

Related Party Transactions Policy

The Board of Trustees recognizes that transactions between the Company and one or more Related Parties may present risks of conflicts of interest or the appearance of conflicts of interest. To address these risks, the Board of Trustees has adopted the following policy related to the review, approval (or ratification) and ongoing oversight of Related Party Transactions. The Board of Trustees, upon the recommendation of the Nominating Committee, will have the responsibility of appointing Trustees (including a Chair) to serve as members of the Special Committee for the period commencing with the Annual Meeting of the Trustees and ending at the following Annual Meeting and when their successors are duly elected.

A. Policy:

It is the Company's policy that the Special Committee shall conduct a reasonable prior review of each Related Party Transaction, and any material amendment or modification to a Related Party Transaction, for potential conflicts of interest, and either (i) approve (or ratify) and, to the extent applicable, provide ongoing Special Committee oversight or (ii) prohibit such transaction if the Special Committee determines it to be inconsistent with the interests of the Company and its shareholders. A Related Party Transaction entered into without pre-approval of the Special Committee shall not be deemed to violate this policy, or be invalid or unenforceable, as long as the transaction is approved by the Special Committee in accordance with this policy as soon as reasonably practicable after it is entered into.

B. Application:

The procedures set forth in this policy are supplemental to, and are not intended to replace or supersede, any other policies or procedures of the Company that require any governing body or an officer of the Company to review and/or approve transactions. In addition, these procedures are supplemental to, and are not intended to replace or supersede, the Company's other policies and procedures that may be applicable to transactions with related persons, including the Company's Code for Business Conduct and Ethics for Non-Employee Trustees, Code for Business Conduct and Ethics for Officers and Employees, Corporate Governance Guidelines and the Charter of the Nominating Committee. Trustees and Executive Officers shall continue to fulfill and adhere to their obligations and responsibilities under the foregoing and any subsequently adopted policies and procedures. Transactions that are subject to the procedures set forth in this policy must be reported by each Trustee, nominee for Trustee, and Executive Officer as required by Section C regardless of whether such transactions are in compliance with the foregoing other policies and procedures.

Approval or ratification of a Related Party Transaction in accordance with the procedures set forth in this policy shall not constitute final approval of the Company's participation in the transaction in any case where, in accordance with the standard governance practices or procedures of the Company, the approval of the transaction by the Board of Trustees, a committee of the Board of Trustees or an Executive Officer of the Company would be required; nor, in any such case, shall the prior approval by the Special Committee relieve the Related Party from providing to the Board of Trustees, such committee or such Executive Officer, as applicable, full disclosure of the material facts regarding the nature of the transaction and the related person's relationship to and interest in the transaction.

C. Notice of Potential Related Party Transactions:

Any Executive Officer, Trustee, or nominee for Trustee shall notify the GC as soon as reasonably practicable about any potential Related Party Transaction. Although this policy requires notice of all potential Related Party Transactions, Executive Officers or Trustees should pay particular attention to relationships that are outside the ordinary course of business, such as employment of Immediate Family Members; transactions that would be considered unusual for one or both of the parties; and transactions that are provided on terms that would be more favorable to the Related Party than those available to the general public.

D. Determination of Related Party Transactions and Disclosure:

The GC, in consultation with outside counsel, as appropriate, shall determine whether a potential transaction constitutes a Related Party Transaction that requires compliance with this policy and/or disclosure as a Related Party Transaction under applicable SEC rules and regulations. A list of transactions that have been determined not to be Related Party Transactions, and, therefore, not subject to this policy, is attached as Exhibit 1. In addition, this policy shall be disclosed in the Company's annual report on Form 10-K or in the Company's proxy statement, as required by applicable SEC rules and regulations. The Company shall also post this policy on its website.

If the GC determines that a transaction constitutes a Related Party Transaction, the transaction will be referred to the Special Committee in accordance with Section E of this policy.

E. Review and Approval or Ratification of Related Party Transactions:

Related Party Transactions will be referred by the GC to the Special Committee for approval or, if applicable hereunder, ratification. All determinations by the Special Committee under this policy shall be reported to the Board of Trustees at its next regularly scheduled meeting.

In reviewing Related Party Transactions, the Special Committee will be provided with full details of the Related Party Transaction, including:

- (1) the terms of the transaction;
- (2) the business purpose of the transaction;
- (3) the benefits to the Company and to the relevant Related Party;
- (4) whether the transaction would require a waiver of the Company's Codes of Business Conduct and Ethics; and
- (5) whether the transaction would require the consent of any lender (or any other third party) in accordance with any requirements of the Company's financing arrangements.

In determining whether to approve a Related Party Transaction, the Special Committee will consider, among other things, the following factors to the extent deemed by the Special Committee to be relevant to the Related Party Transaction:

- (1) whether the terms of the Related Party Transaction are fair to the Company and such terms would be on the same basis if the transaction did not involve a Related Party;
- (2) whether there are business reasons for the Company to enter into the Related Party Transaction;
- (3) whether the Related Party Transaction would impair the independence of a non-management Trustee;
- (4) whether the Related Party Transaction would present an improper conflict of interest for any Trustee or Executive Officer of the Company, taking into account: (i) the size of the transaction, (ii) the overall financial position of the Trustee or Executive Officer, (iii) the direct or indirect nature of the Trustee's or Executive Officer's interest in the transaction and (iv) the ongoing nature of any proposed relationship, and any other factors deemed relevant; and
- (5) whether the Related Party Transaction is material, taking into account: (i) the importance of the interest to the Related Party, (ii) the relationship of the Related Party to the transaction and of Related Parties to each other, (iii) the dollar amount involved and (iv) the significance of the transaction to the Company's shareholders in light of all the circumstances.

The Board of Trustees recognizes that there might be circumstances in which Related Party Transactions come into existence without the knowledge of management or the Board of Trustees. If management becomes aware of an existing Related Party Transaction that has not been previously approved by the Special Committee, management will present the transaction to the Special Committee for its ratification as soon as practicable, and the Special Committee shall be presented with the full details of the Related Party Transaction as detailed above, as well as when management became aware of the transaction.

In considering whether to approve (or ratify) a Related Party Transaction, the Special Committee shall give such weight to the foregoing and other matters deemed relevant by the Special Committee as it shall deem appropriate under the circumstances. The Special Committee may consult with advisors as it may deem advisable.

Any member of the Special Committee who has an interest in the transaction under discussion will abstain from voting on the approval of the Related Party Transaction, but may, if so requested by the Chair of the Special Committee, participate in some or all of the Special Committee's discussions of the Related Party Transaction.

F. Transactions That Are Not Ratified or Approved:

The Special Committee will not approve (or ratify) a Related Party Transaction unless such Trustees constituting the members of the Special Committee have determined in good faith that, upon consideration of all relevant information, the Related Party Transaction is in, or is not inconsistent with, the best interests of the Company and its shareholders.

In any case where the Special Committee determines not to ratify a Related Party Transaction that has been entered into without prior approval by the Special Committee, the Board of Trustees may consider additional action, in consultation with counsel, including, but not limited to, termination of the transaction on a prospective basis, rescission of such transaction or modification of the transaction in a manner that would permit it to be ratified by the Special Committee.

In any case where the Special Committee does not approve a Related Party Transaction presented to it for prior approval, the Related Party Transaction shall not be consummated. The Related Party Transaction subsequently may be re-presented to the Special Committee by the GC if its terms are modified in a manner that would permit the Related Party Transaction to be approved by the Special Committee in accordance with Section E hereof.

G. Ongoing Oversight:

If a Related Party Transaction is expected to continue for a period of time, the Special Committee will institute procedures to review and assess the transaction on at least an annual basis or more frequently as the Special Committee may deem appropriate. As part of its ongoing oversight of a Related Party Transaction, among other items the Special Committee deems appropriate, the Special Committee will review whether the transaction continues to meet the standards for approving (or ratifying) a transaction in accordance with Section E hereof.

H: Adoption:

This policy is adopted on this ____ day of October 2021.

I. Definitions:

A "**5% Shareholder**" means an entity or person that is known to be the beneficial owner of more than 5% of any class of the Company's equity securities.

"**Board of Trustees**" means the Board of Trustees of the Company.

The "**Company**" means and includes Pennsylvania Real Estate Investment Trust and its subsidiaries.

An "**Executive Officer**" means the chairman, vice chairman, president, and any vice president in charge of a principal business unit, division or function (such as acquisitions, leasing, administration, or finance).

The "**GC**" means the General Counsel of the Company.

An "**Immediate Family Member**" of a person means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law or sister-in-law of the person, any person (other than a tenant or employee) sharing the person's household.

The "**Nominating Committee**" means the Nominating & Governance Committee of the Board of Trustees.

A "**Related Party**" means any person:

- (1) who is, or at any time since the beginning of the Company's last fiscal year was, a Trustee or Executive Officer of the Company or a nominee to become a Trustee of the Company;
- (2) who is a 5% Shareholder; or
- (3) who is an Immediate Family Member of any of the foregoing persons; or
- (4) a firm, corporation or other entity which is owned or controlled by a person listed in 1, 2 or 3 above or an entity in which any such person is an Executive Officer (or holds a similar position) or has a substantial ownership interest.

A "**Related Party Transaction**" means:

- (1) any transaction, or a series of similar transactions, which is currently proposed, in which the Company is proposed to be a participant, in which a Related Party will have a direct or indirect material interest, and where the amount involved is at least \$120,000;
- (2) any Related Party Transaction which (x) is continuing; (y) occurred subsequent to the adoption of this policy; and (z) has not previously been approved or ratified hereunder; and
- (3) any material amendment or modification to any such transaction regardless of whether such transaction has previously been approved or ratified in accordance with this policy.

"**SEC**" means the United States Securities and Exchange Commission.

The "**Special Committee**" means the Special Committee of the Board of Trustees which shall consist entirely of independent Trustees who have no interest (otherwise than as a Trustee or shareholder of the Company) in any proposed Related Party Transaction at the time of such election.

A "**Trustee**" means a member of the Board of Trustees of the Company.

Exhibit 1

Transactions that are not Related Party Transactions

Compensation and benefit arrangements (including the exercise of any rights or sale of instruments received in connection with compensation) and corporate-sponsored investment opportunities approved by the Board of Trustees or the Executive Compensation and Human Resources Committee of the Board of Trustees.

Executive officer employment agreements.

Trustee compensation arrangements approved by the Board of Trustees or a committee thereof.

Ordinary course business travel and expenses, advances and reimbursements.

Indemnification payments and payments under trustees and officers indemnification insurance policies made pursuant to the Company's Trust Agreement or By-Laws or pursuant to any policy, agreement or instrument, including without limitation any insurance policy.

Any transaction between the Company and any entity in which a Related Party has a relationship solely as a trustee/director, a less than 5% equity holder, or an employee (other than an Executive Officer) or all of these relationships.