

# **POSTAL REALTY TRUST, INC.**

## **CORPORATE GOVERNANCE AND COMPENSATION COMMITTEE CHARTER**

The following shall constitute the Charter (the “Charter”) of the Corporate Governance and Compensation Committee (the “Committee”) of the Board of Directors (the “Board”) of Postal Realty Trust, Inc. (the “Company”):

### **I. ORGANIZATION**

The Board has constituted a standing committee of the Board known as the Corporate Governance and Compensation Committee.

### **II. COMPOSITION AND SELECTION**

The Committee shall be composed of three or more directors. The members of the Committee shall satisfy the independence requirements of the New York Stock Exchange (the “NYSE”) as then in effect. In addition, members of the Committee must qualify as “outside directors” as such term is defined under Section 162(m) of the Internal Revenue Code of 1986, as amended, and as “non-employee directors” as such term is defined under Rule 16b-3 promulgated under the Securities Exchange Act of 1934, as amended.

The members of the Committee shall be appointed by the Board annually and may be removed by the Board. The members of the Committee shall serve for one year or until their successors are duly elected and qualified. Unless a Chairman is appointed by the full Board, the members of the Committee shall designate a Chairman by majority vote of the full Committee membership. All vacancies in the Committee shall be filled by the Board.

The duties and responsibilities of Committee members contained herein shall be in addition to those duties otherwise required for members of the Board.

### **III. STATEMENT OF PURPOSE**

The primary purpose of the Committee is to: (1) identify individuals qualified to become Board members, consistent with any criteria approved by the Board; (2) recommend to the Board director nominees for election at each annual meeting of stockholders and as necessary to fill vacancies and newly-created directorships; (3) oversee the governance of the Company, including recommending to the Board corporate governance principles applicable to the Company; (4) oversee the annual evaluation of the Board and management; and (5) assist the Board in discharging its responsibilities relating to compensation of the Company’s directors, officers and employees. In furtherance of this role, the Committee is responsible for taking a leadership role in shaping the Company’s corporate governance and seeks to attract and retain high-quality leadership and ensure that the Company’s executive compensation strategy supports the Company’s objectives and stockholder interests.

### **IV. COMMITTEE AUTHORITY AND RESPONSIBILITIES**

The Committee shall have the sole authority to retain and terminate any search firm to be used to identify director candidates and any compensation consultant, independent legal counsel, accounting or

other adviser to be used to assist in the evaluation of Chief Executive Officer (“CEO”) or executive officer compensation. The committee shall have sole authority to approve the search firm, consultant, counsel, accounting or other adviser fees and other retention terms. The Committee shall have authority, to the extent it deems necessary or appropriate, to retain and to obtain advice and assistance from internal, external or independent legal, accounting, financial or other advisors. The Committee shall also be directly responsible for the appointment, compensation and oversight of the work of any such consultant, counsel, accountant or other adviser so retained by the Committee. The Committee shall have the authority to retain and compensate such advisors without seeking further approval and shall receive appropriate funding, as determined by the Committee, from the Company to compensate such advisors. The Committee may select such consultant, counsel, accountant or other adviser to the Committee only after taking into consideration all factors relevant to that entity’s or person’s independence from management in accordance with the requirements of the NYSE as then in effect, and any standards promulgated by the NYSE and the Securities and Exchange Commission (“SEC”).

The Committee may form and delegate authority to subcommittees when appropriate.

A. In meeting its responsibilities related to corporate governance, the Committee is expected to:

1. Review with the Board the requisite skills and characteristics of Board members, as well as the composition and organization of the Board as a whole.
2. Review and make recommendations to the Board on matters involving general operation of the Board, including board size and composition, and committee composition and structure.
3. Annually facilitate the assessment of the Boards’ performance as a whole and of the individual directors, as required by applicable law, regulations and the NYSE corporate governance listing standards.
4. Develop criteria for identifying and evaluating candidates for the Board which shall include, among other things, the criteria approved by the Board, namely, diversity, an individual’s business experience and skills, independence, judgment, integrity and ability to commit sufficient time and attention to the activities of the Board, as well as the absence of any potential conflicts with the Company’s interests.
5. Actively seek and aid in attracting qualified candidates to serve on the Board.
6. Consider candidates properly recommended by stockholders, other members of the Board, officers and employees of the Company and other sources that the Committee deems appropriate.
7. Assess the qualifications and independence of incumbent directors, as well as other relevant factors, in determining whether to recommend such directors for re-election to the Board.
8. Identify and recommend to the Board, consistent with criteria approved by the Board, qualified persons to be nominated for election or re-election to the Board at each annual stockholders’ meeting, any special meeting that includes the election of directors and as necessary to fill vacancies and newly-created directorships.
9. Present all nominees, to the extent practical, in a timely fashion to minimize disruption in the Company’s business and at such a time as to allow for the full consideration of the

nominees by the Board and the timely submission of any filings required by the SEC.

10. Make recommendations to the Board regarding tenure of directors.
11. Review and make recommendations to the Board regarding the nature and duties of Board committees, including evaluation of their charters, duties and powers and criteria for membership.
12. Make recommendations to the Board regarding appointments to Board committees and election of committee chairs, including rotation, reassignment or removal of any committee member.
13. If determined to be necessary or appropriate, recommend to the Board an independent director to serve as lead independent director.
14. Develop and oversee an annual self-evaluation process for the Board and each of its standing committees and, based on such evaluation, make recommendations to the Board regarding the overall effectiveness of the Board and its committees.
15. Develop and recommend to the Board corporate governance guidelines and implement and monitor such guidelines.
16. Annually review and reassess the adequacy of the corporate governance guidelines of the Company and recommend any proposed changes to the Board for approval.
17. Advise and make recommendations to the Board on corporate governance and related issues to the extent these matters are not the responsibility of other committees of the Board.
18. Establish a succession plan for the Executive Chairman, if applicable, and the CEO, and review the succession plan established for other executive officers, to ensure continuity in senior management and review annually management succession planning and development.
19. Review periodically the Company's conflict of interest policies as set forth in the Company's Code of Business Conduct and Ethics as it concerns directors and review with management the Company's procedures for implementing and monitoring compliance with the conflict of interest policies.
20. Review and make a recommendation to the Board with respect to (a) any change or waiver in the Company's Code of Business Conduct and Ethics relating to executive officers, including, the Executive Chairman, the CEO, the President, the Chief Operating Officer, the General Counsel and senior financial officers (including the Chief Financial Officer, Chief Accounting Officer and Chief Investment Officer) and (b) any public disclosure made regarding such change or waiver.
21. Oversee and review on a periodic basis the continuing director education program for directors and the orientation program for new directors.
22. Consider with management public policy issues that may affect the Company.

23. Develop a process for communications from stockholders to directors in accordance with SEC rules.
24. Make periodic reports to the Board, as the Committee deems appropriate or as requested by the Board.
25. Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
26. Conduct an annual evaluation of the Committee's own performance.
27. Review and approve all related person transactions, meaning any transaction, arrangement or relationship in which (a) the amount involved may be expected to exceed \$120,000 in any fiscal year, (b) the Company or one of its subsidiaries will be a participant and (c) a related person has a direct or indirect material interest. A related person is any executive officer, director or nominee for election as director, or a greater than 5% beneficial owner of the Company's common stock, or an immediate family member of the foregoing. The Committee may deem certain related person transactions to be pre-approved.
28. Perform any other activities consistent with this Charter, the Bylaws of the Company and applicable law, as the Committee deems appropriate or as requested by the Board.

B. In meeting its responsibilities related to compensation, the Committee is expected to:

1. Review periodically and approve the Company's compensation strategy to ensure that management is afforded the appropriate incentives and is rewarded appropriately for its contributions to the Company's growth and profitability and that the executive compensation strategy supports the Company's objectives and stockholder interests.
2. Review and approve annually corporate goals and objectives relevant to the compensation of the Company's CEO and, in consultation with the CEO, the other executive officers of the Company; evaluate the CEO's performance in light of those goals and objectives; determine and approve the individual elements of CEO's total compensation based on such evaluation; and, in determining the long-term incentive component of the CEO's compensation, consider, among other things, the Company's performance and relative stockholder return, the value of similar long-term incentive awards to chief executive officers at comparable companies and the awards given to the CEO in past years.
3. Oversee an evaluation process for the Company's executive officers other than the CEO and, pursuant to such process, meet with the CEO to review the annual performance evaluations of the Company's other executive officers.
4. Review, approve, and make recommendations to the Board with respect to the compensation of the Company's other executive officers.
5. Review and approve annually, for the CEO and the other executive officers of the Company, among other things: (a) annual base salary level; (b) annual incentive opportunity level; (c) any long-term incentive awards; (d) the financial metrics defined for corporate objective purposes for the annual incentive opportunities offered to executive

officers; (e) employment agreements, severance arrangements and change in control agreements/provisions, in each case as, when and if appropriate; and (f) any special or supplemental benefits and recommend changes, if appropriate

6. Review periodically, at least annually, the compensation and benefits offered to non-employee directors and recommend changes to the Board, as appropriate, for approval by the Board.
7. Review and discuss with Company management the Company's policies and practices of compensating its employees, including non-executive officers, as they relate to the Company's risk management practices and risk-taking incentives and report thereon to the Board.
8. Review and discuss with the Company's management the Compensation Discussion and Analysis required by SEC Regulation S-K, Item 402 (or any other successor rule or regulation) and, based on such review and discussion, determine whether to recommend to the Board that the Compensation Discussion and Analysis be included for use in the Company's Annual Report on Form 10-K or Proxy Statement for the annual meeting of stockholders.
9. Provide the required compensation committee report for use in the Company's Annual Report on Form 10-K or Proxy Statement for the annual meeting of stockholders.
10. Review and make recommendations to the Board with respect to incentive compensation plans and equity-based plans that are subject to board approval.
11. Administer and implement the Company's incentive compensation plans and equity-based plans.
12. Undertake studies and make recommendations to the Board, as the Board or the Committee may deem appropriate, with respect to the Company's compensation structure and policies.
13. Make periodic reports to the Board, as the Committee deems appropriate or as requested by the Board.
14. Annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
15. Conduct an annual evaluation of the Committee's own performance.
16. Conduct an annual assessment of the Company's compensation policies and practices for all employees, not just executive officers, to determine if the Company's compensation policies and practices create risks that are reasonably likely to have a material adverse effect on the Company, and report the results of such annual assessment to the Board.
17. Perform any other activities consistent with this Charter, the Bylaws of the Company and applicable law, as the Committee deems appropriate or as requested by the Board.

## **V. MEETINGS**

The business of the Committee shall be conducted at its regular meetings, at special meetings or by unanimous written consent. The Committee shall meet at least twice each year and at such other times as it deems necessary or appropriate to fulfill its responsibilities. A majority of the members of the Committee shall constitute a quorum at any meeting. The Chairman or a majority of the members of the Committee may call meetings of the Committee upon reasonable notice to all members of the Committee. While a shorter period of time may be reasonable under the circumstances, notice at least one business day in advance of a meeting shall be deemed reasonable for all purposes hereunder. If applicable, the Committee shall meet at such a time and place to allow for the timely presentation of any nominees to the Board for consideration. The Committee shall keep a record of its actions and proceedings and make a report thereof from time to time to the Board.

## **VI. CONSISTENCY WITH ARTICLES OF INCORPORATION AND BYLAWS**

To the extent that any provision or section of this Charter may be inconsistent with any article, provision or section of the Articles of Incorporation or the Bylaws of the Company, the Articles of Incorporation or the Bylaws, as the case may be, shall fully control.

## **VII. AMENDMENT**

This Charter may be amended or altered at any meeting of the Board by the affirmative vote of a majority of the number of directors fixed by the Bylaws.