



2015 SUSTAINABILITY REPORT

ENVIRONMENT, HEALTH, SAFETY



MESSAGE FROM THE CEO



Michael Waters
Chief Executive Officer

At Minto we believe strong environmental, health, and safety performance is an indicator of operational excellence and key to our goal of creating better places for people to live, work, and play. I am pleased to report that Minto has met four of our five 2016 environmental targets a full year ahead of schedule, reducing the environmental impacts of our products and operations while also

helping to manage our operating costs. Improvements in health and safety programs and performance remain an area of focus as we continue to work toward our goal of zero workplace injuries.

Minto experienced some exciting sustainability milestones in 2015. Our homebuilding operations celebrated completion of the first of five net zero energy homes in Kanata, Ontario and exceeded our diversion target for new construction waste. We continue to show a strong commitment to third party energy

and environmental certifications while adopting a more customized approach to energy performance verification and delivering home comfort and value to our customers.

Our rental properties marked the installation of over 7,500 three-litre toilets as part of our ongoing toilet retrofit program—a major contributor to our 12.5 percent reduction in water intensity. We have done an exceptional job reducing energy consumption at our rental properties. Cleaner electricity grids have further contributed to a reduction in Minto’s carbon emissions. Our energy and carbon intensities have decreased by 7.3 and 15.7 percent respectively as a result.

These and many other accomplishments are possible thanks to the intense collaboration between the cross-functional teams here at Minto and the support of industry partners who work with us to continually improve and innovate. The power of partnerships in creating better places for our customers is undeniable. I look forward to continued success in Minto’s sustainability performance, building on our values of accomplishment, courage, partnership, and innovation.

PROGRESS TOWARD 2016 ENVIRONMENTAL TARGETS



Third party certification:
commercial space



Third party certification:
new communities



Carbon emissions



Water consumption



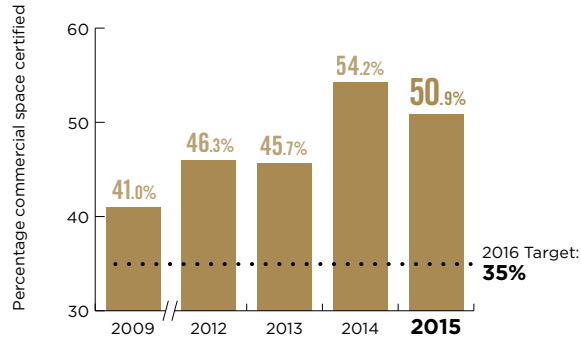
Waste diversion

OUR PERFORMANCE



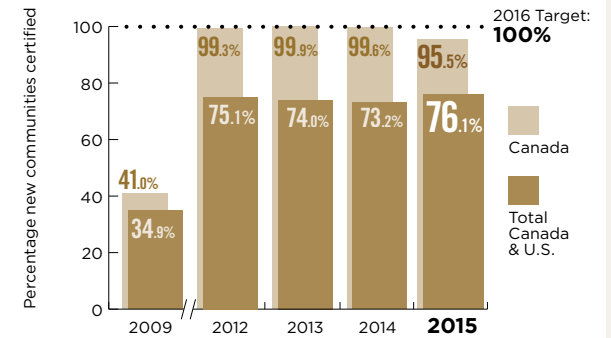
THIRD PARTY CERTIFICATION: COMMERCIAL SPACE

Target: Third party energy or environmental certification of 35% of our operated commercial space by square footage.



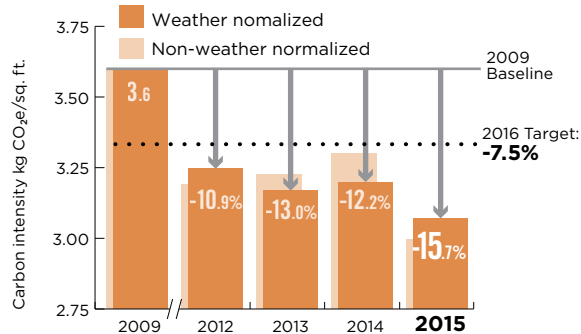
THIRD PARTY CERTIFICATION: NEW COMMUNITIES

Target: Third party energy or environmental certification of 100% of our new residential communities.



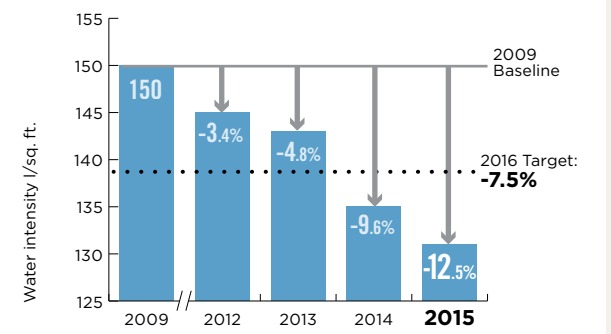
CARBON EMISSIONS

Target: Reduce our weather normalized carbon intensity (kilograms of carbon dioxide emitted per square foot operated) by 7.5% across our residential rentals and commercial leased space, compared to a 2009 baseline.



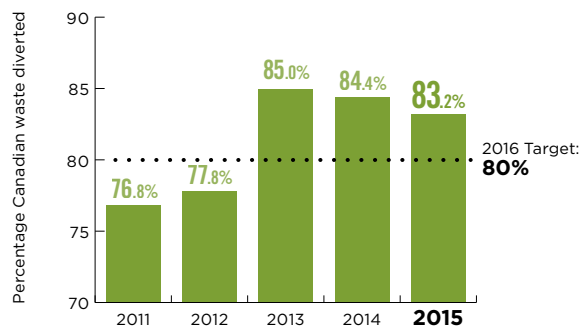
WATER CONSUMPTION

Target: Reduce our water intensity (litres of water consumed per square foot operated) by 7.5% across our residential rentals and commercial leased space, compared to a 2009 baseline.



WASTE DIVERSION

Target: Divert 80% of our Canadian new construction waste.



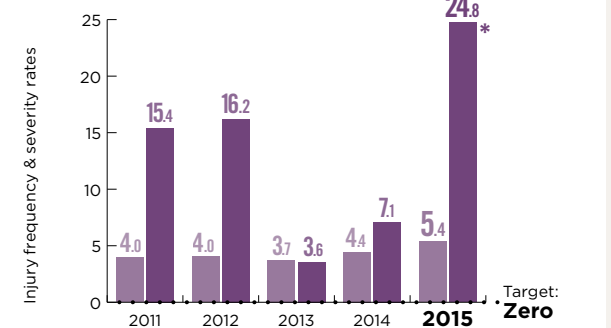
INJURY FREQUENCY RATE

Rate = claims + hours worked ÷ 200,000 hours



INJURY SEVERITY RATE

Rate = lost days + hours worked ÷ 200,000 hours



*Rate may change due to an open injury claim.

2015 ACHIEVEMENTS



OPERATIONAL HIGHLIGHTS

Minto Place was the focus of a major operational excellence initiative in 2015 as this unique Ottawa property prepared for LEED® Canada for Existing Buildings: Operations and Maintenance (LEED® EB) certification. This mixed-use complex—which includes three commercial and one residential tower joined by a retail podium—achieved LEED® EB Silver certification in early 2016. Features in the complex include low-flow bathroom fixtures, drip irrigation, LED lighting, regenerative elevators, and a green roof. We're grateful to our staff, tenants, and service partners for supporting this achievement.

Beyond the improvements reflected in our water and carbon performance results, Minto enhanced the environmental practices and programs at our rental properties. We formalized residential waste management practices, implemented new waste diversion programs, and expanded communications to staff and tenants on environmental issues. We continue to work to improve in these areas.

There was regression in Minto's health and safety performance in 2015 with an increase in workplace injury frequency and severity rates. The increased severity rate is the result of two lost time injuries involving an extended period of lost days. Minto's performance remained strong relative to benchmarks with total injury severity performance superior to industry averages in all of our rate groups. Our Florida operating group had another strong year with one lost time injury resulting in 0.5 lost days.

PRODUCT HIGHLIGHTS

Minto has continued to be recognized for our efforts to make our new communities more sustainable. Minto Communities was honored as one of Florida's Top 15 Green Home Builders by the Florida Green Building Coalition. Our Florida operations were also acknowledged with the prestigious Silver Award at the Best in American Living Awards for "Best Mixed Community" for the meticulously planned Isles of Collier Preserve. In Canada, Minto was recognized as the 2015 Ontario Green Builder of the Year for the fourth time in five years.

The Net Zero Energy ready (NZEr) offering at our Kanata Arcadia community was launched in 2015. These homes include advanced insulation, triple pane windows, high efficiency heating systems, drain water heat recovery, and heat recovery ventilators—blending technology, design, and materials to improve both comfort and performance. We project a 65 percent reduction in total home energy consumption for the NZEr homes. The addition of solar panels will enable these homes to generate enough electricity to meet their annual needs and become Net Zero Energy.

Looking beyond building performance, Minto began



installing electric vehicle (EV) charging infrastructure in new developments in 2010 and has continued to do so with all new condominium developments. To raise awareness regarding the current lack of infrastructure in the Canadian condominium market and encourage people to make electric vehicles their car of choice, Minto partnered with Nissan Canada in 2015 to offer a free fully electric Nissan LEAF to Minto Bside purchasers who also bought a parking space equipped with an EV charging station. We look forward to more innovations with industry sustainability partners in the coming years.



LOOKING FORWARD

Minto will continue to support and improve our health, safety, and security programs and will reduce the environmental impact of our operations and products through innovations and initiatives such as NZEr homes, the installation of cost effective energy and water-saving technologies, commissioning and retro-commissioning building systems, third party performance validation, and raising employee and customer sustainability awareness.

We will work to expand our sustainability programs beyond the current environment, health, safety, and security focus and move the organization toward more comprehensive business integrated sustainability. This move will expand awareness of the broader environmental, social, and governance considerations applicable to every member of the Minto team to ensure we all do our part to help people live better.



ABOUT THIS REPORT



OVERVIEW

This report summarizes Minto's 2015 environmental, health, and safety performance. Data from this report covers the period from January to December 2015, with historical data provided for context.

METHODOLOGY— HEALTH & SAFETY PERFORMANCE

Injury data was obtained from occupational illness and injury reports submitted to Minto's Health, Safety and Security Division, Workers' Compensation Board – Alberta, and the Ontario Workplace Safety and Insurance Board. Frequency rates are calculated based on total claims divided by derived hours worked multiplied by 200,000 hours where total claims include health care injuries (worker receives professional services from a registered health care professional due to a workplace injury, but there is no lost time) and lost time injuries (worker misses work due to workplace injury—not including the day of the injury). Severity rates are calculated based on total lost days divided by derived hours worked multiplied by 200,000 hours where lost days are the number of days missed at work due to a workplace injury—not including the day of the injury. Rate group information was obtained from the Ontario Workplace Safety and Insurance Board and the Workers' Compensation Board – Alberta.

METHODOLOGY— ENVIRONMENTAL PERFORMANCE

Environmental performance is measured in carbon emissions (carbon dioxide equivalents calculated from natural gas and electricity consumption using Canadian utility emission factors from 2013 to 2015 National Inventory Report tables), water consumption, construction waste diverted, and third party certifications. Performance is reported as percentages and intensities. Intensity is a unit of consumption or emissions divided by a business metric (e.g., kilograms of carbon dioxide emitted per square foot operated or litres of water consumed per square foot operated). "Square foot operated" refers to the gross leasable area of the properties with Minto ownership that fall under Minto's operational control. Water and carbon performance are compared to a 2009 baseline. These intensities represent the risk exposure relating to the utilities consumed and paid for by building owners, which are not the same as the complete building operational energy or water intensities measured to assess building efficiency.

All building performance data was recorded from buildings using the "operational control" approach. With this approach,

Minto reports 100 percent of the building emissions for which it has an ownership stake, daily operational control, and the power to implement operational policies. All figures disclosed are the best available totals gathered from utility bills, waste diversion reports, submetering reports, third party certification records, and reports generated from internal departments. Performance metrics from two acquisitions in the third and fourth quarter of 2015 were not included in this report as sufficient performance data was not available for the reporting year.

THIRD PARTY CERTIFICATION

For commercial space certification, the percentage presented is the number of square feet of leasable operated commercial space covered by a certification in each year divided by the total square feet of leasable operated commercial space. One commercial space was acquired late in 2015 and was not included in the total square footage for this metric.

For new residential community certifications, the percentage presented is the number of certifications achieved or in progress on buildings closed in each year divided by the number of closings in each year. Homes are considered closed when title and ownership are transferred from Minto to the purchaser. Homes have been counted as certified when the certification is complete or in progress because the certification date is not linked to the closing date and the certification process may not be completed in the same calendar year as closing. Failure to complete the certification process within the calendar year does not indicate the home will not be certified. For multi-residential buildings, each unit has been counted as certified when the building is certified or certification of the building is in progress.

CARBON

The chosen base year is 2009 and has been calculated in accordance with the Greenhouse Gas (GHG) Protocol's accounting and reporting principles for accuracy, transparency, and consistency over time. The carbon footprint is calculated based on GHG Protocol Corporate Standard guidelines. The GHG-defined "organizational boundary" has been determined using the "operational control" approach. This is in keeping with REALpac's Best Practices in Accounting for GHG Emissions in the Commercial Real Estate Sector. The carbon footprint does not include indirect emissions caused as a result of our business activities, such as employee commuting, fuel used for on-site property maintenance, construction, or waste recycling/disposal. The baseline and previous-year results are recalculated annually using best available consumption figures and to

account for changes to Minto's operated property portfolio since 2009. For example, when Minto purchases a building that was built in or prior to our base year of 2009, we assume ownership of the building's historical consumption and emissions. If full historical data is not available, estimates are made based on best available information. Buildings constructed after 2009 are not included in the base year total or intensity as there was no consumption at that time; however, their subsequent consumption is counted in subsequent totals. Weather normalized carbon intensities have been included to allow building performance to be monitored independent of variations in annual weather conditions. The data was weather normalized using our third party software's normalization function, which calculates the base load electricity and natural gas consumption and consumption impacted by weather and then adjusts the weather-driven consumption for the selected year to base year weather in each geography.

WATER

All building performance data was recorded from buildings using the "operational control" approach. Water consumption measured includes domestic water usage, pools, irrigation, and renovation work.

WASTE

Total waste generated includes the tonnes of new construction waste sent to and diverted from landfill. From time to time, data gaps arise when complete weights are not available for a project. In these instances estimates are made based on best available information. Scenarios may include using industry averages for missing waste generation totals and assuming zero waste diversion or assuming a consistent diversion rate where a hauler has provided partial data. For context, approximately one percent of the waste generation totals and 13 percent of waste diversion totals were estimated in 2015.

Minto Communities Florida waste diversion rates are not included due to different waste management service levels and insufficient data.

For previous reports and more about Minto's sustainability efforts, [visit minto.com](http://visit.minto.com).

Report design: Green Living Enterprises