



# Impact Report 2024

Working towards net-zero emissions

The Atmospheric Fund



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# About TAF

The Atmospheric Fund (TAF) addresses urban carbon emissions, with a focus on buildings, transportation, and electricity. We support practical, scalable solutions that deliver tangible benefits to people's lives.

We focus on the Greater Toronto and Hamilton Area (GTHA), a rapidly growing and diverse region that generates almost half of Ontario's [carbon emissions](#).

Our work is supported by endowment funding provided by the City of Toronto, the Province of Ontario, and the Government of Canada, along with partnerships with all levels of government, community organizations, industry leaders, and fellow funders.

TAF is part of Low Carbon Cities Canada (LC3), a network of seven endowed climate agencies, uniquely positioned to serve their respective regions across Canada.

This report highlights the impacts we made in 2024 and how we achieved them.

It highlights a range of climate solutions that cut emissions while supporting health, equity, affordability, and resilience. You'll see what this work looks like in practice and how our approach contributes to a more equitable, net-zero future.

TAF acknowledges that the land on which we work is part of the Treaty Lands and Territory of the Mississaugas of the Credit. The area also encompasses traditional territories of the Huron-Wendat, Haudenosaunee, Erie, Neutral, Anishinaabe, Mississaugas of Scugog Island First Nation, Chippewas of Georgina Island First Nation, and the Mississaugas of the Credit First Nations.

We acknowledge these are colonial borders and that they do not limit our interest or ability to work with local Indigenous groups.

# Welcome to TAF's impact report.

This report summarizes our impact from **Jan 1 to Dec 31, 2024**, drawing from activities featured in the 2024 Annual Report.

Assembling our Impact Report provides an opportunity for us to review the results together and reflect on what they reveal about the work ahead.

## How We Think About Reporting Our Impact

TAF's mandate is to invest in low-carbon solutions for the Greater Toronto and Hamilton Area (GTHA) and help scale them for broad implementation. We track and report on two key performance indicators (KPIs):

- Carbon emissions reductions (both potential and direct)
- Financial capital mobilized toward low-carbon solutions

This approach has supported increasingly effective emissions reduction efforts and more strategic capital deployment as the climate challenge and population pressures intensify.

In response to this challenge, and in recognition of the need and opportunity to address social priorities alongside climate protection, we've expanded our indicators to track broader conditions that support climate success:

- Co-benefits: Economic, health, equity, inclusion, and resilience improvements that can result from climate action
- Scale pathways: Technologies, policies, market conditions, and social dynamics that enable rapid uptake

## What's Ahead

This report reflects our ongoing effort to track what works, share what we learn, and support collaboration on shared priorities. We aim to be a useful resource to those shaping the GTHA's path to net-zero, through policy, practice, and investment.

**We welcome your feedback:**  
Reach us at [research@taf.ca](mailto:research@taf.ca)

# Impact Evaluation to Drive Change

TAF has a strong history of modelling impact, evaluating outcomes, and using data and analytics (qualitative and quantitative) to inform our work.

This approach enables us in the following areas:

## Overall Direction

Identify priorities and focus areas.

## Due Diligence

Evaluate the potential and readiness level of ideas.

## Ongoing Verification

Track whether work we undertake achieves the expected outcomes.

## Decision Making

Identify ideas that help achieve impact at scale.



# Scaling Pathways

Many of TAF's most impactful initiatives share a common trait: they're designed with scaling in mind.

While some projects reduce emissions directly, others focus on removing barriers, aligning incentives, or changing how decisions get made—what we refer to as enabling conditions—factors that allow solutions to take root and grow. These efforts may not yield immediately quantifiable emissions reductions, but they are essential for unlocking much larger system changes.

In 2024, we continued to track and refine our understanding of what makes solutions scalable. We assess scaling potential across three key dimensions.

This helps us see when a solution is positioned to grow and what needs to be in place to help it succeed at scale.

## Key Dimensions

**Pathway Development:** Does the project advance a technical, financial, policy, or market pathway to scale?

**Readiness Conditions:** Are there enabling conditions (e.g. regulatory clarity, workforce capacity, procurement mechanisms) that need to be in place?

**Strategic Leverage:** Does the project help de-risk future investment, replicate a model, or influence a broader cohort?







# Key Performance Indicators

01

# Identifying high-impact actions.

TAF's mandate prioritizes scalable greenhouse gas (simplified as "carbon") emissions reductions in the GTHA. As such, we assess potential and direct carbon emissions reductions resulting from all our efforts.

## Understanding the Indicator

We measure carbon emissions reductions by quantifying the total projected impact from TAF-supported initiatives, reported in metric tonnes of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e) over 20 years. We track two categories of reductions:

**DIRECT REDUCTIONS:** Total carbon emissions reductions from projects initiated in a given calendar year. These reductions are based on verified impact and projected over a 20-year lifetime of the project.

**POTENTIAL REDUCTIONS:** Total carbon emissions reductions possible over a 20-year period from projects initiated in a given calendar year. These reductions are not yet realized and are based on potential impact.

We calculate all reductions using [TAF's Emissions Reduction Quantification Methodology](#), aligned with recognized protocols and reviewed annually by our internal Quantification Review Group.

## Potential Carbon Emissions Reduced

# 86.7 MtCO<sub>2</sub>eq

2024 Total

Our 2024 impact was driven by potential reductions. Projects initiated this year have the potential to reduce an estimated 86.7 million tonnes of carbon emissions in the GTHA over a 20-year period.

These significant reductions reflect TAF's focus on decarbonizing high-impact sectors.

In 2024, this included:

- Green development standards for new construction across the GTHA
- Electrifying medium- and heavy-duty vehicle fleets
- Expanding residential solar and storage capacity

## Direct Carbon Emissions Reduced

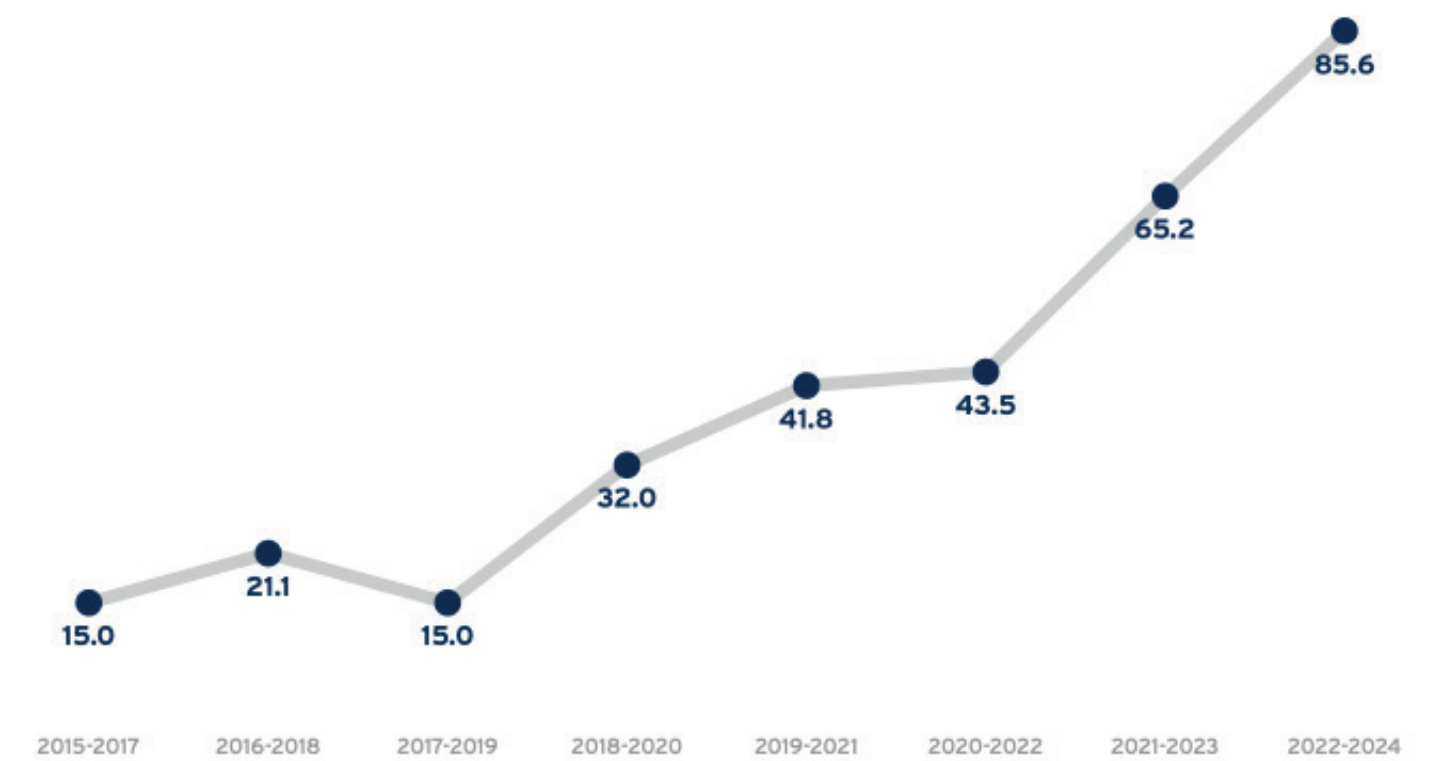
TAF advanced more retrofit projects in 2024 than ever before. Since none reached the post-commissioning phase in that year, we did not report any direct reductions. Verified reductions will be reported once measurement and verification are complete.

For reference, in 2023 we reported 4,290 tonnes of direct reductions—primarily from building retrofits and direct investments.



# Tracking Multi-Year Trends

Potential Emissions Reductions (MtCO2eq)  
3-Year Moving Median



We use a three-year moving median to assess long-term trends in potential emissions reductions. This approach helps minimize the effect of outliers and offers a clearer picture of progress.

TAF’s endowment has grown substantially over the last ten years - the Province of Ontario contributed \$17 million in 2016; the Government of Canada

\$40 million in 2019 - so we have supported more initiatives and have consequently increased the median.

In 2024, the three-year median continued to rise—indicating that we are consistently identifying and supporting larger emissions reduction opportunities for the GTHA.

# Increasing funding for low carbon solutions across the GTHA.

## Financial Capital Mobilized

**\$19,412,200**

2024 Total



TAF mobilized an estimated **\$19.4 million** in financial capital. **That's \$4.3 million more than in 2023**, driven by growth in external funding and a new pilot program testing EV charging solutions for multi-family buildings.

This increase reflects rising funder and investor confidence, stronger partnerships, and a maturing climate finance ecosystem.

Breakdown:

- Direct Investments **48%**
- Retrofit Accelerator Initiatives **12%**
- EV Station Fund **11%**
- Grants **8%**
- The remaining **21%** came from external funders and other internal expenditures.

We track the grants and investments we make, additional dollars we raise, co-funding we help secure, and, where possible, additional financing enabled through TAF's advocacy, research, and outreach.

## Capital Secured in 2024

In 2024, TAF also secured funding commitments from external partners to scale up support for climate action in the GTHA. These committed funds will be allocated toward advancing high-impact initiatives across the region in future years.

**\$835,000** from Natural Resources Canada's Codes Acceleration Fund (in partnership with the City of Toronto) to develop Building Emissions Performance Standards and examine the performance and technology gaps in new construction

**\$100,000** from the European Climate Foundation to support design of a rooftop solar and storage program

# Progress Toward Direct Investments

## Target Allocation

### Portfolio Management

TAF manages its endowment in accordance with its [Statement of Investment Objectives and Principles](#) (SIOP), which guides how assets are allocated to advance TAF's mandate. Our goal is to fully invest our assets in ways that generate climate impact—across public equity, fixed income, alternative investments (including infrastructure and private market funds), and direct investments.

#### Direct Investments

21

Total Active Investments

14.3%

Committed allocation of total endowment

See more examples of [TAF impact investments](#)

### 2024 Results

The SIOP sets a target allocation of **30% of TAF's assets to direct investments**, which are typically higher-impact but more hands-on.

In 2024, one restructured and two new direct investments were approved, totaling **\$5.5 million** in committed capital. When including all committed but not yet advanced capital, the total allocation rises to **14.3%**. However, the value of capital actually invested brought TAF's allocation to direct investments down to **8.7%** of our endowment, compared to 11% in 2023.

This apparent reduction is partly due to:

- Depreciation of real assets: such as performance contract financing through Energy Savings Performance Agreements (ESPAs), which lowers the book value over time even as the impact continues.
- Write-downs: including a \$1.2 million loss on an unsuccessful investment in 2024.

As of year-end, **TAF's portfolio includes 21 approved direct investments**, 12 of which are associated with real assets. Despite year-over-year fluctuations in value, TAF continues to invest significant effort in growing and managing this portfolio for long-term emissions impact.



# Tracking Multi-Year Trends

Total Capital Mobilized from TAF and External Funds Investments (\$)  
3-Year Moving Median



The financial capital mobilized in 2024 (\$19.4 million) marks an increase from 2023 (\$15.1 million). This \$4.27 million rise is primarily driven by an increase in externally mobilized capital, with \$3.4 million attributed to establishing the EV-ready multi-family buildings program. The remaining amount was mobilized across other programs.

The 3-year moving median did not change compared to 2021-2023, because of the way medians are determined (in other words, the \$15.1 million represents the middle value in both of those three-year periods).

# Case Study:

## Capital Mobilization for Retrofits

### Developing the GTHA Market and Delivering Impact

TAF has made accelerating building retrofits across the Greater Toronto and Hamilton Area (GTHA) a long-standing priority, supporting the sector with grants, investments, policy development, technical expertise, program design, and financing strategies.

#### Scaling Capital Support

**\$13m**

Invested directly in retrofit initiatives since 2016

**\$25m**

Secured in public funding since 2016

**\$40m**

Estimated unlocked additional financing from project partners since 2016

**\$235m**

Sector-wide support committed in 2023

**\$1.7b**

Collectively made available in 2024

Since 2016:

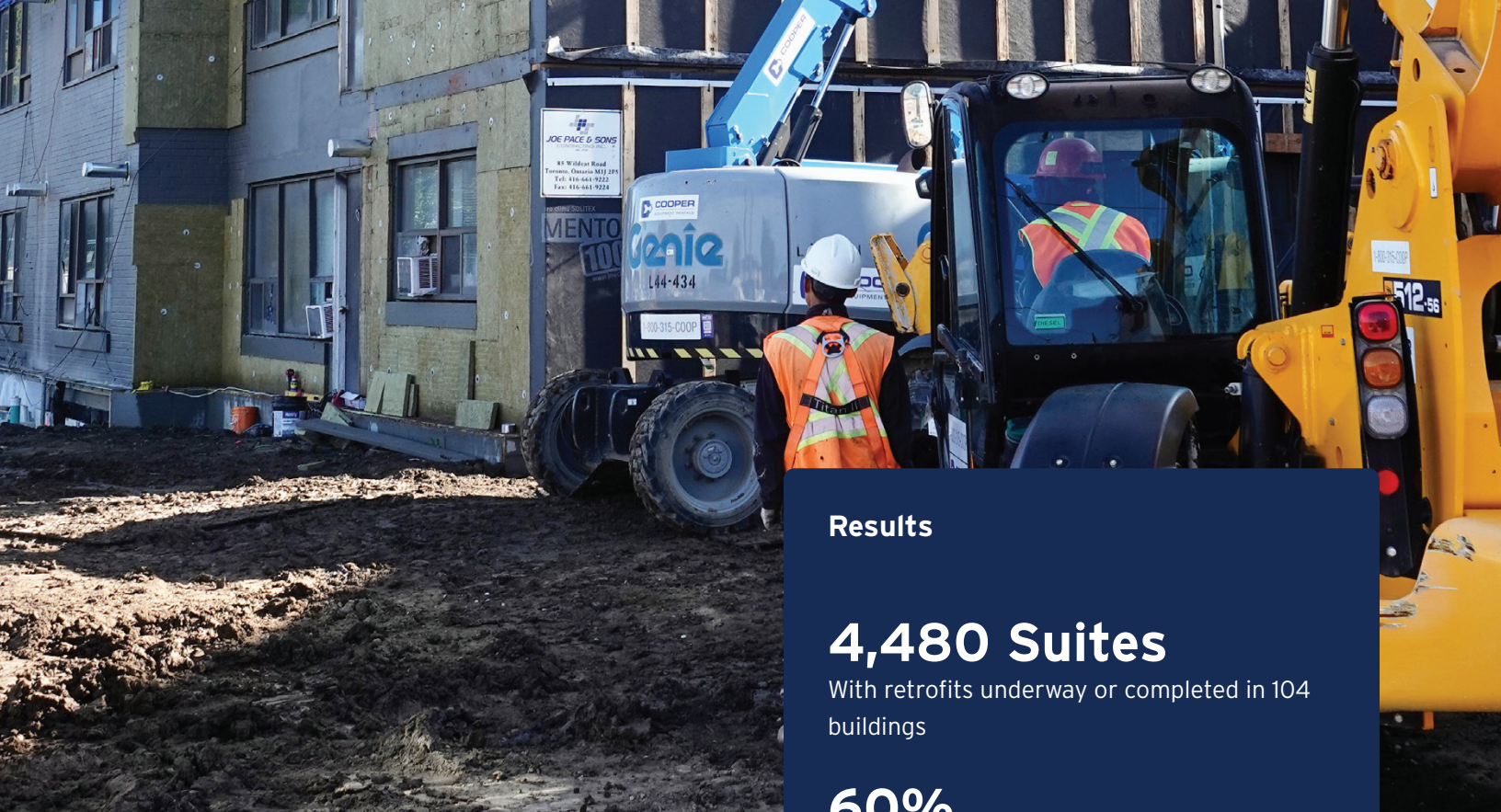
- We've invested over **\$13 million** directly in retrofit-related initiatives.
- Secured another **\$25 million** in public funding.
- Helped unlock an estimated **\$40 million** in additional financing from project partners.

These efforts are helping deliver critical upgrades in one of the region's largest sources of emissions.

Driven in part by TAF and other sector-wide efforts, Natural Resources Canada committed **\$235 million** in 2023 to support the delivery of active retrofits, complementing existing federal financing programs.

In 2024, institutions like the Canada Infrastructure Bank, Efficiency Capital, BMO, BDC, SOFIAC, and Scotiabank collectively made over **\$1.7 billion** available for retrofit projects.





## Workforce Outcomes

TAF's 2024 retrofit activity also delivered tangible economic and workforce outcomes:

- **40 jobs** created (13 direct, 11 indirect, 16 induced)
- **2,200 hours** of paid employment and hands-on training delivered
- **38 trainees** supported through Building Up, a Toronto-based social enterprise contractor

## Results

# 4,480 Suites

With retrofits underway or completed in 104 buildings

# 60%

Average carbon emissions reductions across retrofit projects

**Next:** To meet housing, energy, and emissions goals, we'll need to quintuple the pace of retrofit activity and invest **\$8-10 billion** per year. Capital mobilization helps lay the groundwork for that scale.

**Learn more:** [retrofits.taf.ca](https://retrofits.taf.ca)