

Building a better future together



2013 SUSTAINABILITY REPORT

ENVIRONMENT, HEALTH, SAFETY



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MESSAGE FROM THE CEO



Since joining Minto, I have been inspired by the commitment across the organization to safely delivering better, greener spaces for our customers. Our new developments and rental operations in Florida, Calgary, London, Ottawa, and the Greater Toronto Area have all benefited from Minto's efforts to reduce the environmental impact of our operations while creating more comfortable, efficient, and beautiful spaces for our customers.

I am thankful to our employees for their dedication to doing the right thing and to our shareholders for their leadership. Together, we continue to focus on making our products and operations better for both people and the planet.

I am proud to be part of this talented organization and am proud to share this report on our environmental, health and safety performance—giving you a window into our operations, our successes, and our challenges. There is still room to improve, but we are making progress and building a better future together.

Michael Waters
Chief Executive Officer

OUR SHARED RESPONSIBILITY

At Minto, reporting on our environmental, health and safety performance is just one way we measure our success and drive continual improvement. I believe every member of our organization has a role to play in ensuring our workplaces are healthy and safe. Supporting Minto's environmental targets is also a shared responsibility, with environmental performance factored into every new development project as well as the operating practices for our commercial and residential rental properties.

Our ability to come together to solve challenges and seize opportunities not only resulted in strong environmental, health and safety performance in 2013, but it also enabled us to kick off some exciting new projects. Stay tuned in 2014 as we continue to build on our expertise, think creatively to deliver value for our customers, reduce our environmental impact, and position Minto for continued success.

Alison Minato
Vice President, Sustainability

INTRODUCTION



Since 1955, Minto has been committed to building and operating in a way that will offer the greatest benefit to our employees, shareholders, customers, and communities. Whether delivering healthier, more comfortable homes, cost savings, or thoughtfully designed communities, Minto continues to pursue high environmental and safety standards to ensure that we are doing our best for the people we serve and the communities in which we work.

As Minto continues on our path toward sustainability, we recognize the importance of expanding our reporting to address both environmental and workplace health and safety performance. Minto has been a recognized leader in the green building, rental, and hospitality industries for over a decade, all while delivering a comprehensive health and safety program to ensure the safety of our employees and customers. The reality is that reducing environmental impact is not possible without first creating a safe and healthy workplace for our employees. In this year's report, look for new information on our health and safety performance.

As a home builder and property management company, we know that our environmental impact can come from our products—the homes we build—as well as from the buildings we operate. This year's report highlights the actions we take to reduce the environmental impact of our operations and our new homes, which also creates value for our customers. As you read the report, please note that we believe it is important to recalculate our baseline consumption each year so it represents our current portfolio and enables comparison over time. This practice is considered to be an environmental reporting best practice and helps to explain variations in baseline intensity from one report to the next. For more about how we evaluated our performance, see our About This Report section on page 13. For more about our performance results, read on.

HEALTH & SAFETY POLICY

As a responsible employer, Minto Group Inc. (Minto) is vitally interested in the continuing health and welfare of its employees, contractors and visitors to its worksites. We acknowledge the right of every employee to work in a safe and healthy environment and as such will strive to eliminate any foreseeable hazards that may result in personal injuries, illness, fire, security losses and property damage.

Minto will take every reasonable precaution for the protection of its workers. Health and safety will be given the highest priority consistent with the company's other major goals.

Every Minto employee, from senior managers to front line workers, shall receive the training and equipment necessary to ensure full compliance with the Occupational Health and Safety Act, applicable Regulations and accepted industry standards.

It is understood that Supervisors have the primary responsibility for ensuring the health and safety of workers under their supervision. All employees of Minto are expected to give their complete commitment to our health and safety program and to integrate this program in all organizational activities. Anything short of this is incompatible with our company's culture and objectives and is therefore unacceptable.

It is Minto's belief that by working together, we can significantly reduce, if not eliminate, workplace injuries and illnesses. Please keep in mind that other members of our team depend on you and follow your example. Don't let them or yourself down.

ENVIRONMENTAL POLICY

Minto believes that it has a corporate responsibility to the environment and that actively pursuing green initiatives is compatible with its growth and prosperity. Through industry leadership, innovation, verification, reporting, and employee engagement, Minto and its customers will continue to lower resource use and environmental impact.

2013 HIGHLIGHTS

Minto is working toward a goal of zero workplace injuries—focusing this year’s reporting on lost time injury performance.

Minto has also set environmental targets in five areas. By 2016, we are committed to:

- » Third party certification of 35% of our commercial space
- » Third party certification of 100% of our new communities
- » Reducing our carbon intensity (kilograms of carbon dioxide emitted per square foot operated) by 7.5% across our operated properties (residential rentals and commercial leased space)—compared to a 2009 baseline
- » Reducing our water intensity (litres of water consumed per square foot operated) by 7.5% across our operated properties (residential rentals and commercial leased space)—compared to a 2009 baseline

We have been measuring progress toward these targets and are pleased to report our latest results.

PROGRESS TOWARD 2016 TARGETS



Lost Time Injuries (page 4)



55.6%
ACHIEVEMENT
OF TARGET



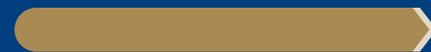
Third Party Certification
Commercial Space (page 5)



131.4%
ACHIEVEMENT
OF TARGET



Third Party Certification
New Communities (page 5)



99.9%
ACHIEVEMENT
OF TARGET



Carbon Emissions (page 6)



58.7%
ACHIEVEMENT
OF TARGET



Water Consumption (page 10)



49.3%
ACHIEVEMENT
OF TARGET



Waste Diversion (page 12)



106.3%
ACHIEVEMENT
OF TARGET

HEALTH & SAFETY PERFORMANCE

Minto's health and safety performance in 2013 was strong. Regular workplace inspections, extensive employee training, and efforts to continuously improve Minto's health and safety program resulted in a 16% reduction in total workplace injuries and a 33% reduction in lost time injuries versus 2012. Managers also worked diligently to ensure any injured workers had access to suitable modified duties during their healing process, contributing to an 80% reduction in days off work due to injury and illness.

“ There has been a significant reduction in both the frequency and severity of injuries since our 2009 baseline. Dedicated Joint Health and Safety Committee members and constant collaboration between workers and managers to minimize workplace hazards have been, and will continue to be, key to moving us closer to our common goal of zero injuries.”

—Mark Lockman, Director, Health, Safety and Security, Minto



Minto is committed to ensuring the health and safety of employees, contractors, residents, and visitors to our many workplaces and buildings.

HOW ARE WE DOING?



LOST TIME INJURIES

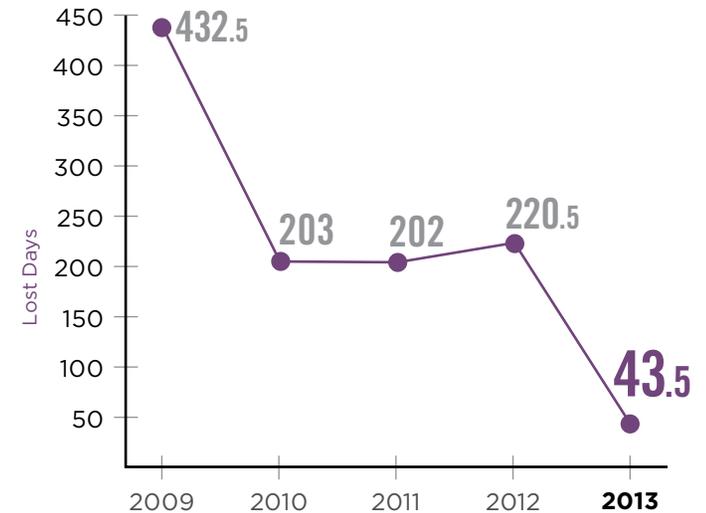


Change from 2009 to 2013

-56%



LOST DAYS (DUE TO INJURY)



Change from 2009 to 2013

-90%

THIRD PARTY CERTIFICATION

Adherence to the strict performance standards of third party energy and environmental verification programs is one way we demonstrate our commitment to building and operating better, greener buildings.

BUILDING BETTER

Leading in certification

In 2013, Minto achieved **Leadership in Energy and Environmental Design (LEED)**® Gold certification at both our Minto Caledonia townhomes and our residential rental apartments at 620 Martin Grove in Toronto. Minto's LEED® Platinum 180 Kent office tower achieved the highest number of LEED® Commercial Interior certifications at a single address in Canada. In 2013, Minto also closed more than 400 **ENERGY STAR**® labelled new homes.

“Certifying 180 Kent at a Platinum level, and then earning an additional seven certifications for tenant improvements, is a real achievement because it shows Minto's desire to constantly raise the bar and increase the environment and health benefits of green office space for tenants.”

—Thomas Mueller, President and CEO, Canada Green Building Council

HOW ARE WE DOING?



TARGET 1: COMMERCIAL SPACE

2013

46%

of leasable space third party certified

BY 2016

35%

of leasable space third party certified

TARGET ACHIEVED (AND EXCEEDED)



Minto has exceeded our target for third party certification of our commercial space and we continue to consider opportunities for future expansion of the certification program.



TARGET 2: NEW COMMUNITIES

2013

99.9%

of homes third party certified

BY 2016

100%

of homes third party certified

PROGRESS TO TARGET



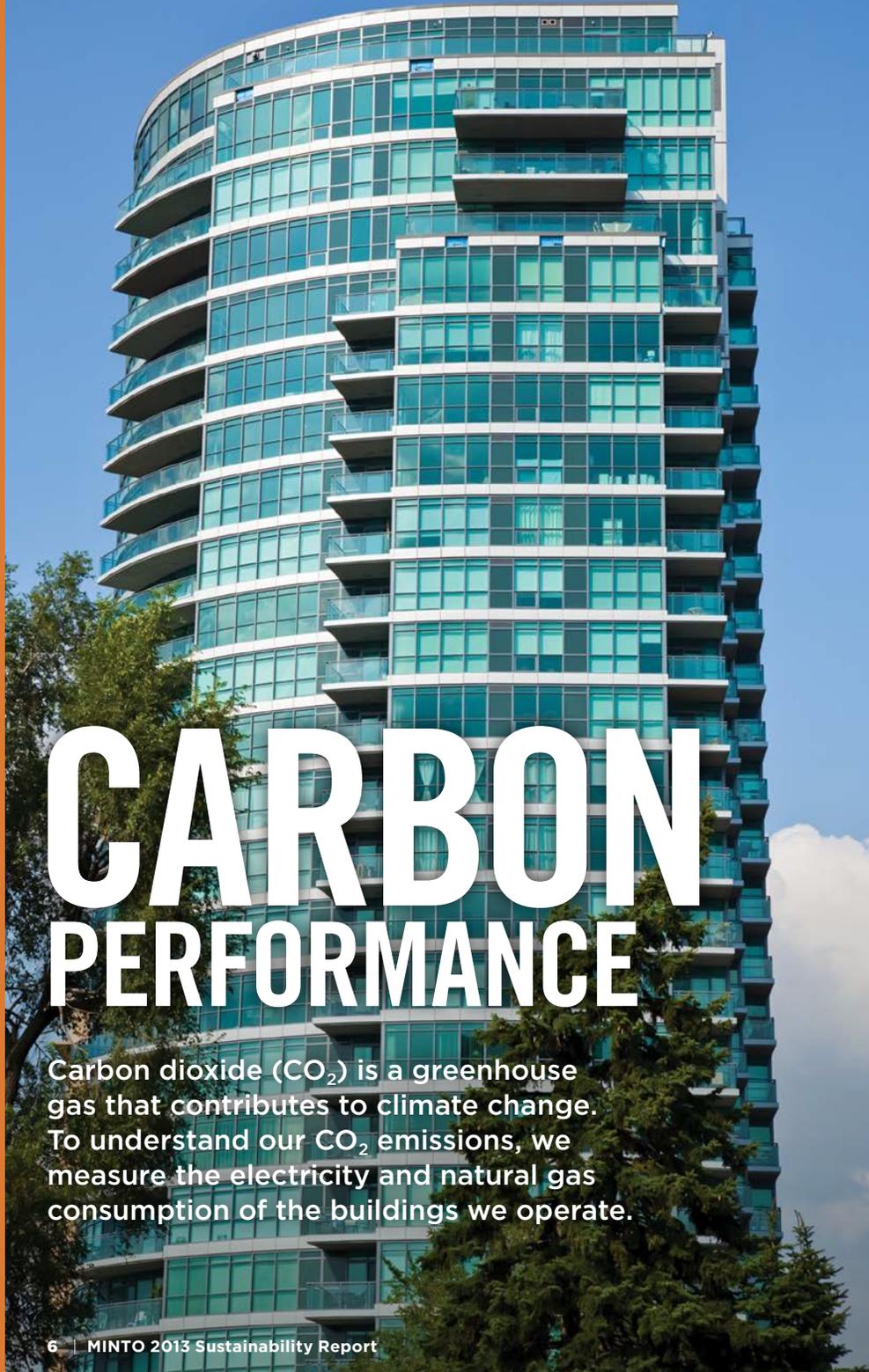
Our combined third party certifications put us within 0.1% of our target.

OPERATIONAL HIGHLIGHT

Minto was the first residential property management company to enroll in the Federation of Rental-Housing Providers of Ontario's **Certified Rental Building (CRB) Program** when it launched in June 2008. In 2013, Minto supported and helped launch the addition of new Environmental Management Standards of Practice to the CRB Program, reinforcing Minto's commitment to efficient energy, water, and waste management practices in the rental properties we own and manage.

Minto also continued to meet all requirements at our **BOMA** certified commercial properties.



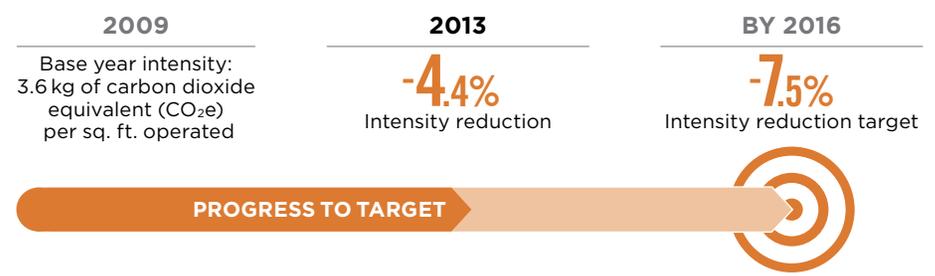


CARBON PERFORMANCE

Carbon dioxide (CO₂) is a greenhouse gas that contributes to climate change. To understand our CO₂ emissions, we measure the electricity and natural gas consumption of the buildings we operate.

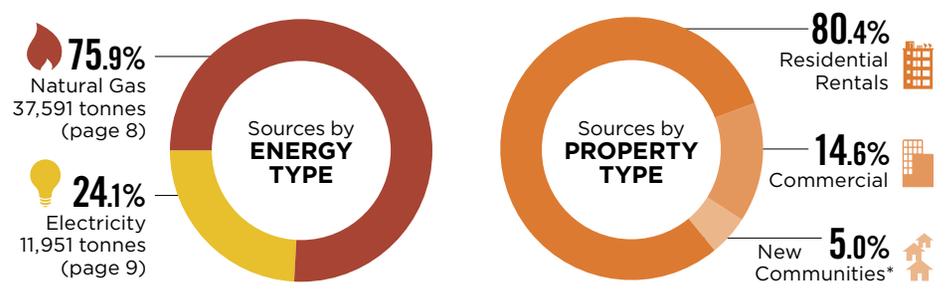
HOW ARE WE DOING?

Minto continues on our way to achieving our targeted 7.5% reduction in carbon intensity by 2016.



OUR CARBON EMISSIONS⁺

Carbon dioxide equivalent (CO₂e)

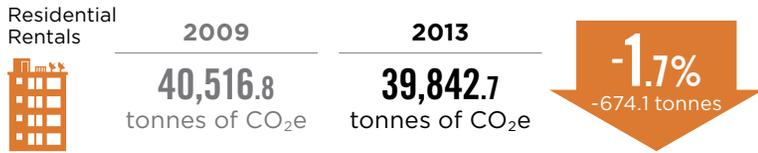


Minto has decreased the carbon intensity, as well as total carbon emissions, of our operations since our base year of 2009. Energy management projects play a large role in carbon reductions, as well as weather-driven demand. The evolution of our electricity supply also has an impact on our carbon emissions. Ontario, for example, continues to introduce cleaner and more renewable sources of power generation into the electricity grid. The current electricity mix produces fewer carbon emissions than in our baseline year, which translates to lower carbon emissions calculated from our operations.

⁺Although we continue to track and report our employee travel emissions, they are not included in our total carbon emissions as 2009 baseline data is not available
*Post-construction to closing, plus sales centres and construction trailers

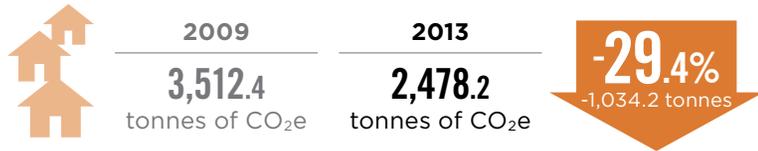
OPERATIONAL BREAKDOWN

OPERATED PROPERTIES



NEW COMMUNITIES

Post-construction to closing, plus sales centres and construction trailers



OPERATIONAL HIGHLIGHT

In 2013, Minto installed two electric vehicle charging stations in our Minto Place parking garage, enabling guests and tenants to charge their electric vehicles at no cost.



BUILDING BETTER

Innovative net-zero energy homes

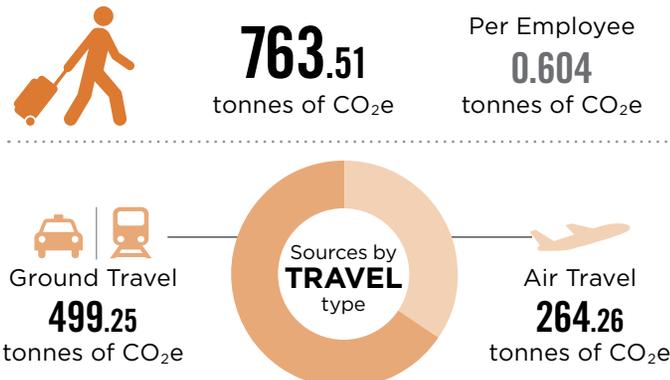
In 2013, Minto partnered with Owens Corning and Natural Resources Canada to design and build five net-zero energy homes in Ottawa's Arcadia community. Building these homes requires a focus on energy conservation and electricity generation. The homes are designed to consume 75% less energy for space heating and cooling and will feature advanced lighting and control systems to reduce electricity consumption. Solar panels on the roof will generate enough electricity to offset the remaining energy required to operate the home. The design uses advanced techniques and materials to insulate and seal the home's outer shell, which, when combined with efficient mechanical and ventilation systems, will provide superior home comfort and performance.

“We are excited to work with such a reputable green builder on this project—it's a progressive initiative that will break the boundaries of conventional design.”

—Andy Goyda, Canadian Builder Lead / Market Development Manager, Owens Corning Canada

2013 EMPLOYEE BUSINESS TRAVEL EMISSIONS

Minto's travel-related carbon emissions have continued to rise primarily due to the pace of growth in the organization. Minto encourages rail travel and the use of teleconference and video conference solutions to reduce our impact on the environment while supporting our growing portfolio.



NATURAL GAS PERFORMANCE

Natural gas is an energy source we use for space and hot water heating. Minto measures natural gas consumption as a key indicator of both carbon performance and operational efficiency.

BUILDING BETTER

Home comfort and efficiency

In 2013, Minto launched our Caledonia townhome community in Toronto. These homes were designed to deliver energy and water savings and a comfortable indoor environment for homeowners. They also proved advancements in construction practices, which have since been adopted at other Minto projects. Minto surpassed ENERGY STAR® for New Homes performance requirements at Caledonia with an average EnerGuide E83 rating for energy efficiency due in part to under-slab insulation and building envelope details that significantly reduce air loss through the exterior walls and between units.

“Caledonia was the first E83 project for Minto Communities in Toronto, and we knew a large part of our success would ride on enhanced insulation and air sealing details. The lessons we learned are already helping our teams build and insulate even more efficiently on other projects.”

—Shawn Mio, Senior Project Manager, Minto

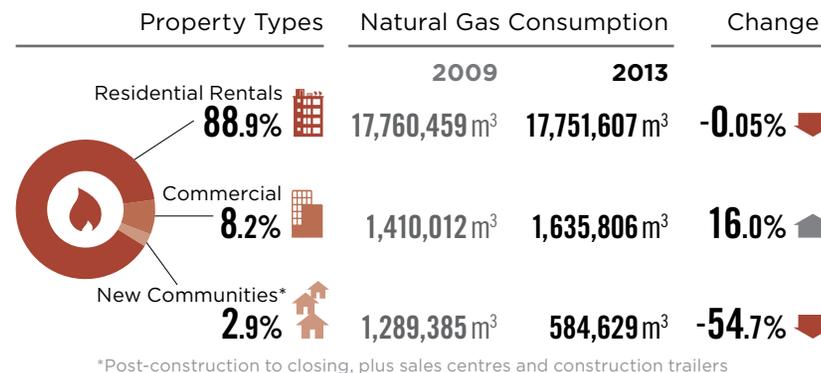


HOW ARE WE DOING?

Compared to our 2009 baseline, Minto saw a reduction in natural gas consumption per square foot operated.



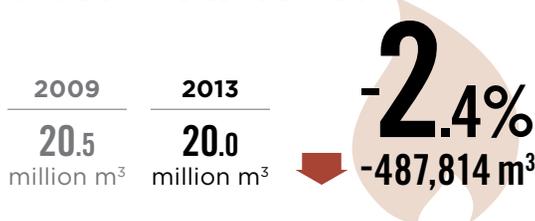
OPERATIONAL BREAKDOWN



Across our residential properties, we decreased natural gas consumption through operational improvements and retrofits. We achieved these reductions despite the addition of newly constructed buildings and colder weather. Consumption in our commercial portfolio rose primarily due to changes in occupancy.

In our new communities, we streamlined our processes and decreased the amount of time we carried our homes prior to closing.

OUR NATURAL GAS CONSUMPTION

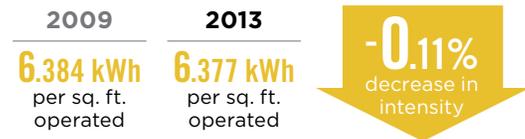


ELECTRICITY PERFORMANCE

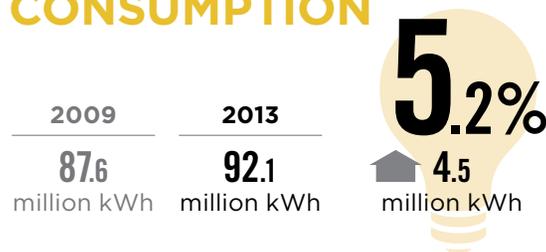
Electricity supplies power for lighting, heating, ventilation, cooling, pumps, and plug loads. Electricity is produced by a variety of sources that can generate CO₂ emissions.

HOW ARE WE DOING?

Compared to our 2009 baseline, Minto saw a slight decrease in electricity consumption per square foot operated.



OUR ELECTRICITY CONSUMPTION



OPERATIONAL BREAKDOWN

Property Types	Electricity Consumption		Change
	2009	2013	
Residential Rentals  53.9%	49,217,262 kWh	49,672,645 kWh	0.9% 
Commercial  40.9%	34,728,345 kWh	37,706,760 kWh	8.6% 
New Communities*  5.2%	3,672,117 kWh	4,761,945 kWh	29.7% 

*Post-construction to closing, plus sales centres and construction trailers

Although Minto has been taking action to reduce electricity consumption for decades, total consumption has continued to rise as both our portfolio and end user electricity demand grow. The majority of the increase in commercial consumption was due to our 180 Kent Street office space growing to full occupancy. In our new communities, electricity consumption increased due to a colder winter affecting our electrically heated construction trailers and sales buildings, as well as an increased number of condo completions in Ottawa, which saw Minto covering common area utilities between completion and condo corporation registration.

BUILDING BETTER

Designing for energy savings

Minto's Lansdowne condominium, townhome, and commercial development in Ottawa is part of a community designed to meet LEED® for Neighbourhood Development—an intensive certification that looks beyond individual building energy and water performance toward more holistic sustainable community design. Combined, the Lansdowne condominiums have been modelled to save approximately 170,000 kilowatt hours per year versus Ontario Building Code performance. Minto will deliver these savings through features such as efficient lighting, heat recovery ventilators, “white” roofs, ENERGY STAR® appliances, and convenient “All-Off” switches.

“The magnetic bearing chiller specified for Minto’s Vibe condo at Lansdowne uses magnetic fields to levitate the compressor bearings, virtually eliminating friction and wear on the rotating components. This proven technology dramatically reduces noise, minimizes maintenance requirements, and increases energy efficiency.”

—Graeme Doyle, Project Manager, Building Systems, Minto

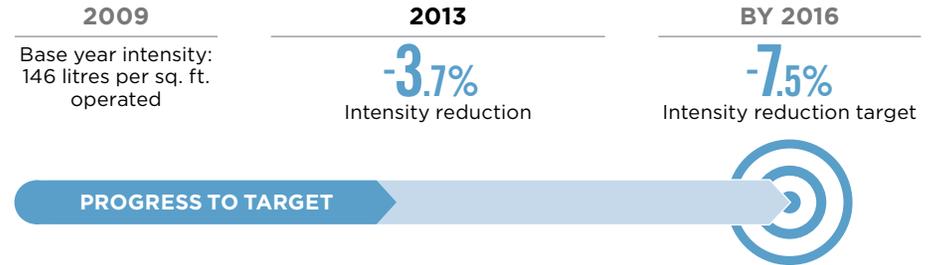


WATER PERFORMANCE

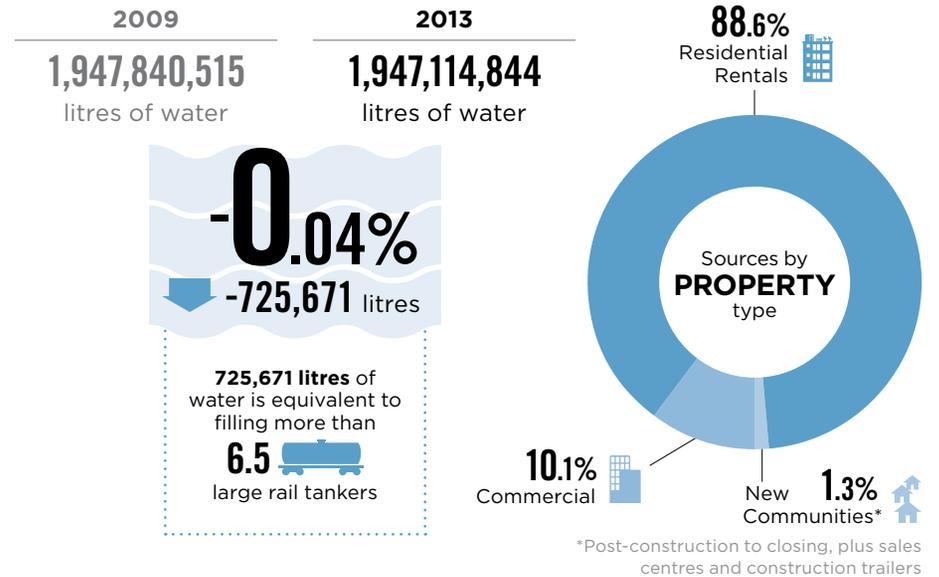
Water is a finite and essential resource. Minto drives water conservation by monitoring how much we use, investigating anomalies, and implementing effective water-saving technologies and programs.

HOW ARE WE DOING?

In 2013, Minto saw a decrease in water consumption per square foot operated.



OUR WATER CONSUMPTION



Even with the addition of newly constructed residential and commercial buildings, Minto managed to slightly reduce total water consumption in 2013. More efficient toilets, combined with other water conservation technologies and practices, will move us closer to our 2016 water reduction target.

OPERATIONAL BREAKDOWN

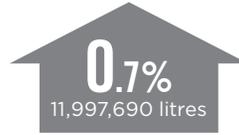
OPERATED PROPERTIES

Residential Rentals



2009
1,712,931,979
litres of water

2013
1,724,929,669
litres of water



Commercial



2009
208,741,467
litres of water

2013
196,001,175
litres of water



NEW COMMUNITIES

Post-construction to closing, plus sales centres and construction trailers



2009
26,167,070
litres of water

2013
26,184,000
litres of water



OPERATIONAL HIGHLIGHT

Utility monitoring and analysis are critical to driving improvement in our building operations. As a result of Minto's ongoing utility monitoring program, a higher-than-average water intensity was noted at one of our rental buildings. Investigation revealed that an exterior water pipe had been damaged below ground. We repaired the pipe and confirmed a decrease in the building's water intensity in subsequent monitoring results.

Minto's utility monitoring also enabled the verification of savings from our three-litre toilet retrofit pilot project. Participating buildings reduced water consumption by up to 30%. Based on the success of three-litre toilet retrofits completed in 2012, Minto began implementing this feature in 2013 at other rental properties and in new home construction projects.



BUILDING BETTER

Protecting and conserving valuable wetlands

In 2013, Minto Florida began construction on the Isles of Collier Preserve community in Naples—maintaining over 1,300 acres of on-site wetland and upland natural habitat. Working closely with leading water quality and ecological consultants, it was decided that residential density would be cut in half in order to protect habitat for native species and preserve the high-quality freshwater and saltwater wetlands on the site. A surface water management system was designed to incorporate a series of “flow-through” marshes that improve the water quality on site and control the rate at which storm water leaves the site. The Isles of Collier Preserve is a demonstration of how Minto has artfully balanced development expectations and environmental conservation.

“ The project was designed with a focus on not only the preservation, but also the enjoyment, of the tremendous ecological features of the site.”

—Brian Cale, Director of Land Development, Minto

WASTE PERFORMANCE

Construction waste management encourages less waste generation and greater recycling to help extend the life of municipal landfills and optimize the use of raw materials.



BUILDING BETTER

Turning waste into new products

Minto incorporates waste diversion strategies into retrofit projects at our operated properties. When toilets are replaced, for example, the old toilets are crushed into aggregate material and repurposed as road substratum, avoiding landfill and reducing the demand for mined aggregate.

In an example from construction of our new buildings, wood waste is collected, hauled away, chipped and processed into engineered wood products. Minto then purchases products, such as particle board—sometimes manufactured from our own waste material—for use in our construction projects, closing the loop on the recycling process.

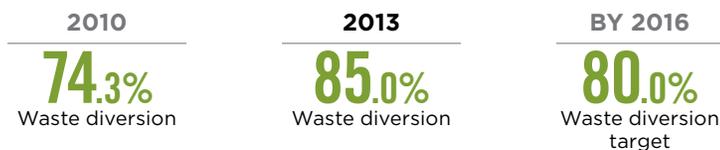
“We have a recycling program on site for both lumber and cardboard, where whatever doesn't get used is fashioned into items on site—safety rails, ramps and more. It's a big team effort between us and the trades, and everyone really respects the process.”

—Marc Richard, Grading Foreman, Production, Minto



HOW ARE WE DOING?

Minto has achieved our 80% construction waste diversion target ahead of schedule, surpassing the target by 5% in 2013.



OUR TOTAL WASTE GENERATED



5,566 tonnes is equivalent to the waste generated by 5,590 homes in one year



Having implemented material management procedures and incorporated diversion requirements into waste hauling service contracts, Minto has achieved our waste diversion target. We will continue to adhere to our site waste reduction policies—such as requiring wood of adequate size and quality to be salvaged and reused on site—and work with haulers to identify new, more cost-effective diversion strategies.

OUR PROGRESS OVER TIME





ABOUT THIS REPORT

OVERVIEW

This report summarizes Minto's 2013 environmental, health and safety performance. Data from this report covers the period from January to December 2013, with historical data provided for context. Due to rounding, numbers presented throughout the report may not add up precisely to the totals provided.

METHODOLOGY—HEALTH & SAFETY PERFORMANCE

Injury data was obtained from occupational illness and injury reports submitted to Minto's Health, Safety and Security Division and the Ontario Workplace Safety and Insurance Board. In this report, total workplace injuries include first aid injuries (worker receives first aid due to a workplace injury, but there is no lost time or professional service provided by a registered health care professional), 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). Lost days reflect the number of days missed at work due to a workplace injury.

METHODOLOGY— ENVIRONMENTAL PERFORMANCE

Environmental performance is measured in carbon emissions, natural gas consumption, electricity consumption, water consumption, construction waste generated and diverted, third party certifications, and employee-related travel emissions. Performance is reported as totals, 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 that fall under Minto's operational control. Performance is compared to 2009 with the exception of waste diversion, which is compared to 2010 due to insufficient availability of 2009 data.

All building performance data was recorded from buildings using the "operational control" approach. With this approach, Minto reports 100% of the building emissions for which it has daily operational control and the power to implement

operational policies. All figures disclosed are the best available totals gathered from utility bills, waste audits, waste invoices, business expense reports, and reports from various internal departments. Performance data is not weather normalized.

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 2013 divided by the total square feet of leasable operated commercial space.

For new community certifications, the percentage presented is the number of certifications achieved or in progress on buildings closed in 2013 divided by the number of closings in 2013. 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. Total 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. Total 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

footprint is reported against Minto's 2009 baseline. The baseline 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. Buildings constructed after 2009 are not included in the base year total or intensity as there was no consumption at that time.

WATER

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

WASTE

Total waste generated includes the tonnes of waste sent to landfill and tonnes of waste diverted from landfill. One 2013 construction project's incomplete waste data called for application of an industry average to the project's missing waste totals during calculations. Zero diversion was assumed in that case. Minto Communities Florida waste diversion rates are not included due to different service levels and insufficient data.

EMISSION FACTORS & EQUIVALENCY SOURCES

The carbon equivalency was generated using the U.S. EPA Greenhouse Gas Equivalencies Calculator. Waste equivalency was generated using Statistics Canada information. Travel Emission Factors were sourced from U.S. EPA Climate Leaders for employee business travel. Canadian utility emission factors are from 2013 National Inventory Report tables and U.S. emission factors were sourced from the U.S. EPA's eGRID.

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



COST SAVINGS



HEALTH



COMFORT



COMMUNITY

Minto's better buildings provide our customers with multiple benefits. To learn more about these benefits and to discover a better home, office or suite, visit [minto.com](https://www.minto.com)

Image Credits: The following icons are attributed to The Noun Project: Light Bulb designed by Phil Goodwin; Recycle Bin designed by Jayson Lim; Badge designed by Navin Kulkarni; Information designed by Elva Zhao; City designed by Nicolas Morand; Clipboard designed by Andrew Onorato; Building designed by Juan Pablo Bravo; City designed by David Lopez; Airplane designed by Marc Anderson.

Concept and Design: Green Living Enterprises

