

# CORPORATE GOVERNANCE GUIDELINES OF BRT APARTMENTS CORP.

Effective September 21, 2023

## I. Purpose

The Board of Directors (the "**Board**") of BRT Apartments Corp. (the "**Company**") has adopted the following Third Amended and Restated Corporate Governance Guidelines (the "**Guidelines**") to assist the Board in the exercise of its responsibilities and to serve the best interests of the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and the Company's Articles of Incorporation ("**Charter**"), Bylaws ("**Bylaws**") and other corporate governance documents. The Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate in the best interests of the Company and its stockholders or as required by applicable laws and regulations. In the event of any inconsistency between the Company's Charter and/or Bylaws (collectively the "**Organizational Documents**"), on the one hand, and these Guidelines on the other hand, the Organizational Documents shall govern.

These Guidelines shall be made available on the Company's website at [www.brtapartments.com](http://www.brtapartments.com) and to any stockholder who requests a copy.

## II. The Board

### *Size of the Board*

Pursuant to the Organizational Documents, the Board will consist of ten directors, subject to increase or decrease as determined by the Board. The Board will periodically review the size of the Board, and determine the size that is most effective in relation to the Company's operations.

### *Independence of the Board*

The Board will be comprised of a majority of directors who qualify as independent directors (the "**independent directors**") under Sections 303A.01 and 303A.02 of the New York Stock Exchange (the "**NYSE**") Listed Company Manual (the "**Manual**"). Further, to assist the Board in making independence determinations with respect to relationships individual directors have that are not covered by the Section 303A.02(b) of the Manual but may be subject to review under Section 303A.01(a)(i) of the Manual, the Board has adopted the following categorical standard for director independence (the "**Categorical Independence Standard**") and has determined that the following transactions shall not be deemed to be a material relationship or transaction that would cause a director not to be independent:

- (a) The ownership by a director, whether direct or indirect, of an interest in a Gould Affiliated Entity (as defined) so long as (i) the terms on which such director acquired the interest and participates in such entity are substantially the same terms as those prevailing at the relevant time for similarly-situated persons who are not directors or executive officers of the Company, and (ii) the aggregate amount invested by such director in all Gould Affiliated Entities is less than: (A)

10% of such director's net worth (as determined in accordance with Regulation D promulgated under the Securities Act of 1933, as amended (the "**Act**")); and (B) \$1 million. Any increase or decrease (other than as a result of the sale or other disposition of the investment by such director) in the value of an investment will be ignored for the purpose of making these net worth and investment value determinations.

- (b) the purchase or sale of products or services between Gould Affiliated Entities and an entity (the "**Director Affiliated Entity**") in which the director is an officer, director, employee, more than 10% equity owner or which the director controls, if the following conditions are satisfied: (i) the total payments made to the Director Affiliated Entity by the Gould Affiliated Entities in any of the past three fiscal years of the Company do not exceed \$120,000 and (ii) the products and services are provided in the ordinary course of business and on substantially the same terms and conditions, including price, as would be available to similarly situated customers.
- (c) The term (i) "**Gould Affiliated Entity**" means an entity that is directly or indirectly controlled by Gould Investors, L.P. and excludes One Liberty Properties, Inc., BRT Apartments Corp. and their respective subsidiaries and (ii) "**controlled**" shall have the meaning ascribed to such term by Rule 405 promulgated under the Act.

The Nominating and Corporate Governance Committee (the "**Nominating Committee**") will review annually the relationships that each Non-Management Director (as defined) has with the Company, other than those meeting the requirements of Categorical Independence Standard and will make recommendations to the Board as to the independence of such director.

### ***Resignation Policy***

Any nominee for director who is an incumbent director but who is not elected by the vote required in the Organizational Documents, and with respect to whom no successor has been elected, shall promptly tender his or her offer to resign to the Board for its consideration. The Nominating Committee shall consider such offer and shall recommend to the Board whether to accept the offer to resign. No later than the next regularly scheduled Board meeting to be held at least ten days after the date of the election, the Board shall decide whether to accept the offer to resign. The Board will promptly and publicly disclose its decision. The nominee may address the Nominating Committee and/or the Board, but may not be present during deliberations or voting on whether to accept the nominee's offer to resign. If the resignation is not accepted, the director will continue to serve until the next annual meeting of stockholders and until the director's successor is duly elected and qualified or until the director's earlier resignation or removal. The Nominating Committee and the Board may consider any factors they deem relevant in deciding whether to accept a director's resignation.

### ***Separate Sessions of Non-Management Directors***

The Directors that are not members of the Company's management ("**Non-Management Directors**") will meet in executive session on a regular basis without management or the management members of the Board present. Executive sessions will be led by the Lead Director (as defined) and in the event the Lead Director is unavailable, will be led by such other Non-Management Director as may be selected by a majority of the Non-Management Directors participating in such session. The Non-Management Directors will consider such matters as they may deem appropriate at such executive sessions.

### ***Selection and Responsibilities of Lead Director***

On an annual basis, a majority of the Non-Management Directors shall select from such group a lead independent director (the "Lead Director"). The Lead Director shall, among any other responsibilities which may be established by the Board:

- recommend to the Chairman of the Board matters for consideration by the Board;
- recommend to the Chairman of the Board appropriate materials to be provided to the directors;
- prepare, if necessary, the agenda for executive sessions of the independent directors;
- serve as an independent point of contact for stockholders wishing to communicate with the Board other than through the Chairman or Chief Executive Officer; and
- perform such other duties and responsibilities as may be assigned to him or her from time-to-time by a majority of the Non-Management Directors.

### ***Director Qualification Standards***

In evaluating the suitability of individual candidates to serve as directors, the Nominating Committee, in recommending candidates for election, and the Board, in approving (and, in the case of vacancies, appointing) such candidates, will take into account various factors, including such candidate's ability to qualify as an independent director, whether the candidate has the relevant business experience, the candidate's judgement, skill, integrity and reputation, whether the candidate has a background in accounting, finance or other skills deemed relevant by the Board, and the size and composition of the Board. The Board evaluates each individual in the context of the Board as a whole, with the objective of assembling a group that can best perpetuate the success of the business and represent stockholder interests through the exercise of sound judgment.

The Board does not believe it should establish term limits or a mandatory retirement age.

### ***No Specific Limitation on Other Board Service***

The Board does not believe that its members should be prohibited from serving on boards of other organizations and has not adopted any guidelines limiting such

activities. However, the Nominating Committee and the Board will take into account the nature of and time involved in a director's service on other boards and/or committees in evaluating the suitability of individual candidates and current directors and making its recommendations to the Company's stockholders.

### ***Director Responsibilities***

The business and affairs of the Company will be overseen by or under the direction of the Board or its committees in accordance with the Maryland General Corporation Law (the “**MGCL**”) and the Organizational Documents. In performing their duties, the primary responsibility of the directors is to exercise their business judgment in the best interests of the Company. The Board has developed the following specific expectations of directors to promote the discharge of this responsibility and the efficient conduct of the Board's business:

1. *Commitment and Attendance.* Directors are expected to regularly prepare for and attend meetings of the Board and all committees on which the director serves, with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting in person is encouraged to participate in such meeting via electronic means of communication.
2. *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 the director serves. Upon request, management will make appropriate personnel available to answer questions a director may have about the Company's business. Directors should also review the materials provided by management and advisors in advance of meetings of the Board and its committees and should arrive prepared to discuss the issues presented.
3. *Contact with Management.* The Board will have access to management to ensure that directors can ask questions and receive information necessary to perform their duties. Directors should exercise judgment to ensure that their contact with management does not disturb the business operations of the Company.

### ***Compensation***

The Board believes that the amount of director compensation should be fair and competitive in relation to the director compensation at other companies with businesses similar in size and scope to the Company; the type and amount of compensation should align directors' interest with the long-term interests of stockholders; and the structure of the compensation program should be simple, transparent and easy for stockholders to understand. The Board should review the compensation (including the amount and type) of the Non-Management Directors at least once every two years.

### ***Interaction with Institutional Investors, the Press and the Public***

The Board believes that management speaks for the Company. Except as provided under “Selection and Responsibilities of Lead Director”, each Non-Management Director should refer all inquiries from institutional investors, the press and the public to management. Individual Board members may, from time to time at the request of the management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chairman of the Board, the Chief Executive Officer or their designees(s).

### ***Board Access to Independent Advisors***

The Board committees may hire independent advisors as set forth in their applicable charters. The Board as a whole shall have access to such advisors and such other independent advisors that the Company retains or that the Board considers necessary to discharge its responsibilities.

### ***Annual Self-Evaluation***

The Board, either directly, or through the Nominating Committee, will (i) oversee an annual assessment of the performance of the Board and its committees and (ii) be responsible for establishing the criteria and implementing the process for such evaluation, as well as considering other corporate governance principles that may, from time to time, merit consideration by the Board.

## **III. Board Meetings**

### ***Frequency of Meetings***

The Board will meet at least four times annually. In addition, special meetings may be called from time to time as determined by the needs of the business.

### ***Participation of Non-Directors***

The Board and its committees are encouraged to bring management and outside advisors from time-to-time into Board and/or committee meetings to provide insight into, and/or make presentations with respect to, items being discussed by the Board or the committee, as the case may be. Attendance of non-directors at Board or committee meetings is at the discretion of the Board or the committee, as the case may be.

### ***Agendas***

The Chairman of the Board establishes the agenda for each Board meeting with input from the Lead Director, management and, as necessary or desired, from the other directors.

## **IV. Committee Matters**

### ***Number, Name, and Responsibilities of Committees***

The Company shall have at least the committees required by NYSE rules (currently, these are the Audit, Compensation and Nominating committees). These committees must have a written charter satisfying NYSE rules and the membership of these committees must satisfy the NYSE and, as applicable, SEC requirements. From time-to-time, the Board may form a new committee or disband a current committee, depending upon the circumstances.

### ***Frequency of Committee Meetings***

Except for the Audit Committee, each committee will meet at least once annually. The Audit Committee will meet at least four times annually.

### ***Committee Self-Evaluations***

On an annual basis, each committee will review its performance and recommend to the Board any changes it deems necessary.

## **V. Leadership Development**

### ***Annual Review of Chief Executive Officer***

The Compensation Committee should evaluate the performance of the Chief Executive Officer on an annual basis. The evaluation should be based on criteria that such committee deems appropriate.

### ***Succession Planning***

There should be available, on a continuing basis, the Chief Executive Officer's recommendation as to his successor should the Chief Executive Officer be disabled or retire. The Chief Executive Officer shall report on a periodic basis to the Board on succession planning.

### ***Continuing Education***

The Company shall assist the directors in continuing to stay informed about the Company, its activities and the directors' duties and responsibilities.