



## **DIRECTOR AND OFFICER STOCK OWNERSHIP GUIDELINES**

### **I. Purpose**

The purpose of these Director and Officer Stock Ownership Guidelines (“Ownership Guidelines”) of Duke Realty Corporation (“Duke Realty”) is to further Duke Realty’s goal of increasing shareholder value and to further align the interests of directors and officers with the interests of shareholders.

### **II. Participation**

Duke Realty’s Ownership Guidelines apply to the following persons:

- Directors
- Officers serving on Duke Realty’s Management Committee

### **III. Determination of Stock Ownership Goals**

The stock ownership goal for each person subject to the Ownership Guidelines is determined on an individual basis, first in dollars as a multiple of the director’s Base Retainer (as defined in the Duke Realty Corporation 2015 Non-Employee Directors Compensation Plan, as the same may be amended) or the officer’s base salary, and then by converting such amount to a fixed number of shares. Ownership goals are established for each category as follows:

- First, determine the dollar goal of the Ownership Guidelines by applying the following multiples to the individual’s Base Retainer or base salary:
  - a. 5x for directors not also serving an enumerated senior management position;
  - b. 5x for the Executive Chairman of the Board;
  - c. 6x for the Chief Executive Officer;
  - d. 4x for Executive Vice Presidents, Presidents and the Chief Operating Officer;
  - e. 2x for Senior Vice Presidents who are Business Unit Heads or Senior Vice Presidents of a region;
  - f. 1.5x for other Senior Vice Presidents; and
  - g. .5x for other members of Duke Realty’s Management Committee.
- Second, convert the dollar goal into a number of shares by dividing such dollar amount by Duke Realty’s average closing common stock price as reported by the New York Stock Exchange for the 60 trading days prior to the date of computation.

#### **IV. Effective Date**

For directors and officers in office as of May 1, 2004, the effective date of these Ownership Guidelines will be May 1, 2004. For those individuals, the stock ownership goal will be determined using their retainers and base salaries in effect as of that date and the average Duke Realty closing stock price for the period February 5, 2004 through April 30, 2004.

The stock ownership goal under the Ownership Guidelines for persons assuming a director or officer level position after May 1, 2004 will be determined using their Base Retainers or base salaries as of the date they become subject to the Ownership Guidelines and using Duke Realty's average closing common stock price for the 60 trading days prior to such date.

Once established, a person's stock ownership goal will not change because of changes in his or her Base Retainer or base salary or fluctuations in Duke Realty's common stock price. An individual's stock ownership goal will only be re-established upon a change to a different officer position described in Section III.

#### **V. Counting Shares Owned**

Only shares of Duke Realty common stock that are owned in the following forms will be considered in determining whether an individual's stock ownership goal has been achieved:

- Shares owned directly by the individual or his or her immediate family members residing in the same household;
- Shares held in an individual's IRA accounts or self-directed 401(k) accounts;
- Shares held by an individual in Duke Realty's 401(k) Plan;
- Shares held by an individual in Duke Realty's Employee Stock Purchase Plan;
- Shares held by an individual through a Duke Realty sponsored nonqualified deferred compensation plan;
- Vested shares owned by an individual under any Duke Realty sponsored restricted stock or similar type plan, including Duke Realty's 2000 Performance Share Plan;
- Shares held in a grantor trust for the benefit of the individual or his or her immediate family members residing in the same household;
- Shares owned by a partnership or limited liability company to the extent of the individual's interest therein (or the interest therein of his or her immediate family members residing in the same household), but only if the shares are controlled by the individual.

For purposes of these Ownership Guidelines, shares shall include a) limited partnership units of Duke Realty Limited Partnership, and b) share equivalents under Duke Realty sponsored plans. Share equivalents shall not include any amounts attributable to outstanding stock options, dividend increase units or shareholder value plan awards.

## **VI. Attainment Period**

In general, individuals will have a five-year period to attain their stock ownership goals. Directors and officers subject to the Ownership Guidelines as of May 1, 2004 are required to achieve their goal by May 1, 2009. If an individual's stock ownership goal increases because of a change in position, a five-year period to achieve the incremental amount of shares will begin on the effective date of the change in position.

## **VII. Stock Retention Requirements**

Although a participant generally will have a 5-year period to comply with the Ownership Guidelines, the following restrictions will apply during any time period during which the individual's stock ownership goal has not been achieved:

- a) The individual will be required to retain at least 75% of "Net Shares" delivered through Duke Realty's director or executive compensation plans. "Net Shares" are defined to include Duke Realty common stock or units of Duke Realty Limited Partnership, and include those shares that are owned by the individual after shares are sold, swapped or traded to pay applicable withholding taxes<sup>1</sup> and the exercise price of stock options. Transfers of stock options shall not exempt the individual from this retention requirement, and the donee will be subject to the same retention requirement as the individual would have been until the stock ownership goal has been achieved.
- b) Shares that are owned by an individual on the date that he or she becomes subject to the Ownership Guidelines may be disposed of only for one or more of the "exclusion" purposes set forth below in Section VIII and only upon compliance with the procedures set forth therein.

Once an individual achieves his or her stock ownership goal, the retention restrictions no longer will apply unless a disposition would cause the individual's stock ownership to fall below his or her goal.

If an individual's stock ownership goal under the Ownership Guideline is not attained by the end of the specified period, the retention requirement applicable to that individual under a) above shall be increased to 100%.

## **VIII. Exclusions**

During any period in which an individual's stock ownership goal is not met, share dispositions will be permitted only for the following reasons:

- Estate planning;
- Gifts to charity;
- Post-secondary education funding; and
- Funding the purchase of a primary residence.

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<sup>1</sup> The withholding tax rate shall not exceed the sum of the highest applicable statutory federal income tax rate, state/local income tax rate and Medicare rate as of the date of exercise.

To be excluded from the retention requirement for any of these purposes, an individual must submit a written request for exclusion to the General Counsel, detailing the reasons for the disposition, a description of the stock transaction for which the exclusion is being requested, the number of shares that will be sold, and a comparison of the individual's share ownership to the required amount before and after the disposition. The General Counsel will review the request and will make the final decision.

#### **IX. Hardship**

There may be rare instances in which compliance with the Ownership Guidelines would place a severe hardship on an individual or would prevent an individual from complying with a court order, such as in the case of a divorce settlement. In these instances, the individual must submit a request in writing to the General Counsel that summarizes the circumstances and describes the extent to which an exemption from the Ownership Guidelines is being requested. The General Counsel will review the request with the Chief Executive Officer (or the Lead Director of the Board in the case of a request by the Chairman or Chief Executive Officer) and will make the final decision. If the request is granted in whole or in part, the General Counsel will, in consultation with the individual, develop an alternative stock ownership plan that reflects both the intention of these Ownership Guidelines and the individual's particular circumstances.

#### **X. Reporting**

Upon the request of Duke Realty, and for those officers and directors that are not otherwise subject to compliance with Section 16 reporting requirements, individuals shall be required to provide a schedule disclosing the number of shares owned (by category listed in Section V), and to sign an attestation as to the accuracy of such schedule.

#### **XI. Administration**

The Director and Officer Stock Ownership Guidelines shall be administered and interpreted by the General Counsel.

Adopted as of July 27, 2016