

2014 SUSTAINABILITY REPORT



ENVIRONMENT, HEALTH, SAFETY



MESSAGE FROM THE CEO



As a new home builder and operator of multi-residential and commercial buildings, Minto's activities have environmental impacts as well as economic and social ones. For this reason Minto has

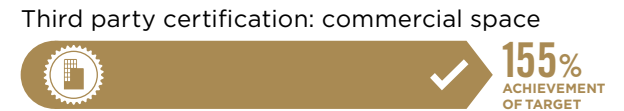
set both environmental and financial targets in addition to closely monitoring our health and safety performance. In 2014, we recorded a 9.7% reduction in our water intensity and 6.9% reduction in carbon intensity versus our 2009 baseline year. These improvements were driven in large part by the success of a toilet retrofit program that continues to roll out across Minto Properties' multi-residential portfolio. In Minto Communities, strong construction waste diversion rates and high levels of third party energy/environmental certification of our new homes were further drivers of our environmental performance. We also celebrated being the first to achieve the City of Toronto's highest green building standard—

Toronto Green Standard Tier 2—at our minto775 King West condominium. These accomplishments truly inspire me; our customers benefit from the comfort and value added through thoughtfully designed, higher performing spaces and our organization benefits from employees who take pride in making things better.

Looking ahead, I believe that to be successful as we grow our business it is critical that Minto stay focused on what we do best, on what's important to our customers, and on what we need to do to keep making our communities and operations better. Strong environmental and health and safety management practices and performance will remain key to our product development and operating strategy. The performance trends and achievements presented in this report will inform our next wave of sustainability targets and help keep us focused on what matters most as we work together with our industry partners to create better places to inspire life.

Michael Waters
Chief Executive Officer

PROGRESS TOWARD 2016 ENVIRONMENTAL TARGETS

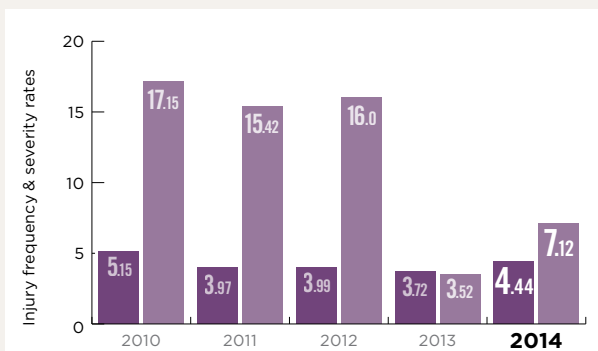




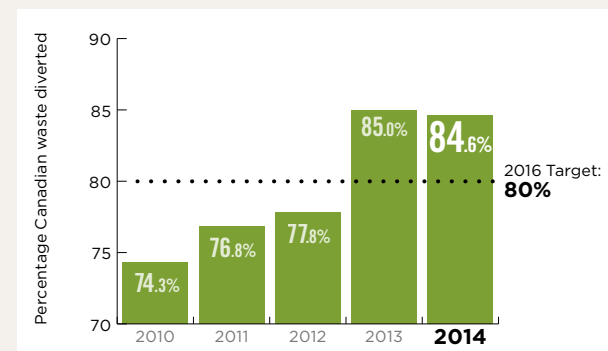
HOW ARE WE DOING?

INJURY FREQUENCY RATE
 Rate = claims + hours worked
 x 200,000 hours

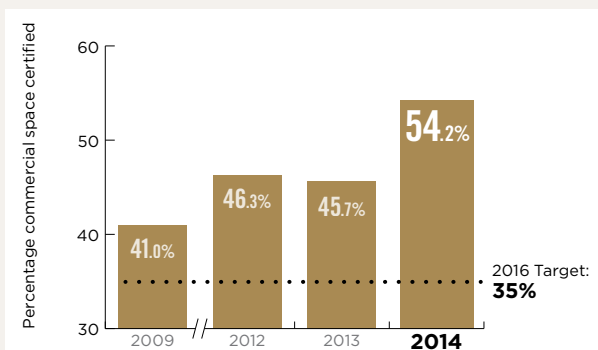
INJURY SEVERITY RATE
 Rate = lost days + hours
 worked x 200,000 hours



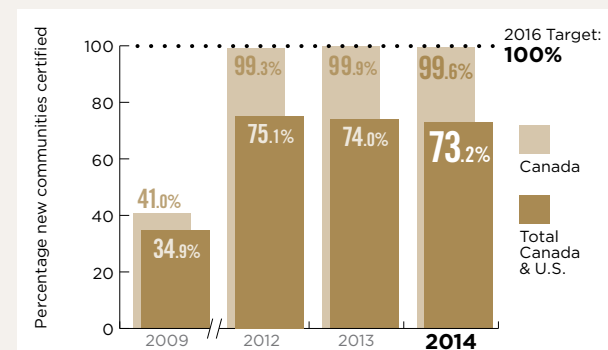
WASTE DIVERSION
 Target: Divert 80%
 of our Canadian new
 construction waste.



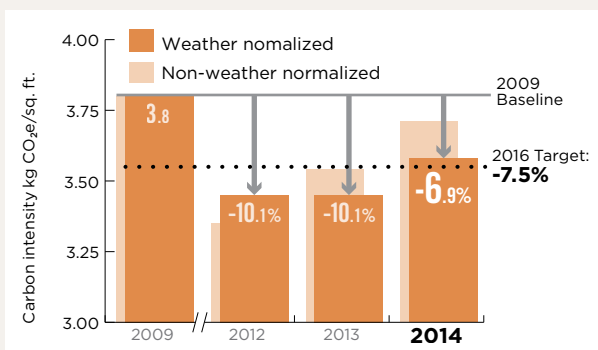
COMMERCIAL SPACE THIRD PARTY CERTIFICATION
 Target: Third party
 energy or environmental
 certification of 35% of
 our operated commercial
 space by square footage.



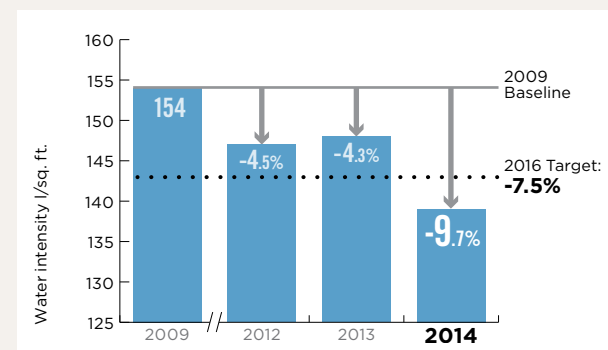
NEW COMMUNITIES THIRD PARTY CERTIFICATION
 Target: Third party
 energy or environmental
 certification of 100% of our
 new residential communities.



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.



2014 ACHIEVEMENTS



OPERATIONAL HIGHLIGHTS

Creating better places includes creating safer places. In the past year, Minto continued to grow while carefully managing our operations. Although lost time injuries increased compared to 2013, we maintained total injury frequency and severity rates below industry averages in four out of five rate groups (Apartment and Condominium Services being the exception). The Minto Florida operating group had an impressive year with no workplace injuries—the goal of all of our operations.

On the environmental side, we saw a reduction in water consumption primarily due to our ongoing toilet retrofit program. We also integrated waste diversion and energy conservation features into some

major residential rental renovations. A tri-sorter, more common in our new condominium construction projects, was installed at a hotel-to-residential-rental conversion project, providing residents with the facilities to conveniently separate their recycling and organics from their household waste. Another Minto community had an aging roof replaced with a longer life cool roof that reflects heat in the summer—keeping occupants cooler and reducing air conditioning needs. This project, plus new LED lighting conversions, expanded electricity submetering, new ENERGY STAR® qualified rental properties, and ongoing building system audits, helped us manage energy consumption and identify opportunities for future improvements in our growing portfolio.

PRODUCT HIGHLIGHTS

In recognition of Minto's continued commitment to building better communities that include more energy efficient homes, Minto received both the Ontario Home Builders' Association's **Ontario Home Builder of the Year** award and EnerQuality's **Ontario Green Builder of the Year** award for 2014. We continue to consider sustainability in the design and development of all of our new communities, be it in the energy and water performance of the homes, construction practices, or community design. Our Kingmeadow community in Ontario incorporates nearly 22 acres of natural open space while more than 40% of Lake Nona in Florida—the site of Minto's Laureate Park—has been preserved as green space. Homes in both communities will be ENERGY STAR® qualified.

We continue to pilot new technologies in our homes and condos to identify new features and benefits for our customers. In 2014, Minto tested multi-zone heating and air conditioning in some new low-rise homes. The system uses multiple thermostats and motorized dampers to redirect air where it's needed, delivering superior home comfort. We also piloted a new water treatment system at Minto Watergarden, significantly reducing the



amount of chlorine required to maintain the property's namesake landscape feature and making it possible to use overflow from the system for irrigation rather than sending it down the drain.



LOOKING FORWARD

For years Minto has been on a path to making net-zero energy homes accessible to the average home buyer. In 2015, we expect to complete construction of a net-zero energy single-family home and start construction on a block of four net-zero energy townhomes in Ottawa's Arcadia community—an initiative supported by Natural Resources Canada, Owens Corning, and key building product suppliers. Using readily available and affordable products and technologies, these homes will be super-insulated and energy efficient. They will feature roof-mounted solar panels to offset energy needs, ensuring that the homes will produce as much energy as they consume over the course of a year. What we learn from these high-performance homes will guide us as we evolve our new home designs and construction practices, helping us deliver excellent performance, as well as comfort, cost savings, and great design for our customers.

At Minto, how we operate our buildings is just as important as how we build them. Our focus on continually improving our performance is evident in our commercial and residential building operations where we have new third party energy/environment certification and sustainability reporting initiatives underway. We look forward to realizing the benefits of these projects in the coming years.



ABOUT THIS REPORT

OVERVIEW

This report summarizes Minto's 2014 environmental, health and safety performance. Data from this report covers the period from January to December 2014, 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 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.

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 and 2014 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 that fall under Minto's operational control. Water and carbon performance are compared to a 2009 baseline.

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, and reports from internal departments.

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.

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. This year, Minto re-evaluated the certifications that were counted toward the certification totals. Some of the certifications counted previously were eliminated from the counts to ensure only certifications achieved through independent audits confirming compliance with established environmental or energy criteria were counted.

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. 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 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 waste sent to landfill and tonnes of waste diverted from landfill. Waste data was not available for one 2013 construction project and one 2014 construction project, necessitating the use of industry averages for the projects' missing waste generation totals. Zero diversion was assumed in both cases. One other 2014 construction project is missing data from an alternate temporary hauler, which made pickups over a period of a few weeks. Data from this hauler was not available and no estimates were generated as no mechanism was available to account for this missing information.

Minto Communities Florida waste diversion rates are not included due to different 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



Proudly celebrating 60 years