At Minto, sustainability is part of our DNA and our lifeline to a successful future. We are committed to continuously improve the performance of our operated properties and new developments to not only help reduce the impact our business has on the environment, but also to create real value for our customers and investors. The health and safety of our employees remains our highest priority and we continue to strive for zero workplace injuries. All of our accomplishments are only possible with the combined efforts of all Minto employees, in collaboration with our customers and business partners. In this rapidly changing world, I am proud of what we have accomplished together so far and am excited to embrace the challenges ahead.

Michael Waters
Chief Executive Officer
**PERFORMANCE**

**CARBON INTENSITY**

Kilograms of carbon dioxide emitted per square foot of residential and commercial leased space.

Carbon intensity changed minimally due to the acquisition of higher intensity buildings offsetting portfolio improvements.

**WATER INTENSITY**

Litres of water consumed per square foot of residential and commercial leased space.

Water intensity continued to decrease largely due to the on-going installation of three litre toilets.

**WASTE DIVERSION**

Percentage of construction waste from our new Canadian communities diverted from landfill.

Ongoing commitment to a diversion rate of at least 80%.
**PERFORMANCE (continued)**

**THIRD PARTY CERTIFICATION: COMMERCIAL SPACE**

Percentage of our operated commercial space that has third party energy or environmental certification, by square footage.

There were no changes to the commercial portfolio or certifications in 2017.

**THIRD PARTY VERIFICATION: NEW COMMUNITIES**

Percentage of our new residential homes constructed that have third party energy performance or environmental verification.

Consistently improved rate of third party verification since 2014.

**INJURY FREQUENCY AND INJURY SEVERITY**

- **Injury Frequency**: Rate = claims ÷ hours worked × 200,000 hours
- **Injury Severity**: Rate = lost days ÷ hours worked × 200,000 hours

Injury severity performance is better than industry averages.
In 2017, The Minto Group participated in industry working groups on the structure, content and evolution of the GRESB (global real estate sustainability benchmarking assessment). Our annual participation in the GRESB assessment evaluates our environmental, social and governance performance. We are proud to be the only Canadian participant in the North American residential peer group and will continue to use the results to guide our work in furthering sustainability within our buildings and communities.

The Minto Group provided a developer perspective to both the City of Toronto Zero Emissions Buildings Framework and the latest iteration of the Toronto Green Standard (version 3). These documents represent a major shift in how building performance is evaluated with the focus moving beyond the selection of efficient equipment and systems toward better performing building envelopes that provide superior comfort, energy efficiency and resilience.

Significant improvements were made to reduce the carbon intensity of our existing assets, however with the addition of new buildings to the portfolio, only a slight reduction in carbon intensity was achieved in the last two years.

2017 marked the first year of occupancy for our four Net Zero Energy townhomes and based on the energy data from one home over a one-year period, we are proud to report that the home is generating more electricity than is being consumed throughout the year. The company plans to use lessons learned from these homes to improve the performance of all homes going forward while continuing to deliver on market demands.

At our Hilton Head community in South Carolina, focus groups revealed that energy efficiency is of high importance to the market. The Performance Centre has installed a number of demonstration installations to help purchasers understand the value of the performance features.
The Minto Group has been pursuing a contract with Florida Power and Light to locate a large-scale solar plant within the Westlake Community in Florida. This solar plant will convert sunlight into 74.5MW of electricity to power over 15,000 homes in the local area.

The three litre toilet retrofit program that began in 2013 is nearing full portfolio implementation and is largely responsible for the significant water intensity reductions that we have seen over the past five years.

The electronic waste diversion program was initiated with Ontario Electronic Stewardship in 2015. By the end of 2017, this program helped residents in four of our communities to dispose of almost six and a half tonnes of end-of-life electronics in a safe and environmentally sound way.

Internal construction site waste reporting evolved from a percentage of overall waste diverted from landfill to a waste intensity metric. This is helping raise awareness with our construction and estimating teams of the major waste streams that can be targeted for reduction with our trades.

To encourage sustainability efforts among our residents, employees held numerous engagement events throughout the year. Our High Park Village partnership with the City of Toronto’s Tower & Neighbourhood Revitalization unit provided residents with bicycle repair and maintenance workshops. In addition, a bicycle repair station, complimentary tools and bicycle storage upgrades were provided through the Tower Renewal Program. Other awareness events were offered in partnership with Toronto Hydro and the City of Toronto Solid Waste Management Services Division.

The Minto Group received several key awards and certifications in 2017 recognizing our commitment to creating healthy, vibrant communities including:

- **2017 EnerQuality ENERGY STAR® Builder of the Year (Large Volume) in Ontario**
- **BILD Association 2017 Green Builder of the Year for demonstrating outstanding leadership in the implementation of green building practices**
- **LEED certification for the Minto Eighty8 condominium tower and Lansdowne commercial tower.**

Learning from our experiences and building on our internal and external partnerships, we will work toward achieving new goals and improving our performance in the years to come.
ABOUT THIS REPORT

OVERVIEW
This report summarizes The Minto Group’s 2017 environmental, health and safety performance with historical data provided for context.

METHODOLOGY—ENVIRO\NMENTAL PERFORMANCE
Environmental performance is measured in carbon emissions (carbon dioxide equivalents calculated from natural gas and electricity consumption using Canadian utility emission factors from 2015 to 2018 National Inventory Report tables), water consumption, construction waste diverted and third party verifications. “Square foot operated” refers to the gross leasable area of the properties with The Minto Group 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, The Minto Group reports the building consumption and 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, sub-metering reports, third party verification records and reports generated from internal departments.

The Minto Group 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 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.

Previous reports only considered homes that were certified while the 2017 report includes all homes that have been verified; as a result, historical data will vary. Homes are considered verified where a third party has confirmed compliance with the following standards: EnerGuide Rating System, ENERGY STAR for New Homes, Home Energy Rating System or LEED Canada for Homes. The data is shown for Canada alone as well as Canada and USA combined.

Homes are considered closed when title and ownership are transferred from The Minto Group 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.

For multi-unit residential buildings, each unit has been counted as verified when the whole building has completed the verification process.

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 constructed.

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.

CARBON
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.

The results from previous years are recalculated annually using best available consumption figures to account for changes to The Minto Group’s operated property portfolio. For example, when The Minto Group purchases a building 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. Newly constructed buildings are included in the portfolio after operation begins.

Weather normalized carbon intensities have been included to allow building performance to be measured 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.

WATER
Water consumption measured includes domestic water usage, pools, irrigation, and renovation work. Previous year results are recalculated annually using best available consumption figures and to account for changes to the operated property portfolio. Additional adjustments for weather or occupancy normalization are not undertaken.

WASTE
Total waste generated includes the tonnes of 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.

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.

For previous reports and more about Minto’s sustainability efforts, visit minto.com.

Report design: Green Living Enterprises