



2018 SUSTAINABILITY REPORT - METHODOLOGY

ENVIRONMENTAL PERFORMANCE

Environmental performance is measured in energy consumption (electricity and natural gas), carbon emissions (carbon dioxide equivalents calculated from natural gas and electricity consumption using Canadian provincial utility emission factors from 2015 to 2018 National Inventory Report tables), water consumption, construction waste diverted and third party verification.

“Square foot operated” refers to the gross leasable area of the properties with Minto Apartments ownership that fall under the company’s operational control.

All building performance data was recorded from buildings using the “operational control” approach. With this approach, Minto Apartments reports the building consumption and emissions for which it has an ownership stake, daily operational control and the power to implement operational policies.

Only buildings where we have whole building electricity and gas consumption were included accounting for 60.7% of portfolio gross leasable area (GLA).

All figures disclosed are the best available totals gathered from utility bills, waste diversion reports, sub-metering reports, third party verification records and reports generated from internal departments.

Minto Apartments includes only the utilities paid for by the company in the intensity calculations. Reported intensities are an indicator of financial risk and are not the same as the complete building operational energy or water intensities measured to assess building efficiency.

In cases of missing data due to recent acquisitions, performance data is estimated with historical actuals.

THIRD PARTY VERIFICATION & CERTIFICATION

For commercial space certification, the percentage presented is the number of square feet of leasable operated commercial space covered by a certification program in each year divided by the total square feet of leasable operated commercial space. Commercial space operational certifications are not considered certified unless achieved prior to the end of the calendar year while new construction verifications are considered verified as soon as construction is complete. Similar to residential verifications, there can be a considerable lag in receiving certification from a third party organization.

Acquisitions and dispositions in the portfolio as well as newly constructed commercial space change the total square feet of leasable operated commercial space annually.

For new residential community verifications, the percentage presented is the number of verifications achieved or in progress on new homes closed or available for rent in each year divided by the number of closings or newly built suites available for rent in each year.

Homes are considered verified where a third party has confirmed compliance with a green building program - currently this includes the following programs: EnerGuide Rating System, ENERGY STAR for New Homes, Home Energy Rating System, LEED Canada for Homes, or LEED for New Construction. The data is shown for Canada and USA combined.

Homes are considered closed when title and ownership are transferred from Minto Communities Canada or Minto Communities USA to the purchaser. Homes have been counted as third party verified when the verification process is complete or in progress as the verified date is not linked to the closing date and the verification process may not be completed in the same calendar year as closing. Failure to complete the verifications process within the calendar year does not indicate the home will not be verified. In the 2018 report the 2017 verification total was revised to accurately include high-rise closings for that calendar year that were previously miscalculated.

ENERGY AND CARBON

Weather normalized electricity and natural gas intensities have been included to allow building performance to be monitored independent of variations in annual weather conditions. The data was weather normalized using a third party software normalization function, which calculates the base load electricity, natural gas consumption and consumption impacted by weather, adjusting weather-driven consumption for the selected year to a 2009 base year weather in each geography.

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 the REALpac 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.

WATER

Water consumption measured includes domestic water usage, pools, irrigation, and renovation work. Acquisitions are only included once a full calendar year is available, or the property was owned and managed by Minto for more than 6 months and consumption is prorated to account for a full year of operation. Additional adjustments for weather or occupancy normalization are not undertaken.

WASTE

Construction waste diversion is measured by comparing the total amount of waste generated with the rate of waste diverted from landfill through recycling or reuse, as reported by waste hauler. Monthly waste reports are received for each construction site from the contracted waste hauler.

Construction waste intensity is measured by comparing the total amount of waste generated in kilograms with the estimated area in square meters that was constructed within a 12-month period.

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

HEALTH & SAFETY PERFORMANCE

Injury data was obtained from occupational illness and injury reports submitted to The Minto Group's Health, Safety and Security Department, 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—excluding 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—excluding the day of the injury. Rate group information was obtained from the Ontario Workplace Safety and Insurance Board and the Workers' Compensation Board – Alberta.

Injury Frequency: Rate = claims ÷ hours worked × 200,000 hours

Injury Severity: Rate = lost days ÷ hours worked × 200,000 hours

For previous reports and more about Minto Group's sustainability efforts, visit minto.com/sustainability.