

## **AMERICAN ELECTRIC POWER COMPANY, INC.**

### **Board Policy on Recouping Executive Compensation**

This policy applies to employees who participate in the Company's Long Term Incentive Compensation Plan (LTIP) and relates to incentive compensation paid or payable to such employees, whether under the LTIP, under any annual incentive compensation plan, or otherwise.

The Board of Directors believes that incentive compensation provided by the Company should be reimbursed to the Company if, in the Board's view:

- Such incentive compensation was predicated upon the achievement of financial or other results that were subsequently materially restated or corrected,
- The employee from whom such reimbursement is sought engaged in misconduct that caused or partially caused the need for the restatement or correction, and
- A lower payment would have been made to the employee based upon the restated or corrected financial results.

Reimbursement may include retention by the Company of any deferred compensation previously credited to the employee and not paid.

The HR Committee has directed the Company to design and administer all of the Company's incentive compensation programs in a manner that provides for and preserves the Company's ability to obtain such reimbursement if and to the extent that, in the Board's view, such reimbursement is warranted by the facts and circumstances of the particular case.

This policy is in addition to, and not in substitution for, any and all other rights the Company might have to pursue remedies against an employee for misconduct in the course of employment by the Company, all of which are expressly retained by the Company.