

**March 26, 2025**

Toronto City Council  
100 Queen Street West  
Toronto, Ontario  
M5H 2N2

**RE: 2025.MM28.37 - Addressing the Financial Industry's Carbon Footprint**

Dear Members of Toronto City Council,

**Toronto Environmental Alliance is writing in support of the recommendations given in MM28.37 - Addressing the Financial Industry's Carbon Footprint. Additionally, TEA recommends that sustainable and equitable financing for building decarbonization be included in the working agenda for the Sustainable Finance Hub proposed in the motion.**

In October of 2024, researchers from the University of Toronto released a report showing that Toronto's top financial institutions financed over CAD\$1.43 trillion in fossil fuel companies in 2022, contributing to at least 1.44 billion tonnes of CO2 emissions — nearly twice the total emissions from all of Canada and 100 times the total emissions from the City of Toronto.<sup>1</sup> In order to defeat climate change, all financial institutions, including the ones based in Toronto, must shift their investments away from fossil fuels like oil and fossil gas, and towards climate solutions.<sup>2</sup>

Therefore, Toronto Environmental Alliance supports the recommendations in MM28.37, which calls for the City to support measures aimed at addressing Bay Street's significant carbon footprint, including the creation of a Sustainable Finance Hub. Should the recommendations pass and a Sustainable Finance Hub be activated as per Recommendation 1, **TEA also recommends that the local sustainable and equitable financing of decarbonization retrofits for existing buildings be added to the agenda of the proposed Sustainable Finance Hub.**

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<sup>1</sup> Source: <https://www.environment.utoronto.ca/news/new-report-bay-street%E2%80%99s-carbon-footprint-rivals-nations>

<sup>2</sup> Fossil gas is typically marketed as 'natural gas'. However, the vast majority of this gas is extracted using fracking, a process that injects highly toxic chemicals deep into the ground in order to extract the fuel. This process has been known to poison aquifers to the point where some communities' tap water can literally be lit on fire. More than 70% of the fossil gas used in Ontario comes from

According to the City of Toronto's Greenhouse Gas Inventory, buildings represent 56% of Toronto's community emissions.<sup>3</sup> 51% of the City's emissions comes from fossil gas in the heating of Toronto's buildings.<sup>4</sup> **In order to reach Toronto's Net Zero goals, we must decarbonize the City's buildings. That means we need patient capital from both private and public sources to finance the transition.** Financing for decarbonisation retrofits is indicative of the sorts of important work a Sustainable Finance Hub could achieve in, and for, Toronto.

The world cannot meet the challenge of the climate crisis without serious action from financial institutions. TEA strongly supports MM28.37 and encourages the adoption of its recommendations by Toronto City Council.

Sincerely,

A handwritten signature in black ink on a light yellow background. The signature is stylized, starting with a large 'H' and ending with a long, sweeping horizontal line.

How-Sen Chong  
Climate Campaigner  
Toronto Environmental Alliance

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<sup>3</sup> Source: <https://www.toronto.ca/wp-content/uploads/2024/12/9270-2022-SBEL-Report.pdf>, page 21

<sup>4</sup> Source: *ibid*, page 25