

Vectren Corporation Share Ownership Guidelines Effective January 1, 2017

The following are the share ownership levels:

<u>Base Salary</u>	<u>Multiple of Base Salary</u>
Chief Executive Officer	5
President/COO	4
Executive/Sr. VP/Non-utility Presidents	3
Other Officers	2

<u>Directors Fees</u>	<u>Multiple of Directors Annual Retainer</u>
Non-Employee Directors.....	5 (\$400,000)

Commentary Regarding the Guidelines:

- If an officer or director is not at the applicable ownership multiple at the time Stock Unit Awards are settled under the At-Risk Compensation Plan, then the value of each of those Stock Unit Awards shall be paid to the Grantee in one unrestricted share of the Company's common stock upon vesting (unless the Grantee has previously elected to defer such amounts into the company's Non-Qualified Deferred Compensation Plan, in which case such amounts will be settled into phantom stock units representing the company's common stock).
- Following the distribution of vested Stock Unit Awards in the form of company common stock (or the crediting of amounts into phantom stock units representing the company's common stock), if an officer or director is not at the applicable ownership multiple, then with respect to such previously received company common stock or phantom stock units, the officer or director is required to continue to hold 50% or more of such common stock/phantom stock units until they are at or in excess of the applicable ownership multiple.
- For the purpose of compliance, common stock holdings, phantom units of company stock (e.g., in the deferred compensation plan account), restricted common stock/units and the net value of vested "in-the-money" stock options are counted.
- For example, if the CEO's base pay was \$900,000, the CEO would be expected to hold approximately \$4,500,000 in a combination of common stock holdings, phantom stock units, restricted stock/units, and the net value of vested "in-the-money" stock options.
- A phase-in period of five years has been established, provided that the rules set forth in the first two bullets above apply irrespective of whether an officer or director is within their applicable phase in period.

Note: Effective January 1, 2017 Non-Employee Director Cash Retainer = \$80,000