

# **INDEPENDENCE REALTY TRUST, INC. CORPORATE GOVERNANCE GUIDELINES**

Revised as of May 18, 2018

The following Corporate Governance Guidelines have been adopted by the Board of Directors (the “Board”) of Independence Realty Trust, Inc. (the “Company”) to assist the Board in the exercise of its responsibilities. These Corporate Governance Guidelines are not intended to change or interpret any federal or state law or regulation, including the Maryland General Corporation Law, or the Company’s Articles of Amendment and Restatement, as may be amended from time to time (the “Charter”), or the Company’s Bylaws, as may be amended from time to time (“Bylaws”). These Corporate Governance Guidelines are subject to modification from time to time by the Board.

## **THE BOARD**

### **Role of Directors**

The Board is the governing body of the Company. Each director must act in good faith, in a manner he or she reasonably believes to be in the best interests of the Company and with the care of an ordinarily prudent person in a like position under similar circumstances. A director is expected to spend the time and effort necessary to properly discharge such director’s responsibilities, but is not required to devote his or her full time to the affairs of the Company. A director is expected to regularly attend meetings of the Board and committees on which the director sits, and to review any materials distributed in advance of such meetings. A director who is unable to attend a meeting is expected to notify the Chairman of the Board or the Chairman of the appropriate committee in advance of the meeting.

### **The Board’s Goals and Responsibilities**

The Board’s goal is to build long-term value for the Company’s stockholders through the payment of regular distributions and appreciation in the value of the Company’s investments over the long term. To achieve this goal, the Board will monitor both the performance of the Company (in relation to its goals, strategy and competitors) and the performance of management. The responsibilities of the Board are generally defined by Maryland and federal statutory and judicial law and the rules and regulations of applicable administrative agencies (notably the Securities and Exchange Commission and state securities agencies). In supervising the management of the Company’s business and affairs, the Board shall focus its priorities on the following core responsibilities:

- Representing the interests of the Company’s stockholders in maintaining and monitoring the fulfillment of the Company’s investment objectives.
- Evaluating and approving the Company’s strategic direction and initiatives and monitoring implementation and results.

- Overseeing, advising and interacting with management with respect to key aspects of, and issues affecting, the business, including strategic planning, operating performance and stockholder returns.
- Monitoring the Company's operating results and financial condition and the significant risks to the Company.
- Selecting a well-qualified Chairman of the Board, and reviewing the Company's management team.
- Overseeing the Company's integrity and ethics, compliance with laws, financial reporting and public disclosures. In furtherance of this responsibility, the Board has adopted and, acting through its Audit Committee, shall oversee compliance with the Company's Code of Ethics (the "Code of Ethics"). The Board shall promptly disclose publicly any changes to or waivers of the Code of Ethics to the extent required by applicable legal requirements or the listing standards of the New York Stock Exchange.
- Reviewing and approving, upon recommendation of the appropriate committee of the Board, all matters to be recommended for stockholder approval.
- Reviewing and approving all public filings that require approval of the Board.
- Performing other such responsibilities as described in the Charter.

### **Size of the Board**

The Board believes that it should generally have no fewer than three and no greater than fifteen directors. This range permits diversity of experience without hindering effective discussion or diminishing individual accountability. The size of the Board may be increased or decreased from time to time pursuant to the Bylaws, but the number of directors may never be fewer than one nor greater than fifteen without amending the Charter and the Bylaws.

### **Other Public Company Directorships**

No director may serve on more than three other public company boards (excluding the Board) without the Board's consent. The term "public company" shall mean an "issuer" as that term is defined in the Sarbanes-Oxley Act of 2002, and any issuer similarly regulated under the securities laws of any foreign jurisdiction. Directors should advise the Chairman of the Board and the Chairman of the Nominating and Governance Committee in advance of accepting an invitation to serve on another public company board.

### **Independence of the Board**

The Board shall be comprised of a majority of independent directors. A director will be considered "independent" if the director satisfies the independence requirements set forth in the New York Stock Exchange Listed Company Manual.

The Board shall review, not less frequently than annually, the relationships that each director has with the Company (either directly or as a partner, stockholder, director, officer or employee of an organization that has a relationship with the Company). Following such review, only those directors whom the Board affirmatively determines meet all applicable requirements for independence set forth in the New York Stock Exchange Listed Company Manual will be considered independent directors. In the event that a director becomes aware of any change in circumstances that may result in such director no longer being considered independent, the director shall promptly inform the Chairman of the Board or Nominating and Governance Committee. The charters of the Audit Committee, Compensation Committee and Nominating and Governance Committee include additional independence requirements for members of such committees.

### **Director Offers of Resignation**

Whenever a member of the Board materially changes his or her job responsibility or violates the Company's Code of Ethics, Corporate Governance Guidelines or any other Company policy applicable to members of the Board as in effect from time to time, he or she shall offer his or her resignation to the Board and Nominating and Governance Committee for their respective consideration. Any member of the Board who offers his or her resignation pursuant to these Corporate Governance Guidelines shall not participate in the Board or Nominating and Governance Committee deliberations regarding whether to accept the resignation offer. The disinterested members of the Nominating and Governance Committee shall consider the resignation offer and make a recommendation to the Board, giving due consideration to all relevant factors that the Nominating and Governance Committee deems appropriate under the circumstances, including, without limitation, any rule or regulation promulgated under the Securities Exchange Act of 1934, as amended, and shall recommend to the Board the action to be taken with respect to such resignation offer. The disinterested members of the Board shall then consider the resignation offer and make a determination as to whether to accept such resignation offer, giving due consideration to the Nominating and Governance Committee's recommendation and all other relevant factors that the Board deems appropriate under the circumstances. The Board shall have the absolute authority to determine whether such change warrants accepting such resignation offer or whether such a violation has occurred.

### **Director Tenure**

The Board does not believe it should establish term limits. While term limits might make new ideas and viewpoints available to the Board, they have the disadvantage of losing the contribution of trustees who have been able to develop, over a period of time, enhanced insight into the Company and its operations and, therefore, provide a very valuable contribution to the Board as a whole. As an alternative to term limits, in connection with each director nomination recommendation, the Board or Nominating and Governance Committee shall consider the issue of continuing director tenure and take steps as may be appropriate to ensure that the Board maintains an openness to new ideas and a willingness to critically re-examine the status quo. An individual director's renomination is dependent upon such director's performance evaluation, as well as a suitability review, each to be conducted by the Board or Nominating and Governance Committee in connection with each director nomination recommendation.

## **Management Succession**

The Nominating and Governance Committee will report periodically, but not less frequently than annually, to the Board regarding the succession planning process with respect to the office of the CEO and other senior management as may be determined by the Board. The CEO will meet periodically with the Board to make available his or her recommendations and evaluation of potential successors, along with a review of any development plans recommended for such individuals.

## **Separate Sessions of Independent Directors**

The independent directors of the Company shall meet in executive session on a regularly scheduled basis, but not less frequently than quarterly. Any interested parties desiring to communicate with the independent directors regarding the Company may directly contact such directors by delivering correspondence in care of the Company's Secretary at Two Liberty Place, 50 S. 16<sup>th</sup> St., Suite 3575, Philadelphia, Pennsylvania 19102. The director who presides at these meetings of the independent directors will be rotated each meeting among the chairs of the Audit Committee, Compensation Committee and Nominating and Governance Committee in the following order: Audit Committee chairman, Compensation Committee chairman and Nominating and Governance Committee chairman. The procedure for selecting the presiding director will be disclosed in the annual proxy statement.

## **Self-Evaluation by the Board**

The Board or Nominating and Governance Committee will sponsor annual self-evaluations of the Board's performance as well as the performance of each committee of the Board and such self-evaluations shall take such forms as the Board or Nominating and Governance Committee deems appropriate. The results of the self-evaluations will be discussed with the full Board and each committee, and the discussion may be in the form of oral reports to the Board and each committee thereof. The evaluations should include a review of any areas in which the Board, a committee or management believes the Board or committee can make a better contribution to the Company. The Company will utilize the results of the self-evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board and making recommendations to the Board with respect to assignments of directors to various committees.

## **Board Access to Management**

Directors shall have access to officers and employees of the Company. Any meetings or contacts that a director wishes to initiate may be arranged through the Chief Executive Officer or the Secretary of the Company. The directors will use their judgment to ensure that any such contact is not disruptive to the business operations of the Company and will, to the extent appropriate, copy the Chief Executive Officer on any written communications between the director and an officer or employee of the Company.

## **Attendance at Annual Meetings of Stockholders**

Directors are expected to attend the Company's annual meeting of stockholders.

## **Board Interaction with Investors, Analysts and Press**

The Board believes that management should generally speak for the Company. Inadvertent or unauthorized disclosure of confidential information<sup>1</sup> by a director could violate Regulation FD and breach the director's duty to protect confidential information, which could subject the Company or the director to liability. Each director should refer all inquiries from investors, analysts or the press to the Company's Chief Executive Officer or his or her designee.

## **Board Orientation and Continuing Education**

The Company shall provide new directors with a director orientation program to familiarize such directors with, among other things, the Company's business, strategic plans, significant financial, accounting and risk management issues, insider trading and other compliance programs, conflicts policies, code of ethics, corporate governance guidelines, principal officers, internal auditors and independent auditors. Each director is expected to participate in continuing educational programs in order to maintain the necessary level of expertise to perform his or her responsibilities as a director.

## **Reliance on Management and Outside Advice**

In performing its functions, the Board is entitled to rely on the advice, reports and opinions of the Company's officers, counsel, accountants, auditors and other advisors, as they deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

## **Compensation of the Board**

The Compensation Committee is charged with the responsibility of reviewing and approving compensation of the Board. In this regard, the Compensation Committee may request that management report to the Compensation Committee periodically on the status of the Board's compensation in relation to other similarly-situated companies.

## **Related Party Transactions**

The Board shall maintain a Conflicts Committee, consisting of no fewer than three members and consisting entirely of Independent Trustees. The Conflicts Committee shall be responsible, and shall have the sole authority and full power of the Board, for approving or rejecting all Related Party Transactions on behalf of the Company. A "Related Party Transaction" is any transaction that the Company would be required to disclose in its financial

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<sup>1</sup> "Confidential information" includes all non-public information entrusted to or obtained by a director by reason of his or her position on the Board, such as information regarding the strategy, business, finances and operations of the Company, minutes, reports and materials of the Board and its committees and other documents identified by the Company as confidential, including, but not limited to, non-public information concerning (i) the Company's financial condition, prospects or plans, marketing and sales programs, (ii) potential transactions with other companies or information about the Company's relationships with other parties, which the Company is obligated to maintain as confidential, and (iii) the proceedings, discussions and deliberations of the Board and its committees, including discussions between and among employees, officers and directors.

statement footnotes under Statement of Financial Accounting Standards No. 57, “Related Party Disclosures,” as amended or interpreted, or in its proxy statement under Item 404 of Regulation S-K, “Transactions with Related Persons, Promoters and Certain Control Persons,” as amended or interpreted. The Conflicts Committee shall have the authority to retain such independent legal or other experts as it deems necessary or appropriate. The Board may designate the Audit Committee to serve as the Conflicts Committee, provided the Audit Committee meets the requirements set forth in this paragraph, in which event no separate charter for the Conflicts Committee shall be required.

## **BOARD MEETINGS**

### **Frequency of Meetings**

There shall be not less than four regularly scheduled meetings of the Board each year. At least one regularly scheduled meeting of the Board shall be held quarterly.

### **Selection of Agenda Items for Board Meetings**

The Chairman will establish the agenda for each Board meeting. At the beginning of the year the Chairman will establish a schedule of agenda topics to be discussed during the year (to the degree these topics can be foreseen). Each director is free to suggest the inclusion of topics on the agenda. Each director is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

### **Commitment and Attendance**

Each director is expected to attend all Board meetings and meetings of committees of which such director serves. Members may attend meetings by telephone to mitigate scheduling conflicts.

### **Board Materials Distributed in Advance**

Information and materials that are important to the Board’s understanding of the agenda items and other topics to be considered at a Board meeting should, to the extent practicable, be distributed sufficiently in advance of the meeting to permit prior review by the directors. In the event of a pressing need for the Board to meet on short notice or if such materials would otherwise contain highly confidential or sensitive information, it is recognized that written materials may not be available in advance of the meeting.

### **Participation in Meetings**

Each director should be sufficiently familiar with the business of the Company, including its financial statements and capital structure, and the risks and competition it faces, to facilitate active and effective participation in the deliberations of the Board and of each committee on which he or she serves. Upon request, the Company will make appropriate personnel available to answer any questions a director may have about any aspect of the Company’s business. Directors should also review the materials provided in advance of the meetings of the Board and its committees, and should arrive prepared to discuss the issues presented.

The Company is responsible, subject to the supervision of the Board, for formalizing, proposing and implementing strategic choices, and the Board is responsible for approving strategic direction and evaluating operating results. However, as a practical matter, the Board and the Company will be better able to carry out their respective responsibilities if there is an ongoing dialogue among the management of the Company and the members of the Board. To facilitate such dialogue, members of senior management who are not directors, members of the Company's management team, and other individuals may be invited to participate in Board meetings and committee meetings as the Board or such committee, as applicable, deems appropriate.

## **COMMITTEE MATTERS**

### **Number and Structure of Committees**

The Board will have an Audit Committee, a Compensation Committee, a Conflicts Committee (which may be the Audit Committee if it meets the conditions set forth above) and a Nominating and Governance Committee, with each committee having its own charter. These committee charters shall be reviewed by the Board and the relevant committee as set forth therein and shall be deemed to be included in these Guidelines as though fully set forth herein. The Board may, from time to time, establish or maintain additional committees as necessary or appropriate.

The Chairman and members of each of the Audit Committee, Compensation Committee, Conflicts Committee and the Nominating and Governance Committee shall be appointed by the Board on the recommendation of the Nominating and Governance Committee. Audit Committee, Compensation Committee, Conflicts Committee and Nominating and Governance Committee members may be removed or replaced by the Board. Consideration should be given to changing committee members periodically, but such change is not mandated.

### **Frequency and Length of Committee Meetings**

Committee Chairpersons, in consultation with committee members, will determine the frequency and length of committee meetings. Each committee shall meet at least as frequently as is required by the terms of the committee's charter, as applicable.

### **Committee Agendas**

Committee Chairpersons, in consultation with the appropriate members of senior management and the committee members, will develop the committee's meeting agendas.

## **COMMUNICATIONS WITH STOCKHOLDERS**

The Company has established the following means for stockholders to communicate concerns to the Board. If the concern relates to the Company's financial statements, accounting practices or internal controls, the concerns should be submitted in writing to the Chairman of the Audit Committee in care of the Company's Secretary at the Company's headquarters address. If the concern relates to the Company's governance practices, business ethics or corporate conduct, the concern may be submitted in writing to the Company's Secretary at the Company's

headquarters address. If a stockholder prefers to raise his or her concern in a confidential or anonymous manner, the concern may be directed to the Compliance Officer of the Company at the Company's headquarters address.

### **CONDUCT AND ETHICS STANDARDS FOR DIRECTORS**

Directors are subject to applicable provisions of the Code of Ethics and the Whistleblower Policy for the Company.

### **STOCK OWNERSHIP GUIDELINES**

Directors and executive officers are subject to the Stock Ownership Guidelines for Directors and Executive Officers.