



WHITESTONE REIT

ENVIRONMENTAL POLICIES

Adopted November 2022

Whitestone's Commitment to Environmental Policies and Initiatives

We understand and are committed to managing environmental, social, and governance (ESG) risks and opportunities at each property. Our environmental management system (EMS) guides our approach to managing portfolio- and site-specific risks, implementing environmental initiatives, and tracking environmental metrics at the property level.

Whitestone is dedicated to limiting the impact we have on the environment. Thus, we are focused on managing and monitoring our environmental impact in several areas including energy consumption and renewable energy procurement, greenhouse gas emissions reduction and climate change adaptation, water consumption reduction and management, waste management, and biodiversity and habitat.

Energy Consumption and Renewable Energy

Whitestone recognizes that as a real estate owner, we have the potential to reduce the environmental impact of our operations. We are committed to operating our real estate portfolio as energy efficiently as possible, which will reduce operational expenses and greenhouse gas emissions. As a first step in improving operational energy efficiency at our properties and across the Whitestone portfolio, we are committed to tracking energy consumption and monitoring year-over-year changes.

Scope of covered topic(s)

Given the majority of our leases are triple-net leases and tenants maintain operational control, Whitestone is primarily responsible for ensuring sustainable energy management practices at shared and landlord-controlled areas. This policy also applies to our corporate headquarters.

Although not covered under this policy, we will encourage tenants to adopt similar energy management practices and policies.

Responsible parties

Whitestone property managers are responsible for energy-related initiatives at the property-level. Whitestone asset managers are responsible for energy-related initiatives at the portfolio-level.

Specific actions required and/or recommended under the policy

Whitestone is currently focused on improving data coverage of energy usage at each of our properties. Whitestone aims to benchmark and track energy at all properties within our portfolio by

monitoring energy consumption and billing from both renewable and non-renewable sources. Specifically, property managers are responsible for tracking monthly energy consumption and billing data into our property-level data tracking system, and to utilize automatic utility syncs where possible. Asset managers are responsible to review energy consumption and billing trends across geographic regions and the portfolio each quarter, which will be used to identify areas of opportunity for improving energy efficiency.

Where data trends and other variables indicate opportunities to reduce energy consumption and/or spending, property managers and asset managers will identify energy efficiency upgrade projects at select properties, such as upgrading parking lot lighting to efficient LED lights and installing electric vehicle charging stations.

In jurisdictions that have regulations around energy, property managers are responsible for ensuring the properties are in compliance and good standing.

Greenhouse Gas (GHG) Emissions Management & Climate and Climate Change Adaptation

Whitestone understands that climate change impacts every part of the planet and thus, our way of doing business. Whitestone is committed to improving our data coverage of and reducing greenhouse gas emissions generated across our portfolio.

We also aim to build a portfolio that is resilient to the effects of climate change as it may begin to cause an increasing number of extreme weather events and natural disasters.

Scope of covered topic(s)

Given the majority of our leases are triple-net leases and tenants maintain operational control, Whitestone is primarily responsible for reducing emissions within shared and landlord-controlled areas. This policy also applies to our corporate headquarters.

Responsible parties

Whitestone property managers are responsible for GHG emissions-related initiatives at the property-level. Whitestone asset managers are responsible for GHG emissions-related initiatives at the portfolio-level.

Specific actions required and/or recommended under the policy

Whitestone is currently focused on improving data coverage of GHG emissions at each of our properties and to mitigate the GHG emitted and/or increase the amount of energy generated from renewable resources. Whitestone aims to benchmark and track GHG emissions at all properties within our portfolio by monitoring GHG emissions that stem from energy consumption. Specifically, property managers are responsible for tracking monthly energy consumption into our property-level data tracking system, and to utilize automatic utility syncs where possible. Asset managers are responsible to review GHG emissions trends across geographic regions and the portfolio, which will be used to identify areas of opportunity for mitigating GHG emissions.

Where data trends and other variables indicate opportunities to mitigate GHG emissions, property managers and asset managers will identify GHG emissions mitigation projects at select properties or across the portfolio, such as installing renewable energy systems or procuring renewable energy through the local utility or vendor.

Water Consumption and Management

Whitestone believes that we are responsible for minimizing our use of limited resources such as water, particularly in the drought-prone geographic areas of Texas and Arizona, where much of our portfolio resides. We aim to reduce our water consumption and are committed to tracking water consumption and monitoring year-over-year changes.

Scope of covered topic(s)

Given the majority of our leases are triple-net leases and tenants maintain operational control, Whitestone is primarily responsible for reducing water consumption within shared and landlord-controlled areas. This policy also applies to our corporate headquarters.

Although not covered under this policy, we will encourage tenants to adopt similar water management practices and policies.

Responsible parties

Whitestone property managers are responsible for water-related initiatives at the property-level. Whitestone asset managers are responsible for water-related initiatives at the portfolio-level.

Specific actions required and/or recommended under the policy

Whitestone is currently focused on improving data coverage of water usage at each of our properties. Whitestone aims to benchmark and track water at all properties within our portfolio by monitoring water consumption and billing. Specifically, property managers are responsible for tracking monthly water consumption and billing data into our property-level data tracking system, and to utilize automatic utility syncs where possible. Asset managers are responsible to review water consumption and billing trends across geographic regions and the portfolio, which will be used to identify areas of opportunity for improving water efficiency.

Where data trends and other variables indicate opportunities to reduce water consumption and/or spending, property managers and asset managers will identify water efficiency upgrade projects at select properties, such as installing low-flow water fixtures, drip irrigation, or xeriscaping.

In jurisdictions that have regulations around water, property managers are responsible for ensuring the properties are in compliance and good standing.

Waste Management

Whitestone aims to minimize our footprint in our communities and the environment. We aim to partake in sound waste practices such as minimizing total waste production and maximizing waste diversion from landfills or incineration. We will comply with all local regulations related to issues associated with hazardous and non-hazardous waste.

Scope of covered topic(s)

While the majority of waste produced at our properties is from tenant activities, Whitestone will work to encourage responsible waste management practices with tenants. We will also aim to uphold this commitment in shared and landlord-controlled areas, and our corporate headquarters.

Responsible parties

Whitestone property managers are responsible for waste management-related initiatives at the property-level, including tenant engagement to encourage sound waste practices. Whitestone asset managers are responsible for waste management-related initiatives at the portfolio-level.

Specific actions required and/or recommended under the policy

Whitestone is in the process of developing a baseline waste management approach to implement across our portfolio. Property managers are responsible for communicating the waste management approach with tenants and building employees, and they will work to ensure the procedures are implemented appropriately throughout the asset's life. Asset managers are responsible for reviewing waste consumption and billing trends across geographic regions and the portfolio, which will be used to identify areas of opportunity for reducing waste generation and increasing waste diversion.

Where data trends and other variables indicate opportunities to reduce waste generation, property managers and asset managers will identify recycling or other waste reduction and diversion projects at select properties or across the portfolio, such as installing compactors for recycling and composting bins, implementing a composting program, or developing a strategy to reduce waste contamination and improve recycling rates.

Biodiversity and Habitat

Whitestone recognizes that as a real estate owner, our properties may encounter issues related to wildlife, ecosystems, endangered species, and habitat management. We understand that it is our responsibility to limit our impact on local biodiversity and habitats, and we aim to operate and build responsibly.

Scope of covered topic(s)

Biodiversity and habitat are significant factors in the acquisition and development processes, and we will focus on minimizing impact in the selection of properties and during building phases. Whitestone is also responsible for implementing strategies at shared and landlord-controlled areas, such as parking lots. We will work with tenants to suggest best practices for areas under tenant control when possible.

Responsible parties

Whitestone property managers and construction managers are responsible for biodiversity and habitat-related initiatives at the property-level. Whitestone asset managers and the development team are responsible for biodiversity and habitat-related initiatives and strategy decision making at the portfolio-level.

Specific actions required and/or recommended under the policy

Whitestone aims to minimize our impact on the natural environment and may consider potential strategies such as:

- Investigating any risks or issues related to wildlife, endangered species, or local ecosystems
- Reducing noise and air pollution during construction
- Limiting the removal of native plant species and eradicating invasive or exotic species from natural habitat areas
- Preventing erosion by maintaining vegetation and restoring eroded areas
- Limiting the use of fertilizer and selecting non-toxic fertilizer products
- Preparing a plan to manage pests while limiting the use of toxic chemicals
- Storing materials and equipment in safe areas to prevent air and site contamination