

# PHILLIPS EDISON GROCERY CENTER REIT I, INC.

## CORPORATE GOVERNANCE GUIDELINES

*Amended and Restated as of October 24, 2017*

The Board of Directors (the “Board”) of Phillips Edison Grocery Center REIT I, Inc. (the “Company”) has developed and adopted the following corporate governance guidelines establishing a common set of expectations to assist the Board and its Committees in performing their responsibilities. These guidelines should be interpreted in the context of all applicable laws and the Company’s Fourth Articles of Amendment and Restatement (the “Charter”), bylaws (the “Bylaws”) and other corporate governance documents, and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. The following guidelines are subject to modification, and the Board may, in the exercise of its discretion, deviate from these guidelines from time to time as the Board may deem appropriate or as required by applicable laws and regulations.

### A. BOARD RESPONSIBILITIES

The responsibilities of the Board are generally defined by statutory and judicial law (both Maryland and federal) and the rules and regulations of applicable administrative agencies (notably the Securities and Exchange Commission and state securities agencies). In managing the business and affairs of the Company, the Board shall focus its priorities on the following core responsibilities:

1. Representing the interests of the Company’s stockholders in maintaining and monitoring the fulfillment of the Company’s investment objectives.
2. Evaluating and approving the Company’s strategic direction and initiatives and monitoring implementation and results.
3. Overseeing, advising and interacting with the Company’s executive officers with respect to key aspects of, and issues affecting, the business, including strategic planning, investments, borrowings, dispositions, operating performance and stockholder returns.
4. Monitoring the Company’s operating results, financial condition and significant risks to the Company.
5. Selecting and evaluating a well-qualified Chief Executive Officer of high integrity and, as appropriate, other members of the senior executive team.
6. Selecting a well-qualified Chairman of the Board of high integrity.
7. 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 a Code of Ethics for the Company and promptly disclose publicly changes to or waivers of the Code as required thereby.
8. Reviewing and approving, upon recommendation of the appropriate Committee of the Board, all matters to be recommended for stockholder approval.
9. Reviewing and approving all public filings that require approval of the full Board.

10. Regularly attending Board meetings. Meeting materials should be reviewed in advance.

11. Performing other such responsibilities as described in the Charter.

In fulfilling these core responsibilities, the Directors shall not be required to devote their full time to the affairs of the Company.

## **B. SELECTION OF THE BOARD**

### ***Board Membership Criteria***

The Board should annually review the appropriate experience, skills and characteristics required of Board members in the context of the current membership of the Board. This assessment should include, in the context of the perceived needs of the Board at that time, issues of knowledge, experience, judgment and skills such as an understanding of the real estate industry or accounting or financial management expertise. Other considerations include the candidate's independence from conflict with the Company and the ability of the candidate to attend Board meetings regularly and to devote an appropriate amount of effort in preparation for those meetings. It also is expected that Independent Directors nominated by the Board shall be individuals who possess a reputation and hold (or have held) positions or affiliations befitting a director of a large publicly held company and are (or have been) actively engaged in their occupations or professions or are otherwise regularly involved in the business, professional or academic community.

### ***Selection of Directors***

The Board itself should be responsible for selecting its own nominees and recommending them for election by the stockholders.

The Board annually reviews Director suitability and the continuing composition of the Board and approves Director nominees to stand for election by the stockholders annually. The Board will also consider suggestions made by stockholders and other interested persons for Director nominees who meet the established Director criteria (as set forth above). In order for a stockholder to make a nomination, the stockholder must satisfy the procedural requirements for such nomination as provided in Section 2.12 of the Bylaws.

### ***Orientation and Continuing Education***

New Directors are provided with a complete orientation process, which includes comprehensive information regarding the Company's business and operations, information regarding the industry in which the Company operates and other background material, meetings with senior management and visits to Company offices. As a part of the Company's continuing education efforts, supplemental information is provided to Directors from time to time.

### ***Service on Other Boards of Directors***

Prior to accepting an invitation to serve on another public or private company board of directors, Directors should advise the Chairman of the Board. The Board believes that directors should limit the number of other company boards on which they serve, taking into account potential board attendance, participation and effectiveness on these boards.

### ***Directors Who Change Their Present Occupation or Job***

Directors who change the occupation or job they held when initially elected are expected to notify the Chairman of the Board.

## **C. INDEPENDENT DIRECTORS**

### ***Definition***

An Independent Director is a director who satisfies the independence requirements of the New York Stock Exchange as in effect from time to time.

### ***Independent Director Compensation***

Independent Directors shall receive reasonable compensation, which may include shares of the Company's capital stock, for their services to be determined from time to time by the Compensation Committee. Committee Chairmen may receive such additional reasonable compensation for serving in that role as may be determined from time to time by the Compensation Committee. Directors who are not independent receive no additional pay for serving as directors.

The Compensation Committee shall annually review and report to the Board with respect to Independent Director compensation and benefits.

## **D. MEETING PROCEDURES**

### ***Frequency and Length of Board Meetings***

The Chairman of the Board or, in the absence of the Chairman, a president of the Company (if applicable) or the Secretary of the Company (if there is no separate president), in consultation with the other members of the Board, shall determine the timing and length of the meetings of the Board. The Board shall meet as frequently as needed for Directors to discharge properly their responsibilities. In addition to regularly scheduled meetings, unscheduled Board meetings may be called upon appropriate notice at any time to address specific needs of the Company.

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

The Chairman of the Board will establish the agenda for each Board meeting. Each Board member is free to suggest the inclusion of item(s) on the agenda. Each Director is free to raise at any Board meeting subjects that are not on the agenda for that meeting.

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

Each Director is expected to make reasonable efforts to attend all meetings of the Board and Committees on which the Director serves. In advance of each Board or Committee meeting, a proposed agenda and, to the extent feasible or appropriate, information and data that is important to an understanding of the business to be discussed, will be distributed. Management, in consultation with the Board, will make every attempt to see that the material provides sufficient detail to adequately address the business to be discussed. When appropriate, the information distributed will include summaries or outlines of presentations to be given at the meeting. In this way, meeting time may be conserved and discussion time focused on questions that the Board has about the material.

## **E. BOARD RELATIONSHIP TO SENIOR MANAGEMENT**

### ***Board Access to Senior Management***

Board members have access to the Company's management. Board members should use judgment to be sure that any contacts are not distracting to the business operation of the Company. Furthermore, the Board encourages senior management, from time to time, to bring managers and/or advisors into Board meetings who: (a) can provide additional insight into the items being discussed because of personal involvement in these areas, and/or (b) represent managers with future potential that the senior management believes should be given exposure to the Board.

### ***Board and Committee Access to Outside Advisors***

The Board and each of its Committees shall have the power to hire independent legal, financial, or other advisors, as they may deem necessary, without consulting or obtaining the approval of any officer of the Company in advance.

## **F. BOARD COMMITTEES**

The Board shall at all times have an Audit Committee, and a Compensation Committee, each composed solely of independent Directors. For further information on the responsibilities, functions and composition of these Committees, see the Audit Committee charter, the Compensation Committee Charter, the Code of Ethics, these Corporate Governance Guidelines, as well as the other corporate governance policies of the Company. The Board may also establish various advisory committees on which certain members of the Board sit in areas that have a direct impact on the Company's operations. The majority of the members of all of these Committees must be independent Directors.

## **G. COMMUNICATIONS WITH STOCKHOLDERS**

The Company has established several means for stockholders to communicate concerns to the Board. 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.

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

Directors are subject to applicable provisions of the Company's policies, including but not limited to the Code of Ethics, Insider Trading Policy, and Whistleblower Policy for the Company. These policies can be found on the Company's website.