an increased \$1.07 million (\$1.9 million total) in funding for the Eviction Prevention in Community (EPIC) program⁴⁷ (at least 375 evictions prevented)
- Supported more than 800 people experiencing homelessness to move from outdoor encampments to indoor spaces in the past six months.
- Assisted more than 2,000 people in moving from shelter to permanent housing through a Rapid Housing Initiative and housing benefits (April to August)
- Requested the federal and provincial governments to support the City's 24-month housing plan to create 3,000 permanent housing opportunities (2,000 of which are intended to include support services) through 1,000 permanent modular homes; 1,000 new units through acquisitions and renovations;

and 1,000 new portable (and flexible) Canada-Ontario Housing Benefits (COHB)

Providing Pathways to Support Women

- Provided 120 supportive housing units for women to be opened at 389 Church Street and operated by the YWCA
- Modernizing properties located at 13 to 19 Winchester Street underway to create 35 self-contained apartments with integrated onsite supportive services for women

Meeting the Diverse Housing Needs of Seniors

- Funding approved for the redevelopment of 205 existing City long-term care beds the creation of 479 new long-term care beds while offering a culturally-sensitive continuum of care.
- The creation of 303 new affordable, accessible rental homes with supports for seniors.

Maintaining and Increasing Access to Affordable Rents

- Distribution of the Canada-Ontario Housing Benefit (COHB) to more than 1,100 renter households and housing allowances to 6,900 renter households
- Requested the federal and provincial governments to increase Toronto's allocation through the COHB program and provide 1,000 additional benefits to help people experiencing homelessness
- By end of 2020, City Council approval will be sought to enroll four former federal non-profit housing providers (approx. 360 units) in the Community Housing Renewal Partnership Program (CHPR)⁴⁸ and provide them with exemptions from property taxes to reduce operating expenses and maintain affordability

Ensuring Renters Live in Well-Maintained and Secure Homes

- Provided approximately \$800,000 in low-cost financing through the Tower Renewal Program⁴⁹ to the operator(s) of two buildings, comprising 74 homes
- Established Advisory Committee on the Protection of Affordable Housing comprised of People with

Lived Experience, Tenant Advocacy Groups, and Legal Clinics

- Report planned for Planning and Housing Committee and Council in November 2020 on recommended zoning by-law amendments and proposed amendments to the licensing framework for multi-tenant houses

Supporting Toronto Community Housing and its residents

- Beginning in 2020, the City committed to a permanent funding model for TCHC comprising of \$160 million in capital and up to \$250 million in operating annually
- The City issued an RFP and evaluated submissions to transfer 600 single-family homes from TCHC to the non-profit housing sector-report to Council planned for October 2020 to obtain final approvals for this transfer
- The City will have invested \$725,000 by end of 2020 in Social Development Plans for three TCHC communities to guide the social development of revitalized communities and promote social inclusion

Creating New Rental Housing Responsive to Residents' Needs

- Six new sites for the Housing Now initiative⁵⁰ approved by Council which will add 620 new affordable rental units bringing the total number of affordable rental homes approved on City-owned sites to 4,520
- Approved 250 modular supportive homes to be developed on City-owned sites with funding from the City and the federal government
- 2020 Open Door Applications⁵¹ with new measures to prioritize non-profit housing applications, applications proposing lower rents and longer affordability periods

Helping People Buy, Stay in, and Improve their Homes

- 57 new affordable ownership homes ready for occupancy
- 8,468 first-time homebuyers assisted through the Land Transfer Tax Rebate Program⁵² valued at \$34.4 million

- On track to assist 22 households through the Home Energy Loan Program⁵³ (HELP) disbursing approximately \$700,000 in loans

Enhancing Partnerships for Housing

Enhancing Partnerships with Indigenous Community Partners

- With the advice and support of Indigenous partners, established target of more than 5,000 new supportive homes and affordable rental homes for Indigenous peoples and worked together on implementation

Enhancing Partnerships and Intergovernmental Strategy

- The federal government provided funding directly to women's shelters and programs for domestic violence (approximately \$21 million under the Reaching Home program to the City of Toronto), as well \$18.75 million in grants and loans to the City to help fund 250 permanent modular supportive housing units

The Province of Ontario:

- Advanced the roll-out of the Canada-Ontario Housing Benefit
- Provided \$39.2 million to the City under the Social Services Relief Fund (distributed via the Community Homelessness Prevention Initiative)
- Committed a further \$118 million to the City under a subsequent phase of funding through the Social Services Relief Fund (SSRF)

Revitalizing Neighbourhoods

Continuing the Revitalization of Neighbourhoods

- “Expanding Housing Options in Neighbourhoods”⁵⁴ work plan adopted by Council
- Don Summerville revitalization project⁵⁵ approved by Council -will create 766 new residential units including 120 replacement social housing units plus 100 net new affordable rental homes
- Market offering for first two Housing Now sites at 50 Wilson Heights Boulevard and 777 Victoria Park Avenue completed –Results in 1,992 residential units (including 790 affordable and 790 market

rental homes) plus new amenity and commercial spaces close to transit being developed at these sites

6.D Social Bonds – Preview for 2020

The City's Social Bond Program⁵⁶ seeks to promote positive socioeconomic outcomes for target populations. The City developed a [Social Bond Framework](#) during 2020 in accordance with International Capital Market Association's (ICMA) Social Bond Principles, which are widely considered to be an industry best practice. The Social Bond Program demonstrates the City's commitment to positive social objectives by financing the City's eligible capital projects in various social initiatives. The City of Toronto is the first Canadian public sector entity to issue a Social Bond and only the third local government globally to issue a Social Bond in accordance with the ICMA Social Bond Principles.

The proceeds of each bond are applied exclusively to finance or refinance, in whole or in part, new and/or existing eligible capital projects. “Eligible capital projects” are identified capital projects that meet the City's Social objectives. Such projects would include:

- Social and affordable housing new development and/or capital repair projects;
- Affordable basic infrastructure;
- Access to essential services; and
- Socioeconomic advancement and empowerment.

The inaugural \$100 million Social Bond issued in 2020 provides financing to capital projects for the City's [1000 Shelter Beds & George Street Revitalization](#)⁵⁷ initiatives. These initiatives seek to improve the condition of poverty, health and well-being of vulnerable groups in the City. These initiatives are the results of City's housing action plan ([HousingTO 2020-2030](#)). The action plan sets an aggressive housing agenda over the next 10 years, which will require the continued support of the City's Social Bond program.

With demand for social bonds increasing rapidly, many investors are actively engaging issuers to encourage further sustainable debt issuances. The City seeks to gain further footing in Sustainable Financing and plans to be a regular annual Social Bond issuer in the coming years to progress its ESG initiatives.

6.E Alignment with Sustainable Development Goals (SDGs)

The implementation of Social Bonds to finance the City's initiatives in Social Affordable Housing, Affordable Basic Infrastructure, Access to Essential Services and Socioeconomic advancement and aligns with the following UN Sustainable Development Goals.



Goal 1 End poverty in all its forms everywhere



Goal 3 Ensure healthy lives and promote well-being for all at all ages



Goal 4 Ensure inclusive and equitable quality education and promote life-long learning opportunities for all



Goal 6 Ensure availability and sustainable management of water and sanitation for all



Goal 8 Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all



Goal 9 Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation



Goal 11 Make cities and human settlements inclusive, safe, resilient and sustainable



7 Priorities for Governance & Integrity

City Council and its staff are committed to leadership in corporate governance and creating long-term value.

7.A.I The City's Governance System

A Balanced Model of Responsive Governance Practices

The City of Toronto's governance model relies on a balance between:

City Council The legislative body for the City, Council has a duty to find consensus while balancing city-wide and local considerations. Council is composed of the Mayor and 25 Councillors. The Mayor fulfills a city-wide mandate, leading Council in strategic and financial planning and representing the City to other governments. The Mayor and Councillors each have one vote at Council and a majority vote decides most matters.

Public Service City staff and most agencies make up the public service. The public service provides objective, professional advice to Council and its agencies and corporations and implements Council's decisions as per City policy, standards and principles of effective public service.

The Public The public play an essential role in ensuring the effectiveness of decision making by:

- Identifying issues for Council and staff consideration;
- Providing input and feedback on services, reports and policies;
- Partnering with the City to deliver programs;
- Making their ideas and recommendations for improvement known through protests, deputations, voting, participation in public meetings, surveys, advisory bodies etc.; and
- Communicating with staff, Councillors and the Mayor.

Accountability, Conduct, and Culture

The City of Toronto is required by provincial law to have four Accountability Officers (an Auditor General, Integrity Commissioner, Ombudsman, lobbyist registrar) as well as an Open and Closed Meetings Investigator to help ensure that City government remains open and transparent.

The four Accountability Officers operate under a four-way Memorandum of Understanding, allowing them to co-operate and co-ordinate their work as they independently fulfil their respective mandates.

- **The Auditor General** Responsible for assisting Council in holding itself and the City's administration accountable for stewardship over public funds and for the achievement of value for money in City operations including all divisions, agencies, and the offices of the Mayor and Councillors. The Auditor General also manages the Fraud and Waste Hotline.
- **The Integrity Commissioner** Responsible for providing advice and education to the Mayor and Councillors and appointees of local boards on the application of the Municipal Conflict of Interest Act and their respective Code of Conduct, and other bylaws, policies and legislation governing ethical behavior. Applicable Codes of Conduct, include:
 - » Code of Conduct for Members of Council;
 - » Code of Conduct for Members of Local Boards; and
 - » Code of Conduct for Members of Adjudicative Boards
- **The Lobbyist Registrar** Promotes and enhances the transparency and integrity of City government decision-making through public disclosure of lobbying activities and regulation of lobbyists' conduct. The Lobbyist Registrar's responsibilities include overseeing the lobbyist registration system, providing advice, conducting inquiries and investigations and enforcing compliance of the

Toronto Municipal Code and advising City Council on lobbying matters.

- **The Ombudsman** Works to ensure that the City treats the public fairly and that services are provided in a way that is fair and equitable for all. The Ombudsman Toronto team independently and impartially investigates complaints and concerns about administrative unfairness concerning all City divisions and most City agencies, corporations and local Boards, but not City Council. Ombudsman Toronto also proactively consults with the bodies it oversees to ensure administrative fairness in systems, processes and approach. www.ombudsmantoronto.ca.

Transparency

Open and Closed Meetings Investigator Investigates appropriateness of a meeting that was closed in full or in part to the public and submit findings and recommendations to City Council or the local board.

The City of Toronto encourages diversity and inclusion at Council, Committees, Local Boards and all staff levels. The City strive to ensure our senior leaders and board members recruitment and succession planning efforts include a wide variety of expertise, perspectives and backgrounds. Ensuring decision makers have access to an extensive program of educational opportunities on emerging issues is a key governance priority.

7.A.ii Risk Management

The Purpose of Enterprise Risk Management

The City manages risk to achieve better outcomes for its residents. Enterprise Risk Management (ERM) enhances the governance and management activities of the City of Toronto, supporting the culture, and establishing risk-informed decision-making throughout the organization. ERM supports value creation by enabling management to 1) effectively navigate potential future events that create uncertainty and 2) respond in a manner that reduces the likelihood of downside outcomes and increases the possibility of upside.

In 2019, the City has enhanced its risk management practice by developing a new Enterprise Risk Management Framework after establishing the Enterprise Risk Assurance Committee in 2018. The ERM Framework

consists of the following components: ERM Policy, Governance Structure, and the Risk Management process.

Risk Management Policy

The Risk Management policy incorporates a consistent approach to risk management into the culture and strategic planning processes of the City that supports decision making and resource allocation at both the operational and strategic levels. The policy sets the directional tone for individuals across all levels of the organization. It seeks to enforce ownership. It defines roles and responsibilities to help ensure the risk management process and that accountabilities are understood.

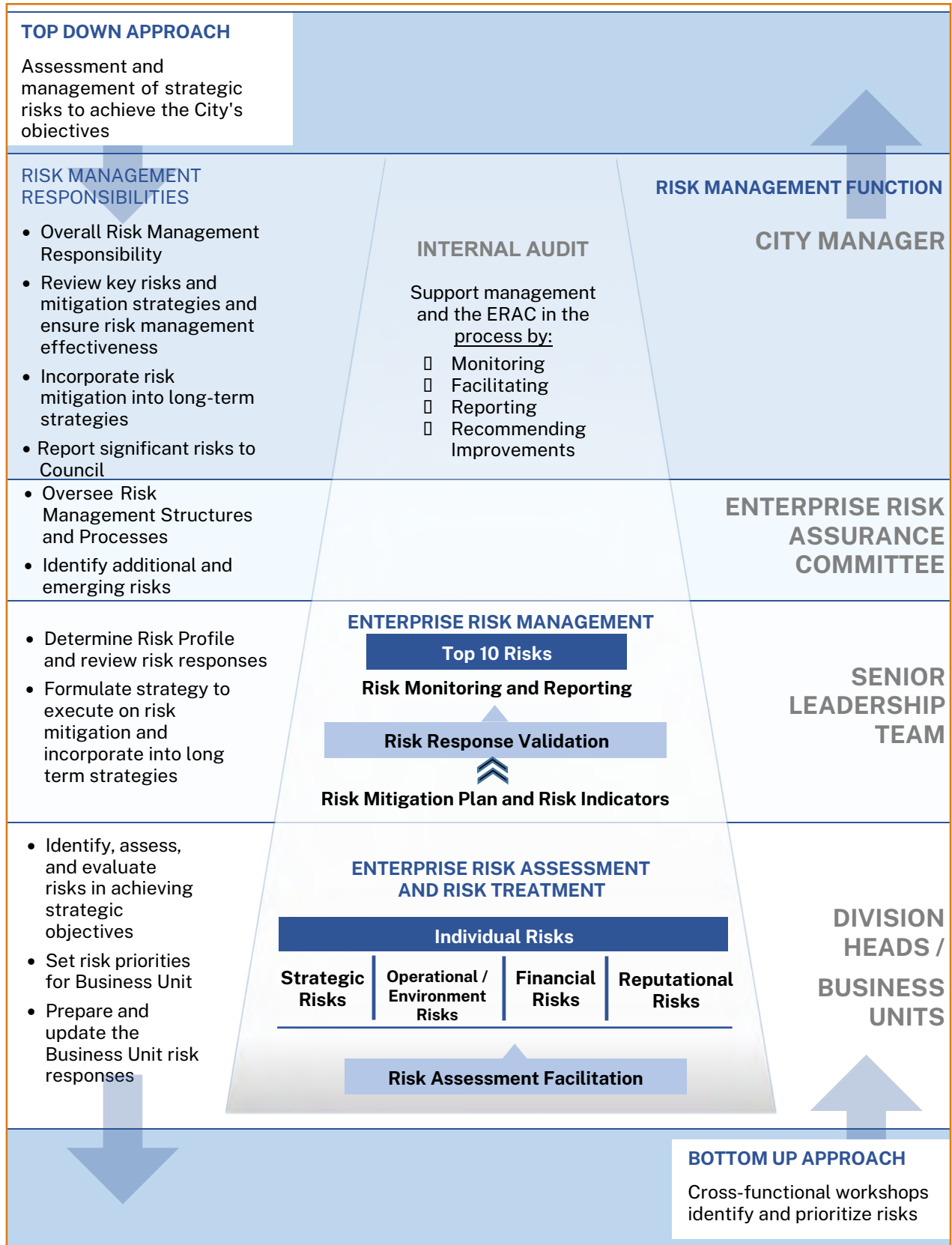
Governance Structure

The City's ERM governance structure combines a Top-Down and Bottom-Up approach. The Top-Down approach assesses, manages, and defines strategic risks to achieve the City's objectives. The Bottom-up approach involves cross-functional workshops that identify and prioritize risks. (See "ERM Governance Structure" below for further details).

Risk Management Process

ERM is an on-going and cyclical process. The Risk Management Process can be summarized into five main steps (See "Risk Management Process" below for further details). The City re-evaluates and updates ERM processes and risks on an on-going basis to reflect new information such that significant risks are appropriately identified and addressed and that any material opportunities are not overlooked.

The City's ERM Governance Structure



Risk Management Process



The City's risk factors identified through the ERM process

The City's risk factors identified through the ERM process



Environmental Considerations in ERM

The City of Toronto began considering climate change risks to interdependent infrastructure in 2016 by convening meetings, workshops and discussions between multiple internal city divisions and external infrastructure organizations in the water, transportation and utility sectors. A year-long city-led engagement process was structured around a High Level Risk Assessment exercise.

The process allowed organizations to share general information about their own vulnerabilities and risks to climate change, and understand those of other organizations who depend upon them. In addition, this process allowed for the identification of sectoral interdependencies and highlighted how the risk mitigation responses of one organization to climate hazards could benefit others. The process was commended by participants as the first of its kind in the region to tackle interdependencies, as well as demonstrate the City's leadership. Participants stressed the importance of continued collaboration and dialogue on interdependencies. They also cited the need for a forum where protections and controls on liability and legal repercussions are in place to allow for a fuller disclosure of specific vulnerabilities, risks, and actions.

Due to climate change, the City is projected to experience an increase in the frequency of extreme weather events such as extreme rainfall and temperature events. In recognition of these hazards, the City adopted the Climate Change Risk Management Policy (CCRMP)⁵⁸ in July 2014. The CCRMP directs City divisions to systematically prioritize the identification, assessment, mitigation, monitoring and reporting of risks to infrastructure and services associated with climate hazards across the City's operations.

The policy also directs staff to engage with residents, the private sector and broader public sector to share knowledge on climate change and work towards enhancing extreme weather resilience on a broader scale. One of the initiatives to implement the CCRMP is to undertake a High Level Risk Assessment (HLRA) exercise in 10 different thematic areas:

- 1** Utilities (i.e. electricity, telecommunications, natural gas, district heating and cooling);
- 2** Transportation (i.e. public transit, high-ways, roads, railways, airports);
- 3** Water (i.e. wastewater collection and treatment, stormwater management);
- 4** Buildings (i.e. private and publicly owned);
- 5** Public safety (e.g. fire/police/emergency medical services);
- 6** Liquid fuels;
- 7** Additional networks (waste management, social services, food supply);
- 8** Local economy/insurance/finance;
- 9** Health (e.g. healthcare facilities, clinics, outpatient care centres,); and,
- 10** Natural environment.

The goal is that through the HLRA exercise, different actors (both internal city divisions and external organizations) responsible for service delivery within these thematic areas increase their understanding about climate change risks as well as the inter-dependencies between service providers.

7.A.III Financial Sustainability

Financial Sustainability

Toronto Public Service's Corporate Strategic Plan⁵⁹ sets out the highest priorities and creates a common understanding of the work the City will focus on to be successful. At a high level, this includes delivering a high quality of life for residents, businesses, and visitors; and to earn the trust and confidence of Torontonians, City Council, and staff. The plan is guided by City Council's vision, Toronto's motto, and the Toronto Public Service's mission. It identifies the organization's strategic areas of focus and is grounded in our commitment to people, partnerships, and performance. The Plan identifies six key priorities for the Toronto Public Service, expected results and strategies, plans, and initiatives that the City will deliver to meet Council's directives. Combined, these elements focus the City's leadership and guide staff on how their work fits into the City's long-term goals.

As part of the Strategic Plan, Financial Sustainability⁶⁰ is a corporate priority aimed to strengthen governance, improve performance and boost financial resiliency. To this end, the City is implementing an enhanced Financial Sustainability program in 2019 to build a strong financial foundation to support effective and efficient service delivery.

The objective of this new multi-year initiative is to ensure value and affordability for taxpayers, adequately fund municipal services and infrastructure, make needed investments in the city and improve the City's financial health.

The Five Pillars of the enhanced Financial Sustainability Program are:

- 1 Modernizing the way we budget** Employing a service-based, multi-year approach to planning and budgeting will allow for strategic decision-making based on performance and outcomes, and demonstrate the value of city services.
- 2 Transforming our financial processes and systems** Establishing a single authoritative source of financial information through streamlined processes and systems will enhance decision-making and collaboration.
- 3 Modernizing the management of our capital resources** Implementing a robust, integrated capital management plan will improve long-term capital investment strategies and lead to achievable and affordable infrastructure in the city.
- 4 Exploring innovative ways to work** Adopting innovative technologies such as robotics and Blockchain will help develop a modern, agile, and transformative organization that recognizes increased efficiencies and transparency.
- 5 Designing our organization to support large-scale financial transformation** Ensuring our organization reflects and supports large-scale and long-term financial transformation is key to ensuring a successful change.

Progress on this multi-year initiative will be provided in future reports.

7.A.IV Digital Strategy

Digital Enablement

City of Toronto's Digital Vision: A connected and equitable Toronto with an affordable, accessible and resilient digital environment as a public service for all.

Digital Enablement is all about influencing an enterprise digital transformation process through digitalized business platforms, achieving enhanced customer experience and business processes. Toronto's digital vision is to create a connected and equitable Toronto with an affordable, accessible and resilient digital environment as a public service for all.

Now, more than ever, the need to scale delivery of digital government services and engagement is a focus. Public health standards, fiscal realities and customer expectations and increased comfort level for fully digital experiences require the City to accelerate at an unprecedented rate. "Business as usual" is not an option. Our digital government vision is a connected and equitable Toronto with an affordable, accessible and resilient digital environment as a public service for all.

Over the last 18 months, Toronto has modernized the customer service operating model, starting with a vision statement that focuses on simple, reliable, and connected services that anticipate changing customer needs. The program is focused on four key strategic objectives: 1) providing consistent customer service experience, 2) maximizing self-service, 3) optimizing customer service delivery and building trust, and 4) confidence in city services.

Looking into 2020, the City is investing in a new Customer Relationship Management (CRM) platform to help provide the City with a more holistic view of residents and their interactions across city divisions. Moreover, efficiencies created by shifting clients to self-service on their terms will enable more staff resources to deliver consistent, fluid and positive customer experiences regardless of the customer's channel of choice. These are examples of how Toronto is continually evolving and adapting its service delivery to keep pace with changing needs. The updated Digital Infrastructure Plan was adopted by City Council on January 29, 2020.

Digital Enablement: Key Strategic Objectives

Digital Service delivery to the public
...to improve service experience

Digital Equity and Inclusion
...to bridge the digital divide for underserved communities

Digital Resilience and Agility
...to assure business continuity and adapt to shocks

Digital Partnerships and Revenue Generation
...to drive financial sustainability and economic growth

Cyber Security

Heightened pandemic risks have accelerated the need for the City of Toronto to digitally transform its services to meet the demands of its residents and workforce. The increased demand to create an effective remote workforce coupled with modern digital services for residents is creating an expanded digital landscape for possible exploitation. The City is responding to these challenges by broadening its cyber security program led by the recently formed Office of the Chief Information Security Officer (OC).

The City processes a wide range of personal and confidential information. In addition, the City serves a population of 2.9 million residents and has a workforce of 35,000 staff across 45 divisions. With this level of complexity, it is important that the City continues to build an effective cyber security governance program. The impact of a data breach on the City may lead to a major loss in confidence and trust from residents and the City's service delivery partners.

The OC's approach has three key priorities 1) Position the City's cyber security posture to meet the demands of digitization; 2) Improve the City's business cyber resilience; and 3) Expand the City's cyber practice. The long-term vision of the OC is to implement a program that will enable the investigation and the development of proactive measures to solve some of society's problems by

Principles for the City's Digital Infrastructure Plan

A Well-run City

Privacy and Security

Equity and Inclusion

Democracy and Transparency

Social, Economic and Environmental Benefits

providing direct cyber support to Toronto residents in order to enable equitable outcomes.

Toronto's Cyber Organizational Structure

Cyber Diplomacy & Governance –focused on building a cyber culture across the City by improving governance frameworks/policies/ standards and overseeing the mandatory cyber awareness program.

Threat Management –focused on identifying and investigating threats, managing vulnerabilities and providing threat intelligence across the City.

Digital Trust –focused on building a robust digital identity program to meet the demands of digitization across City services and ensuring that the program incorporates privacy by design principles.

Business Application Resilience –focused on improving cyber maturity across the City's critical application solutions.

Digital Forensics and Investigation –primary focus is to support the City's Internal program in conducting investigations.

Urban Technology Protection –primary focus is to improve cyber maturity across the City's critical public infrastructure.

Privacy

To provide residents with the services they need, the collection of personal information is at times necessary. The City believes that safeguarding this information and transparency with how we use it is key to

maintaining trust and confidence in Toronto's government. The City protects personal information from unauthorized collection and use through its privacy policy and procedures, training of staff and investments in technology. The City collects or uses personal information within the limitations of the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA)⁶¹. This legislation, together with the City's privacy policy, requires the City to maintain a standard of protection and care of information physically and procedurally. The City's privacy website⁶² further articulates how we collect, use and protect information.

All City Divisions are committed to protecting personal information. The City Clerk's Office helps Divisions make sure this information is only provided for its intended purpose. The city's Protection of Privacy Policy⁶³ details City staff accountability, roles and responsibilities, and guidelines to help staff manage and protect personal information.

The privacy plan for the City involves both legal compliance with privacy legislation and the development and deployment of best practices that prevent the misuse of personal information of Toronto residents. Processes like the Law Enforcement Request form, the Children's Aid Guidelines, interview and Sign-in Sheet Guidelines instruct City staff while placing the expectation and responsibility on the individual employee. The City strives to implement a maturity model that encompasses the need for sensitive personal information, as required to govern, but that the information must be used reasonably and lawfully.

Privacy training is mandatory under the City's Privacy Policy. The perspective that the City takes is that access and privacy are core fundamentals for all civil servants. Each new hire is required to complete a privacy component during orientation and privacy training is continually being deployed to staff throughout the City.

New technologies are under the purview of the Office of the Chief Information Security Officer. It is firmly understood that a complete privacy protection strategy for the city includes both behavioural and technological solutions.

7.A.V Responsible Sourcing

Social Procurement

Social procurement at the City of Toronto is the achievement of strategic social, economic and workforce development goals using an organization's process of purchasing goods and services. The City's Social Procurement Program⁶⁴ is comprised of two components: Supply Chain Diversity and Workforce Development. The Social Procurement Program was implemented across all City divisions beginning in January 2017. The Program aims to drive economic growth by improving access to the City's supply chain for diverse suppliers and leveraging meaningful training and employment opportunities for Indigenous Persons and persons belonging to an equity-seeking community. Social procurement uses the City's procurement power to achieve social, economic, and workforce development goals. This practice means every dollar spent achieves a double bottom line, one for operations and one for social impact.

In 2019, the City issued 298 low dollar contracts with an approximately \$1.8 million in value to certified diverse suppliers. The City's Social Procurement Policy states that for Invitational Request for Quotes, valued between \$3,000 and \$100,000, a minimum of one certified diverse supplier must be invited to bid as part of a three-quote process.

Fair Wage at the City of Toronto

The Fair Wage Policy⁶⁵, established in 1893, prohibits the City from doing business with contractors and suppliers who discriminate against their workers. Among other things, the Fair Wage Policy is intended to produce stable labour relations with minimal disruptions, compromise between the wage differentials between organized and unorganized labour and help create a level playing field in competition for City work. The City of Toronto requires that wages paid to workers on City contracts meet the requirements of the Fair Wage Policy.

The Fair Wage Office investigates complaints and takes enforcement action when it is determined that a contractor has failed to pay its workers the prescribed wages found within the Fair Wage Schedules. In 2019, the Fair Wage Office recovered \$101,963.42 in wages. In addition to investigations, the Fair Wage Office

engages in other activities to ensure compliance with the Fair Wage Policy, such as education and outreach, money penalties administration, wages payment enforcement and recommendation of non-compliant vendor disqualification.

Circular Economy in Procurement at the City of Toronto

Through the Long Term Waste Management Strategy⁶⁶, Toronto City Council adopted the aspirational goal to work toward zero waste and a circular economy. A key strategy to support these efforts is the design and implementation of the City of Toronto's Circular Procurement Framework and Implementation Plan⁶⁷. Recognizing that municipal leadership is essential to catalyze a circular economy transition, the City of Toronto is working to leverage its considerable buying power – averaging \$2 billion CAD per year – and demonstrate demand for circular business solutions, products, and services. In addition to encouraging a circular shift among Toronto vendors, the City is also exploring how it can change the way that City staff assess procurement needs and design the delivery of government services in order to allow circular economy principles to become central to the way the municipality does business. The Circular Procurement Framework and Implementation Plan⁶⁸ seeks a range of economic, social, and environmental outcomes for the City of Toronto. These include:

- Social benefits: green job creation, enhanced circular economy capacity among City staff, increased asset utilization rates/asset sharing activities,
- Environmental benefits: waste diversion, CO2e reduction, increased use of recycled content in materials, and avoidance of raw materials and
- Financial benefits: cost savings, savings through waste reduction, enhanced productivity.

All City of Toronto Divisions undertake procurement to deliver services to residents. As such, implementation of the Circular Procurement Framework is a unique opportunity for cross-corporate impact in support of a circular economy transition.

The Solid Waste Management Services Division at the City of Toronto is currently implementing a variety of initiatives to drive innovation and the growth of a circular economy in Toronto. As a result of these initiatives, the City aims to achieve the following outcomes:

- change the way waste is viewed (i.e., as a resource),
- influence decision making on how waste is managed to maximize resource recovery,
- increase investment in circular economy, and
- shift thinking from the traditional linear approach to waste management and disposal to innovative ways to conserve and recover resources

Supplier Code of Conduct at the City of Toronto

In 2017, Toronto City Council adopted a revised Purchasing By-law that incorporated a Supplier Code of Conduct. The Supplier Code of Conduct covers honesty and integrity of the Suppliers, conflict of interest, performance on contracts, collusion, intimidation, gifts and prohibited communications. Suppliers must declare to follow the Supplier Code of Conduct as part of every procurement. In addition, Suppliers have to declare that they have an anti-discrimination and human rights policy in place and in appropriate circumstances that they do not rely on slave labour or child labour. Suppliers who violate the Supplier Code of Conduct or any other element may be suspended from doing business with the City.

Who are diverse suppliers?

A diverse supplier is a business that is at least 51% owned, managed and controlled by an equity-seeking community or social purpose enterprise. These communities include, but are not limited to women, Aboriginal people, racial minorities, persons with disabilities, newcomers and Lesbian, Gay, Bisexual, Trans, Queer, Two-spirit (LGBTQ2S) community. The goal of the program is to provide equal opportunity to all vendors and does not provide preferential treatment to diverse suppliers. The City requires certification of diverse suppliers through established non-profit supplier certification organizations

Objective	Performance Metrics	2019	2018	2017
Social Procurement – Enhance Diversity	Contracts issued to Certified Diverse Suppliers (in millions)	\$1.4	\$1.3	\$1.8



7.B Workplace Culture

As an organization we are building a culture where all employees are engaged in our mission to serve a great city and its people. We know that building a positive workplace culture that reflects the City's ethics and values, and builds trust and confidence with the public and staff, will shape how our people work and interact day-to-day. Our leadership teams understand that they play a critical role and are accountable in building that positive workplace culture, so that collectively we achieve Toronto's vision, motto and mission.

City Corporate Priorities

The City of Toronto has a number of ongoing initiatives to support Indigenous, Black and equity-seeking groups both within the organization as well as more broadly across the city. These initiative focuses on building equity capacity within the organization to ensure efforts are sustainable, but also include direct actions to reflect the interests and needs of the residents of the City of Toronto. The following are key initiatives currently underway:

Diversity and Inclusion Initiatives

Workforce Equity and Inclusion Plan (2019-2022)

The multi-year Workforce Equity and Inclusion Plan⁶⁹ focuses on the three areas: 1) Enabling Data Informed Decision-Making, 2) Fostering a Culture of Engagement and 3) Inclusion, and Embedding an Equity Lens throughout the Employee Life Cycle. There is a "Count Yourself In Staff Diversity Demographic Survey" with an objective to increase engagement scores of Indigenous, Black and equity-seeking groups. In addition, deliberate steps will be taken to identify representation gaps and to address them. These efforts will complement current strategies underway such as the Toronto Action Plan to Confront Anti-Black Racism, Recruitment Strategy for Persons with Disabilities, and a work plan to support the Aboriginal Employment Strategy.

Multi-year Accessibility Plan 2020-2025⁷⁰

Maintaining and monitoring compliance with the Integrated Accessibility Standards Regulation under the Accessibility for Ontarians with Disabilities Act (AODA), as well as promoting 'accessibility by design' beyond legislative requirements. This plan includes both new and continuing priorities that support the City of Toronto in the ongoing identification, removal and prevention of accessibility barriers. The Toronto Accessibility Advisory Committee is an advisory body to City Council and provides advice and recommendations on the identification, prevention and elimination of barriers faced by people with disabilities and on the implementation of the AODA in order to achieve accessibility with respect to City by-laws, policies, goods, services and programs, employment, facilities, buildings, structures and premises.

Mental Health Strategy The strategy focuses on these areas: 1) Fostering a healthier workplace with increased productivity and decreased absences, 2) Promote a positive working environment of collaboration and inclusion, and 3) Encourage respectful behaviours with conflict resolution practices in place

Corporate Employee Engagement Response Plan

Builds a more positive workplace culture and improve employee engagement.

Count Yourself In (CYI): Workforce Survey The goal is to collect demographic information about all employees to guide the City to improve access to

employment, as well as track career progression of Indigenous, Black and equity-seeking groups. The objective is to increase the overall CYI response rate to 70% and to increase representation across all levels of the organization to reflect the City of Toronto resident population.

Workplace Culture Network In 2019, each division identified a Workplace Culture Lead representative for the network.

The Workplace Culture Network (WCN) is responsible for the roll out and implementation within divisions of a number of multi-year corporate initiatives relating to workplace culture.

This network is an essential element to ensure an integrated response to move forward on the mandated actions arising from the workplace culture strategies. In addition, the network is regularly consulted on initiatives that relate to employee engagement such as employee recognition.

To date, the network has led the development in their division of employee engagement plans to enhance workplace culture. In order to do this, each division reviewed their employee engagement results, identified the contributors that they wanted to improve and developed improvement plans accordingly. As part of the exercise, divisions were asked to identify which of the following workplace culture themes were addressed in division plans:

- Being Respected, Empowered and Valued
- Embracing Diversity and Inclusion
- Making a Difference
- Working Together

Management Summit In order to enhance employee engagement on a corporate level, a Management Summit was facilitated in the fall of 2019. The objective of the summit was to build understanding of the Employee Engagement action planning process, brainstorm ideas for managers to use with their own teams and to help managers to understand their critical role and influence in building a positive workplace culture. The two contributors that were the focus of the Summit were Wellness and Communication. At each session of the Summit, the City Manager emphasized for the participants their important role in workplace culture.

Toronto for All Learning Program Toronto for All Learning is an education initiative for all City staff that will help them to build and maintain an equitable and inclusive workplace to better serve our city's diverse communities. The program includes different modalities of learning on the legislated topics of Accessibility and Human Rights, the Council-mandated training topics of Indigenous Cultural Competency Training and Confronting Anti-Black Racism, topics regarding specific communities such as "Understanding Gender and Sexual Orientation", and many other topics regarding equity, diversity, inclusion, bias, injustice, and privilege. The program continues to refine learning pathways and consults with divisional needs to help guide impactful learning that will create change in the workplace culture and service delivery of the Toronto Public Service.

Communities of Inclusion Communities of Inclusion are groups of City employees who share a common identity, lived experience and/or set of interests and who meet regularly to network, dialogue, share best practices, build capacity, learn and develop. Communities of Inclusion are supported by the City because they build awareness and advocate for a safer, more equitable and respectful working environment for Indigenous, Black and Equity seeking groups in the Toronto Public Service.

- Existing Communities of Inclusion include:
- Ambe Maamowisdaa Employee Circle
- Black Staff Network
- Employee Disability Network
- Pride Network
- Toronto Network of Women (TOnow)

Inter Divisional Staff Team on Access and Equity The Inter Divisional Staff Team on Access and Equity (IDST) is an interdivisional committee whose purpose is to inform, align and share leading practices in equity, inclusion, accessibility and human rights. This forum allows City staff and divisions to share information, education and resources on equity, inclusion, accessibility and human rights initiatives including corporate-wide and divisional programs, policies, and priorities; share leading practices from divisions and other organizations; and provide a forum to discuss emerging trends.

Equity and Inclusion Program Advisory Body The Equity and Inclusion Advisory Group informs the Peo-

ple & Equity Division on strategic priorities by using an equity and inclusion lens that is responsive to diverse communities of Toronto. The advisory group provides input, feedback and recommendations that are reflective of community needs and emerging trend and shares successful practices on equity, diversity and inclusion programs, tools and initiatives.

Recruiter Diversity & Inclusion Training In order to create and sustain a more diverse and inclusive workforce, uphold a culture of respect, as well as attract and retain diverse talent, recruiters completed the mandatory Diversity & Inclusion Training in 2019 as follows:

- Diversity & Inclusion Fundamentals
- Unconscious Bias Training
- Managing Bias in Hiring
- Indigenous Culture Competency Training
- Confronting Anti-Black Racism Training

Diversity and Inclusion Advisory Bodies and Offices

LGBTQ2S+ Council Advisory Body The City's LGBTQ2S+ Council Advisory Body provides a mechanism for meaningful community feedback and engagement to identify and meet the unique needs of LGBTQ2S+ communities in Toronto and embeds LGBTQ2S+ equity considerations in City program and service planning.

Human Rights Office The City's Human Rights Office provides neutral consultative advice and complaint resolution support to residents and employees who have human rights concerns related to City run services, facilities or accommodations under the City's Human Rights and Anti-Harassment/Discrimination Policy, Hate Activity Policy and Accommodation Policy. This office ensures the City is meeting its legislative and policy obligations to ensure that harassment and discrimination does not occur in the delivery of City services and within the workplace.

The goal is to build capacity within the organization by addressing and responding to issues as well as developing resources, training and tools to enhance human rights and equity.

Confronting Anti-Black Racism Unit⁷¹ To begin confronting anti-Black racism in Toronto, the City of Toronto partnered with Black leaders and organizations to create and implement a four-phase process that culminated in Council's unanimous adoption of the Toronto Action Plan to Confront Anti-Black Racism.

This five-year plan leverages the talents, knowledge, and experiences of Black residents and Black organizations as partners in making municipal services, spaces and policies fully inclusive and accessible to Torontonians of African descent in both intent and in practice. The Action Plan includes 22 recommendations and 80 actions to address five issue areas:

- 1 children and youth development;
- 2 health and community services;
- 3 job and income supports;
- 4 policing and the justice system; and
- 5 community engagement and Black leadership.

Indigenous Affairs Office The Indigenous Affairs Office (IAO)⁷² provides information, advice, programs and policies that support the City of Toronto's Commitment to Indigenous peoples and advancing truth, reconciliation and decolonization. Working with Indigenous partners across the city, the office provides leadership and guidance to the Toronto Public Service to ensure that City programs and policies are consistent with legislative requirements and are responsive to the needs of Toronto's diverse Indigenous communities.

The IAO office leads a number of initiatives and advisor bodies including:

Indigenous Affairs Community of Practice

- To gather and disseminate information, engage in inter-divisional collaboration to enhance efficiency and sustainable outcomes for Indigenous partnership, collaboration and engagement.
- To develop consistent and cohesive wise practices, identify and address barriers, and create opportunities for innovation.

Aboriginal Affairs Advisory Committee

- To foster dialogue and strengthen connections between City and Indigenous organizations, leaders and communities
- To embed a reconciliation lens and Indigenous considerations in City program and service planning

Statement of Commitment to the Aboriginal Communities of Toronto

- The City's Statement of Commitment identifies seven distinct goals to be fulfilled. These goals include internal and external education, working with Indigenous partners, increasing representation and civic engagement, enhanced Indigenous recruitment and retention, working with all levels of government to advocate for needs of Indigenous communities in Toronto.

Aboriginal Employment Strategy

- The City of Toronto's workforce reflects the representation of Indigenous peoples of Toronto, through the development and implementation of recruitment and employment programs and initiatives.
- Ensure successful collaboration with Indigenous employment agencies and agencies to strengthen existing outreach activities to connect Indigenous communities to City jobs.

Governance - Promoting Responsible Conduct

The City mandates training courses for all City staff related to Code of Conduct and Ethics such as the Toronto Public Service By-law. In addition, other mandatory training includes Cyber Security Awareness, Protecting Privacy and Health and Safety Awareness. Equity and inclusion training includes subject areas such as Accessibility, Human Rights, Indigenous Cultural Competency and Confronting Anti-Black Racism. Management staff are held to a higher standard and are required to take additional courses due to the progressively responsible nature of their positions related to Occupational Health and Safety and Human Rights obligations.

Equity and Inclusion within People & Equity: Equity Lens Tool

The Equity Lens Tool empowers City employees to conduct an equity analysis and strengthens the organizations' equity capacity to enable teams to identify and address barriers facing marginalized communities and ensuring their needs are reflected in when reviewing or developing City policies, services and programs including budget submission.

- Build equity capacity across the TPS for all Indigenous, Black and equity-seeking groups
- Measure and evaluate the City's progress in embedding equity into its decision-making

7.C Performance Metrics

During 2019 the City made progress in several categories of Diversity, Inclusion and Governance. The percentage of women that comprise the Toronto Public Service (TPS) workforce improved for both Senior Management and non-Senior Management positions. Moreover, the percentage of Racialized employees improved in 2019 while those who identify as Indigenous, Persons with Disabilities, or LGBTQ2S+ were maintained. With regards to governance, the engagement of governance members such as City Council, Board Members, and Committee Members improved significantly during 2019.

7.D Alignment with Sustainable Development Goals (SDGs)

The City's governance programs and initiatives align with the following UN Sustainable Development Goals:



Goal 5 Achieve gender equality and empower all women and girls



Goal 10 Reduce inequality within and among countries



Goal 16 Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels

Performance Metrics

Objectives	Performance Metrics	2019	2018	2017
Governance				
Decision Making – Be Diverse and Inclusive	% Women councillors	31%	31%	31%
	% Women Senior Management (Division Head or Above)	44%	40%	N/A
	% Racialized Senior Management (Division Head or Above)	21%	21%	N/A
Engaged Decision Makers	City Council Attendance	92%	82%	90%
	Community Council Attendance	95%	88%	91%
	Committees Reporting to Council Attendance	89%	82%	83%
	Other Boards & Committees	94%	78%	83%

Workplace Culture and Inclusion

Reflect diversity and be inclusive of the city we serve	TPS Workforce ⁷³			
	% Women	49.4%	48.8%	N/A
	% Racialized People	37.2%	35.7%	N/A
	% Indigenous Peoples	1.3%	1.4%	N/A
	% Persons with Disabilities	5.3%	5.4%	N/A
	% LGBTQ2S+	3.4%	3.2%	N/A
Attract & retain a diverse and inclusive workforce	Turnover Rates			
	All Active Employees	10.2%	10.2%	9.5%
	All Active Employees (excl. Rec Workers)	8.1%	7.9%	7.3%
	Permanent Employees	6.4%	6.0%	5.4%
	Average Tenure (years)			
	All Active Employees	11.8	12.2	12.5
	All Active Employees (excl. Rec Workers)	14.1	14.5	14.9
	Growth Opportunities			
	Promotion and Internal Hires (% Total Hires)	27%	25%	26%



8

Endnotes

- 1 <https://www.toronto.ca/city-government/accountability-operations-customer-service/get-involved-how-government-works/torontos-governance-system/>
- 2 <https://www.sasb.org/>
- 3 <https://www.msci.com/documents/10199/e092c439-34e1-4055-8491-86fb-0799c38f>
- 4 <https://www.globalreporting.org/>
- 5 <https://integratedreporting.org/>
- 6 <https://sdgs.un.org/goals>
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- 38 <https://taf.ca/>

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- 40** <https://www.toronto.ca/community-people/community-partners/affordable-housing-partners/housingto-2020-2030-action-plan/>
- 41** https://www.toronto.ca/wp-content/uploads/2017/08/94a7-housingcharter_may8.pdf
- 42** https://www.toronto.ca/wp-content/uploads/2018/12/94f8-hot_actionplan.pdf
- 43** <https://www.toronto.ca/city-government/accessibility-human-rights/accessibility-at-the-city-of-toronto/multi-year-accessibility-plan/>
- 44** This ratio looks at the Pavement Quality Index in Neighbourhood Improvement Areas (NIAs) compared to non-NIAs. A ratio of 1.0 means that capital investments have been equitable, translating to equal pavement quality in both NIAs and non-NIAs. A ratio of less than 1.0 means that the pavement conditions in NIAs are worse than in non-NIAs. A ratio of more than 1.0 means that the pavement condition in NIAs are better than non-NIAs. The target is 1.0 to achieve equity
- 45** This % is based on based on people and businesses being:
- 250m from a cycling route in downtown core
 - 500m from a cycling route outside central Toronto
- The target exceeds Toronto's Official Plan to have everyone living within 1km of a cycling route
- 46** <http://torontorentbank.ca/main.htm>
- 47** <https://www.toronto.ca/wp-content/uploads/2017/10/96e5-SSHA-Eviction-Prevention-Framework.pdf>
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- 54** <https://www.toronto.ca/city-government/planning-development/planning-studies-initiatives/expanding-housing-options/>
- 55** <https://www.torontohousing.ca/capital-initiatives/revitalization/Pages/Don-Summerville.aspx>
- 56** <https://www.toronto.ca/city-government/budget-finance/city-finance/investor-relations/social-debenture-program/>

- 67 <https://www.toronto.ca/community-people/community-partners/emergency-shelter-operators/about-torontos-shelter-system/new-shelter-locations/shelter-replacement-expansion-projects/>
- 68 <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.PE28.6>
- 59 <https://www.toronto.ca/city-government/accountability-operations-customer-service/city-administration/city-managers-office/key-initiatives/corporate-strategic-plan/>
- 60 <https://www.toronto.ca/legdocs/mmis/2018/ex/bgrd/background-file-113021.pdf>
- 61 <https://www.ontario.ca/laws/statute/90m56>
- 62 <https://www.toronto.ca/city-government/accountability-operations-customer-service/access-city-information-or-records/protecting-your-privacy/>
- 63 <https://www.toronto.ca/wp-content/uploads/2017/08/9023-ProtectionOfPrivacyFinalAODA.pdf>
- 64 <https://www.toronto.ca/business-economy/doing-business-with-the-city/social-procurement-program/>
- 65 <https://www.toronto.ca/business-economy/doing-business-with-the-city/understanding-the-procurement-process/fair-wage-office-policy/>
- 66 <https://www.toronto.ca/services-payments/recycling-organics-garbage/long-term-waste-strategy/>
- 67 <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.GM28.29>
- 68 <https://www.toronto.ca/legdocs/mmis/2018/gm/bgrd/background-file-115664.pdf>
- 69 <https://www.toronto.ca/city-government/accessibility-human-rights/equity-diversity-inclusion/workforce-equity-inclusion-plan/>
- 70 <https://www.toronto.ca/city-government/accessibility-human-rights/accessibility-at-the-city-of-toronto/multi-year-accessibility-plan/>
- 71 <https://www.toronto.ca/community-people/get-involved/community/confronting-anti-black-racism/>
- 72 <https://www.toronto.ca/city-government/accessibility-human-rights/indigenous-affairs-office/>
- 73 Representation of all employees of the Toronto Public Service (TPS) excluding: Recreation Workers; Elected Officials; Accountability Officers and their staff; and employees working in the City's Agencies, Boards or Commissions (TTC, Police, Library, Association of Community Centres, etc.)

