

## **Pennsylvania Real Estate Investment Trust Audit Committee Charter**

### **I. Organization**

1. There shall be a committee of the Board of Trustees of Pennsylvania Real Estate Investment Trust (the “Company”) to be known as the Audit Committee.
2. Audit Committee members and the committee chairman shall be designated by the full Board of Trustees upon the recommendation of the Nominating and Governance Committee.
3. The Audit Committee shall be composed of at least three financially literate members of the Board of Trustees each of whom are affirmatively determined to be independent by the Board of Trustees consistent with the criteria set forth on Annex A, as determined in each case by the Board of Trustees in its business judgment. The Audit Committee shall have such number of members meeting such qualification criteria as shall be required by applicable law, rule or regulation as determined by the Board of Trustees in its business judgment. The Company’s proxy statement shall disclose that all Audit Committee members have been determined to be independent and that the composition of the Audit Committee complies with all applicable qualification criteria.
4. No Audit Committee member may serve on the Audit Committee of more than two other public companies unless the Board of Trustees affirmatively determines that such simultaneous service would not impair the ability of such member to effectively serve on the Audit Committee, such determination to be disclosed in the Company’s annual proxy statement.
5. Members of the Audit Committee may be removed from the Audit Committee by the full Board of Trustees, upon the recommendation of any Trustee, this Committee or the Nominating and Governance Committee of the Board of Trustees and upon a determination by the full Board of Trustees that such member is not fulfilling his or her duties under this Charter.
6. The Company shall disclose in its proxy statements that it has a written Audit Committee Charter.

### **II. Purpose and Overall Responsibilities**

1. Oversee the accounting and financial reporting processes of the Company.
2. Assist the Board of Trustees in its oversight of the integrity of the Company’s financial statements, the Company’s management of risk and compliance with legal and regulatory requirements, the qualifications and independence of the Company’s registered public accounting firm and the performance of the Company’s internal audit functions and registered public accounting firm.
3. Oversee the performance of the registered public accounting firm in the preparation or issuing of an audit report or related work.
4. Provide an open avenue of communication between the Company’s registered public accounting firm, internal auditor and the Board of Trustees.

5. Meet four times per year, or more frequently, as circumstances require. The Audit Committee shall review reports received from members of management, the internal auditor and the Company's registered public accounting firm, on matters relating to accounting, financial reporting, internal control, auditing, risk management and other matters.
6. Review and reassess the adequacy of the committee's charter annually.
7. Prepare the report of the Audit Committee that is required to be included in the Company's annual proxy statement.
8. Establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal auditing controls or auditing matters and for the confidential, anonymous submission by employees of the Company of concerns regarding questionable accounting or auditing matters.
9. Receive from the independent auditor on a timely basis reports of all critical accounting policies and practices, alternative treatments of financial information discussed with management of the Company and the ramifications thereof and the treatment preferred by the registered public accounting firm, and copies of all other material written communications between the registered public accounting firm and the Company's management.
10. Make inquiries of the internal auditor and registered public accounting firm to determine that management has maintained the reliability and integrity of the accounting policies and financial reporting practices of the Company.
11. Conduct or authorize investigations into any matters within the committee's scope of responsibilities. The Audit Committee shall be empowered to retain and determine the appropriate compensation to be paid to independent counsel, accountants or others to assist it in the conduct of any investigation or otherwise to carry out its duties.
12. Perform annually an evaluation of its own performance.
13. Report regularly to the Board of Trustees regarding results of the Audit Committee's activities.
14. Review with management, and any outside professionals as the Committee considers appropriate, the effectiveness of the Company's disclosure controls and procedures.
15. Review disclosure regarding related party transactions in accordance with the Company's related party transaction policy.
16. Oversee overall hedging strategy. The Committee shall have the authority to review and approve the decisions by the Company or any of its subsidiaries to enter into derivative transactions, including swaps, that might be subject to certain clearing and execution requirements or regulations, and swap transactions that might be exempt or excluded from such clearing and execution requirements or regulations because the Company qualifies for the "end user exception" as defined by federal law and regulations to such requirements.

The Committee shall have the authority and shall review and approve at least annually (a) the Company's hedging policies and procedures; and (b) the decision to grant on a general, blanket basis, authority for the Company to use swaps that are excepted from clearing and execution because the Company or its subsidiary is eligible for the end user exception, or earlier in connection with a significant change in hedging strategy or policy. The Committee may also, but need not, review such transactions on a swap-by-swap basis.

### **III. Selection, Retention and Discharge of Registered Public Accounting Firm**

1. Select and retain a qualified and independent registered public accounting firm. The registered public accounting firm's ultimate accountability shall be to the Audit Committee.
2. Determine the terms of engagement of and compensation to be paid to the registered public accounting firm for performing audit services, including the rendering or issuing of an audit report.
3. Preapprove all auditing services and non-audit services to be provided to the Company by the registered public accounting firm. Preapproval of non-audit services shall be disclosed in the Company's periodic reports under the Securities Exchange Act.
4. Ensure the rotation of the lead audit partner having responsibility for the audit and the audit partner reviewing the audit as required by law.
5. Consider, in consultation with the registered public accounting firm, the scope and plan of forthcoming audits from the perspective of the registered public accounting firm's responsibility under generally accepted auditing standards.
6. Review with the Company's registered public accounting firm any audit problems or difficulties and management's response, including any restrictions on the scope of the registered public accounting firm's activities or access to requested information. Resolve disagreements between the Company's management and the registered public accounting firm.
7. Receive annually from the registered public accounting firm a written statement listing all relationships with the Company and determine that such relationships will not impair independence and obtain assurances that the auditor is "independent" within the meaning of the Securities Exchange Act.
8. Receive annually from the Company's registered public accounting firm, and conduct a review of, a report describing (i) the registered public accounting firm's internal quality-control procedures and (ii) any material issues raised by the registered public accounting firm's most recent internal quality control review, peer review or inquiry or investigation by governmental or professional authorities within the preceding five years with respect to one or more of its independent audits and any steps taken to deal with any such issues.
9. Determine whether to discharge the Company's registered public accounting firm and effect any such determination.
10. Set clear policies with respect to the Company's hiring of employees or former employees of the Company's registered public accounting firm.

### **IV. Review of Financial Statements**

1. Review and discuss with management and the registered public accounting firm at the completion of the annual examination and prior to the filing of the SEC Form 10-K:
  - The Company's annual financial statements and related footnotes.
  - The registered public accounting firm's audit of the financial statements and their report thereon.

- The “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” sections of the report.
- Any significant changes required in the registered public accounting firm’s audit plan.
- Any difficulties or disputes with management encountered during the course of the audit.
- Accounting principles and financial statement presentations, including changes in the selection or application of principles.
- Major issues as to the adequacy of the Company’s internal controls and any special audit steps adopted in response to material internal control deficiencies.
- Analyses prepared by management and/or the registered public accounting firm with respect to significant financial reporting issues and judgments made in connection with the preparation of the financial statements, including the effects of employing any alternative GAAP methods.
- The effect of regulatory and accounting initiatives and off-balance sheet structures on the Company’s financial statements.
- Other matters relating to the conduct of the audit that are to be communicated to the committee under generally accepted auditing standards.
- With the participation of the Company’s counsel, legal and regulatory matters that may have a material impact on the financial statements, related Company compliance policies and programs and reports received from regulators.
- Recommend to the Board of Directors whether the financial statements should be included in the Annual Report on Form 10-K.

2. Discuss the Company’s quarterly financial statements with management and the registered public accounting firm, including the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” prior to the filing of SEC Forms 10-Q.

3. Discuss the Company’s general policy regarding earnings press releases and any financial information provided to analysts and rating agencies.

4. Confirm that the registered public accounting firm has reviewed the Company’s interim financial statements prior to their inclusion in the SEC Form 10-Q filings.

5. Review with the registered public accounting firm its views on the quality of the Company’s implementation of accounting principles, disclosure practices and use of accounting estimates in preparation of the Company’s financial statements and in practice throughout the year.

6. Review other reports rendered by the public accounting firm and submitted by the Company to any governmental body or disclosed publicly in a filing or report or otherwise.

7. Periodically, meet separately with management; with the registered public accounting firm; with the internal auditor; and on request, with the Company’s general counsel.

## **V. Review of Internal Audit**

1. Ensure the existence of the Company’s internal audit function.

2. Review and advise on the selection or removal of the Director of Internal Audit.

3. Review the internal audit function of the Company including the independence and authority of its reporting obligations, the proposed audit plans for the coming year and the coordination of such plans with the registered public accounting firm.

4. Review the results of the regular internal audit activities, including major reports, conclusions, findings, recommendations and management’s responses.

## **VI. Review of Internal Controls**

1. Discuss with the internal auditor and registered public accounting firm the adequacy and effectiveness of the Company's systems of internal control.
2. Receive from the officers certifying the Company's annual and quarterly reports under the Securities Exchange Act disclosure regarding:
  - (i) any significant deficiencies in the design or operation of internal controls that could affect adversely the Company's ability to record, process, summarize and report financial data and an identification of any material weaknesses in the Company's internal controls and
  - (ii) any fraud, whether or not material, that involves the Company's management or other Company employees who have a significant role in the Company's internal controls.
3. Review any controls deemed to be deficient and discuss any changes required with the internal auditor and the registered public accounting firm, as the Audit Committee deems appropriate.
4. Obtain recommendations from the internal auditor regarding internal controls and other matters relating to the accounting procedures and the books and records of the Company and its subsidiaries.
5. Inquire of the internal auditor and the registered public accounting firm regarding any matters raised under Statement of Auditing Standards No. 61 "Communication with Audit Committees," including any changes in significant accounting policies or estimates, any significant audit adjustments, any disagreements with management and any difficulties encountered in performing the audit.

## **VII. Review of Ethical Compliance, Company Policy Compliance and Risk Management**

1. Review with management and Internal Audit the Company's conformity with Company policies/procedures, including the Company's Code of Conduct, and review reports regarding violations, and the identification and treatment thereof.
2. Review the Company's systems for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal control, or auditing matters, and the confidential anonymous submissions of concerns regarding questionable accounting or auditing matters.
3. Discuss guidelines and policies to govern the process by which risk assessment and management is undertaken.

## **VIII. Miscellaneous**

Upon becoming effective, this Charter shall be made available on the Company's website and, upon request, in print.

## ANNEX A

### INDEPENDENCE CRITERIA

1. Other than in his or her capacity as a Trustee or shareholder of the Company, no Audit Committee member shall have a material relationship with the Company (either directly or as a partner, shareholder, officer or other affiliate of an organization (including a charitable organization) that has a material relationship with the Company). For this purpose, an Audit Committee member shall be presumed not to have a material relationship with the Company if he or she is not and, within the past two years, has not been an executive officer of, or the direct or indirect owner of more than 10% of the equity interest in, any business or professional entity:
  - that within the last two years has made or received, or going forward proposes to make or receive, payments to or from the Company or any of its subsidiaries for property or services in excess of 5% of (i) the Company's consolidated gross revenues for its last full fiscal year, or (ii) the other entity's consolidated gross revenues for its last full fiscal year.
  - to which the Company or any of its affiliates is indebted in an aggregate amount exceeding 5% of the Company's total consolidated assets as of the end of the Company's last full fiscal year.
2. Other than in his or her capacity as a member of the Audit Committee, the Board of Trustees of the Company or any other committee of the Board, no audit committee member shall accept directly or indirectly any consulting, advisory, or other compensatory fee from the Company or any subsidiary thereof other than fixed amounts of compensation under a retirement plan (including deferred compensation) for prior service with the Company (provided that such compensation is not contingent in any way on continued service).
3. No Audit Committee member shall have been employed by the Company and no immediate family member of an Audit Committee member shall have been an executive officer of the Company, within the past three years.
4. No Audit Committee member shall have received more than \$100,000 in direct annual compensation from the Company within the past three years, other than Trustee and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service).
5. No Audit Committee member shall have been affiliated with or employed by a present or former auditor of the Company within the last three years.
6. Within the last three years, no Audit Committee member shall have been an employee of another company if an executive officer of the Company then served on the compensation committee of such other company.
7. Within the last three years, no Audit Committee member shall have served as an executive officer or employee of a company that made payments to, or received payments from, the Company for property or services in an amount which, in any single fiscal year, exceeded the greater of \$1 million, or 2% of such other company's consolidated gross revenues.
8. No immediate family members of an Audit Committee member shall fit within the categories prohibited by any of the foregoing (other than with respect to the prohibition on employment by the Company, which addresses immediate family members directly), and no Audit Committee member may have any relationships with the Company that are substantially similar to any of the categories prohibited by the foregoing.

9. Until November 4, 2004, each of the three-year look-back provisions contained in the foregoing shall instead be a one-year look-back provision.

10. Audit Committee members shall satisfy any other independence criteria required by applicable law or regulation or established by the Board of Trustees.

[Updated July, 2012]

# Pennsylvania Real Estate Investment Trust Nominating and Governance Committee Charter

## I. Organization

1. There shall be a committee of the Board of Trustees of Pennsylvania Real Estate Investment Trust (the "Company") to be known as the Nominating and Governance Committee.
2. Nominating and Governance Committee members and the committee chairman shall be designated by the full Board of Trustees.
3. The Nominating and Governance Committee shall be composed of at least three members of the Board of Trustees, each of whom are affirmatively determined to be independent by the Board of Trustees.
4. Members of the Nominating and Governance Committee may be removed from the Nominating and Governance Committee by the full Board of Trustees, upon the recommendation of any Trustee or this Committee and upon a determination by the full Board of Trustees that such member is not fulfilling his or her duties under this Charter.

## II. Purpose

1. Identify individuals qualified to become members of the Board of Trustees, and recommend Trustee nominees for the Board of Trustees to adopt for the next annual meeting of shareholders.
2. Plan for the succession of the Company's Chief Executive Officer and other Executive Officers.
3. Identify Trustees qualified to serve on committees of the Board of Trustees, and recommend members for the Board of Trustees to appoint to such committees.
4. Develop and recommend to the Board of Trustees a set of governance principles applicable to the Company and its employees.
5. Consider and approve goals and objectives of the Company and its senior management.
6. Meet three times per year, or more frequently, as circumstances require.

## III. Duties and Responsibilities

1. The Nominating and Governance Committee shall adhere to the following criteria for selecting new Trustees:
  - a) each Trustee should be an individual of the highest character and integrity;
  - b) each Trustee should have sufficient experience to enable the Trustee to make a meaningful contribution to the Company and the Board of Trustees;
  - c) each Trustee should be chosen without regard to age, sex, race, religion, sexual orientation or national origin; and
  - d) each Trustee should have sufficient time available to devote to the affairs of the Company in order to carry out the responsibilities of a Trustee.
  - e) The Committee believes that each Trustee should be chosen based on merit and suitability, with due recognition that diversity is valuable to a well-functioning board. The Committee seeks candidates as described in subsection (c) in an effort to ensure that the board overall reflects a diversity of perspectives, experiences, expertise, opinions, skills and backgrounds. The Committee aspires to increase Board diversity as an essential element in supporting the attainment of the Company's strategic objectives and will conduct searches for new Trustees accordingly.
2. Oversee the process of evaluating the performance of the Board of Trustees and management with respect to matters other than compensation.

3. Review annually the goals and objectives, both long-term and short-term, proposed for the Company by its CEO, and meet with the CEO and, as the Committee may determine, other senior officers of the Company, to discuss such goals and objectives and the extent to which they have been or are being achieved.
4. Periodically review the Company's adoption of governance principles required by law or regulation.
5. Periodically review and, as appropriate, modify the Company's Code of Business Conduct.
6. Preapprove any waiver to be granted under the Company's Code of Business Conduct, such approved waivers to be promptly disclosed to the Company's shareholders.
7. The Nominating and Governance Committee shall have sole authority to retain and terminate any consultant to be used to identify Trustee candidates, including sole authority to approve the consultant's fees and other retention terms.
8. Report regularly to the Board of Trustees regarding results of the Nominating and Governance Committee's activities.
9. Review annually the compensation paid by the Company to persons who are not employees of the Company or its subsidiaries for service on the Company's Board of Trustees and committees of the Board of Trustees.
10. Perform annually an evaluation of its own performance.

\* Upon becoming effective, this Charter shall be made available on the Company's website and, upon request, in print.



## **Pennsylvania Real Estate Investment Trust**

### **Executive Compensation and Human Resources Committee Charter**

#### **I. Organization**

1. There shall be a committee of the Board of Trustees of Pennsylvania Real Estate Investment Trust (the “Company”) to be known as the Executive Compensation and Human Resources Committee (herein, the “Committee”).
2. Committee members and the Committee chairman shall be designated by the full Board of Trustees upon the recommendation of the Nominating and Governance Committee.
3. The Committee shall be composed of at least three members of the Board of Trustees, each of whom is affirmatively determined by the Board of Trustees to be independent under the provisions of Rule 10C-1(b)(1) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the rules of the New York Stock Exchange and the Company’s Trustee Qualification Standards set forth in the Company’s Corporate Governance Guidelines. In addition, Committee members shall satisfy the criteria necessary to qualify as (a) an “outside director” as set forth in Treasury Regulation Section 1.162-27 promulgated under Section 162(m) of the Internal Revenue Code of 1986, as amended, and (b) a “Non-Employee Director” as set forth in Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended.
4. Members of the Committee may be removed from the Committee by the full Board of Trustees, upon the recommendation of any Trustee, the Committee or the Nominating and Governance Committee, and upon a determination by the full Board of Trustees that such member is not fulfilling his or her duties under this Charter.

#### **II. Purposes**

1. Except as expressly limited hereby, discharge the Board of Trustees’ responsibilities relating to compensation of the Company’s executive officers and have all authority necessary to do so.
2. Review and discuss with management the Compensation Discussion and Analysis to be included in the Company’s proxy statement and recommend that the Compensation Discussion and Analysis be included in the Company’s proxy statement.

3. Produce an annual report of the Committee for inclusion in the Company's proxy statement as required by the United States Securities and Exchange Commission.
4. Meet three times per year, or more frequently, as circumstances require.

### **III. Duties and Responsibilities**

1. Review and approve annually the goals and objectives of the Company relevant to the compensation of the CEO, evaluate the CEO's performance in light of the relevant goals and objectives and set the CEO's compensation based on this evaluation and existing agreements. Set the compensation for the Company's other executive officers and such other officers of the Company or its subsidiaries as the Committee deems appropriate. In determining compensation for the CEO, the Company's other executive officers and such other officers as the Committee deems appropriate, including any long-term incentive component of such compensation, the Committee shall consider the policies and objectives underlying the Company's compensation programs, the views of the Nominating and Governance Committee with respect to the achievement of approved goals and objectives, the Company's performance and relative shareholder return, the compensation of officers in similar positions at companies deemed comparable by the Committee for such purposes, existing agreements with such individuals and such other factors as the Committee may deem appropriate, including awards given in prior years. In addition, in determining the compensation for the CEO, the Company's other executive officers and such other officers as the Committee deems appropriate, the Committee shall consider the results of the most recent shareholder advisory vote on executive compensation ("Say on Pay Vote") required by Section 14A of the Exchange Act.
2. Meet privately without management at least once per year, or more frequently, as circumstances require. The Committee shall also meet with management as circumstances require.
3. Make recommendations to the Board of Trustees with respect to incentive compensation plans and equity-based plans. In reviewing and making recommendations regarding incentive compensation plans and equity-based plans, the Committee shall consider the results of the most recent Say on Pay Vote.
4. Review and approve (or, when appropriate, recommend to the Board for approval) any employment agreements and any severance arrangements or plans, including any benefits to be provided in connection with a change in control for the CEO, the Company's other executive officers and such other officers of the Company or its subsidiaries as the Committee deems appropriate for such purpose.
5. Review the Company's incentive compensation arrangements annually to determine whether they encourage excessive risk-taking.

6. Review and recommend to the Board of Trustees for approval the frequency with which the Company will conduct Say on Pay Votes, taking into account the results of the most recent shareholder advisory vote on frequency of Say on Pay Votes required by Section 14A of the Exchange Act, and review and approve the proposals regarding the Say on Pay Vote and the frequency of the Say on Pay Vote to be included in the Company's proxy statement.

#### **IV. Retention of Consultant and Other Advisers**

1. The Committee shall have the authority, in its sole discretion, to retain and obtain the advice of a compensation consultant, outside legal counsel and such other advisers as it deems appropriate to assist with the execution of its duties and responsibilities as set forth in this Charter.
2. The Committee shall set the compensation, and oversee the work, of any compensation consultant, outside legal counsel or other adviser that it retains. The Committee shall receive appropriate funding from the Company, as determined by the Committee in its capacity as a committee of the Board, for the payment of compensation to the compensation consultants, outside legal counsel and any other advisers that it retains.
3. The Committee shall not be required to implement or act consistently with the advice or recommendations of such compensation consultants, legal counsel or other advisers, and the authority granted in this Charter shall not affect the ability or obligation of the Committee to exercise its own judgment in the fulfillment of its duties under this Charter.
4. The compensation consultants retained by the Committee to assist with its responsibilities relating to executive compensation shall not be retained by the Company for any compensation or other matter without the prior approval of the Committee.
5. The Committee may select compensation consultants, outside legal counsel and other advisers only after taking into consideration all factors it deems relevant to the adviser's independence from management, including the following:
  - The provision of other services to the Company by the person that employs the compensation consultant, legal counsel or other adviser;
  - The amount of fees received from the Company by the person that employs the compensation consultant, legal counsel or other adviser, as a percentage of the total revenue of the person that employs the compensation consultant, legal counsel or other adviser;
  - The policies and procedures of the person that employs the compensation consultant, legal counsel or other adviser that are designed to prevent conflicts of interest;

- Any business or personal relationship of the compensation consultant, legal counsel or other adviser with a member of the Committee;
- Any shares of the Company owned by the compensation consultant, legal counsel or other adviser; and
- Any business or personal relationship of the compensation consultant, legal counsel, other adviser or the person employing the adviser with an executive officer of the Company.

After considering such factors, the Committee may retain, or receive advice from, any compensation consultant, legal counsel or other adviser it prefers, including ones that are not independent.

6. The Committee is not required to assess the independence of the Company's in-house legal counsel, any compensation consultant or other adviser that acts in a role limited to consulting on any broad-based plan that does not discriminate in scope, terms or operation in favor of executive officers or trustees and that is generally available to all salaried employees or providing information that is not customized for the Company or that is customized based on parameters that are not developed by the consultant or advisor, and about which the consultant or advisor does not provide advice.

## **V. Other Matters**

1. The Committee shall report regularly to the Board of Trustees regarding results of its activities.
2. The Committee shall perform annually an evaluation of its own performance.
3. The Committee shall have the authority to delegate any of its responsibilities, along with the authority to take action in relation to such responsibilities, to one or more subcommittees as the Committee may deem appropriate in its sole discretion.
4. In the event of a question concerning the interpretation of any of the provisions of this Charter, the provision shall be construed in a manner consistent with the requirements of the New York Stock Exchange and federal securities laws.
5. This Charter shall be made available on the Company's website.

Amended as of February 27, 2017