

VISTRA ENERGY CORP.

CORPORATE GOVERNANCE GUIDELINES

The following Corporate Governance Guidelines have been adopted by the Board of Directors (Board) of Vistra Energy Corp. (Company) and, together with the charters of the Board's committees (Committees) and the certificate of incorporation (as amended, the Charter) and Bylaws (the Bylaws) of the Company, provide the framework for the governance of the Company. While these Corporate Governance Guidelines are intended as a component of the flexible framework within which the Board, assisted by its Committees, directs the affairs of the Company, and should be interpreted in the context of applicable laws, regulations and listing requirements, as well as in the context of the Charter and Bylaws, they are not intended to establish by their own force any legally binding obligations. These Corporate Governance Guidelines will be reviewed periodically (but no less frequently than annually) by the Nominating and Governance Committee and, together with the Committee charters and the Company's Code of Conduct, will be posted on the Company's website.

BOARD COMPOSITION; DIRECTOR QUALIFICATIONS

Pursuant to the Charter and the Bylaws, the Board may adjust the size of the Board from time to time. The Company does not have a retirement policy for directors. A substantial majority of the Board is made up of independent directors. An "independent" director is a director who meets the New York Stock Exchange definition of independence, as determined by the Board. The Board makes an affirmative determination regarding the independence of each director annually, after consideration of the recommendation of the Nominating and Governance Committee. Each independent director is expected to promptly disclose to the Board any existing or proposed relationships or transactions that could impact his or her independence.

The Nominating and Governance Committee considers and makes recommendations to the Board regarding the size, structure, composition and functioning of the Board. In addition, the Nominating and Governance Committee is responsible for establishing processes and procedures for the selection and nomination of directors, and for developing and recommending Board membership criteria to the Board for approval and periodically reviewing these criteria.

In evaluating nominees for Board membership, the Board considers the following factors:

1. Judgment, character, expertise, skills and knowledge useful to the oversight of the Company's business;
2. Diversity of experience and viewpoints;
3. Business, governmental, civic or other relevant experience; and
4. The extent to which the interplay of the nominee's qualifications with those of other Board members will build a Board that is effective, in light of the Company's business and structure.

The Nominating and Governance Committee reviews the qualifications of director candidates and incumbent directors in light of criteria approved by the Board and recommends the Company's candidates to the Board for election by the Company's stockholders at the annual meeting. The Committee also considers director candidates recommended by Company stockholders in accordance with the procedures set forth in the proxy statement.

DIRECTORS' RESPONSIBILITIES

The Board is elected by the stockholders to oversee the Company's management and ensure that the long-term interests of the stockholders are served. The Board is the ultimate decision-making authority within the Company, except with respect to those matters, including the election of directors, that are reserved for the Company's stockholders. The basic responsibility of the directors is to oversee the management of the business of the Company and to exercise their good faith business judgment to act in what they reasonably believe to be the best interests of the Company and its stockholders. In addition to its general oversight of the management of the Company, the Board or, in some cases, the appropriate Committee, performs a number of specific functions including:

1. selecting, evaluating and compensating the Chief Executive Officer and overseeing executive management succession planning;
2. providing counsel and oversight on the selection, evaluation, development and compensation of senior management;
3. reviewing, approving and monitoring fundamental financial and business strategies and major corporate actions;
4. reviewing major risks facing the Company, reviewing options for their mitigation and overseeing the Company's processes for assessing, managing and mitigating risk;
5. overseeing the Company's processes for maintaining the integrity of the Company including the integrity of the financial statements, compliance with laws and ethics, relationships with customers and suppliers and relationships with other stakeholders;
6. review any earnings press releases prior to their publication, including the types of information to be disclosed and the type of presentations to be made;
7. review with management of the Company the terms, coverage, adequacy and effectiveness of the Company's director and officer liability insurance policies; and
8. review and approve certain transactions.

Directors are expected to review Board meeting materials in advance and attend and participate in Board meetings and meetings of Committees on which they serve, to spend the time needed and meet as frequently as necessary to discharge their responsibilities.

Directors must receive approval from the Nominating and Governance Committee to serve on the board of any publicly-held company. Directors should advise the Chairman of the Board and the Chief Executive Officer of his or her desire to join the board of a publicly-held company. Then, the Nominating and Governance Committee will review and, if appropriate, approve a director serving on the board of another publicly-held company. Directors may only serve on the boards of three publicly-held companies, including the Company. The Nominating and Governance Committee may approve exceptions to this limit only after making a determination that service on an additional board would not impair the ability of such director to serve effectively on the Board.

Directors should advise the Chairman of the Board and the Chief Executive Officer prior to establishing other significant relationships with businesses, institutions, governmental units or regulatory entities, particularly those that may result in significant time commitments or a change in the director's relationship to the Company, and each time their principal occupations or business associations change substantially.

If an actual or potential conflict of interest¹ arises for a director, the director shall promptly inform the Chief Executive Officer and General Counsel. If it is determined that a significant conflict exists, the conflict shall be presented to the Board for resolution. If any such conflict cannot be resolved, the director should resign from the Board. All directors will recuse themselves from any Board discussion or decision affecting their personal, business or professional interests in any material respect.

BOARD LEADERSHIP

The Board does not have a policy requiring the separation of the offices of the Chairman of the Board and the Chief Executive Officer. The Board believes that this issue is part of the succession planning process and that it is in the best interests of the Company for the Board to make a determination regarding this issue any time it elects a new Chief Executive Officer and thereafter as deemed appropriate.

Unless the Chairman of the Board is the Chief Executive Officer, the Chairman of the Board will not be a member of the Company's management team and will not be involved in the ordinary course operations of the business of the Company, including investor relations. The Chairman of the Board, among other things, (a) exercises the rights and discharges the obligations of the Chairman of the Board as set forth in the Bylaws, including presiding at meetings of stockholders (with the Chief Executive Officer, if separate), (b) collaborates with the Board and the Chief Executive Officer, if separate, on the schedule for Board meetings and agenda items, including gathering the Board's input on agenda items and information needs associated with those agenda items, (c) establishes agendas for executive sessions of the Board, in consultation with the Chief Executive Officer, if separate, (d) presides at executive sessions of the Board and coordinates feedback to the Chief Executive Officer, if separate, regarding issues discussed in executive session, (e) coordinates new director searches, in conjunction with the Chief Executive Officer, if separate, and presents candidates for consideration to the Nominating and Governance Committee and the Board, (f) serves as an information resource for other directors and acts as liaison between directors, committee chairs and management, (g) develops a positive, collaborative relationship with the Chief Executive Officer, if separate, and (h) performs such other duties and responsibilities as requested by the Board. However, if the Chairman of the Board is not independent, the non-management directors of the Board shall elect a Lead Director who shall (i) serve as a liaison between the Chairman of the Board and the independent directors, (ii) lead executive sessions of the Board, (iii) have authority to call meetings of the independent directors, (iv) lead the Board in discussions concerning the Chief Executive Officer's employment and performance and Chief Executive Officer succession, (v) if requested by major stockholders, be available for consultation and direct communication, and (vi) perform such other duties and responsibilities as requested by the Board.

MEETINGS OF THE BOARD

The Board shall meet as frequently as necessary to discharge its responsibilities, and in any event, not less than four times per year. At any Board meeting, directors are free to raise subjects, issues and questions that are not on the agenda. The Board may meet in person, telephonically or by video conference, and may act by unanimous written consent.

Board materials related to agenda items are provided to directors sufficiently in advance of Board meetings to allow directors to review and prepare for discussion of the items at the meeting. In some cases, due to timing or the sensitive nature of an issue, materials are presented only at the Board meeting.

The Board normally invites the Company's executive officers to attend the regular sessions of the Board. Additional Company personnel may be invited to attend as the Board deems appropriate.

¹ An actual or potential conflict of interest shall be deemed not to exist for any opportunity described in Article VIII of the Company's Certificate of Incorporation.

The non-management directors meet in executive session without management present at least quarterly. If the non-management directors include directors who are not independent, the independent directors meet in executive session at least annually.

Directors are expected to attend the annual meeting of stockholders absent unusual circumstances.

COMMITTEES OF THE BOARD

The standing committees of the Board are the Audit Committee, the Nominating and Governance Committee, the Compensation Committee, and the Risk Committee. The Board will appoint annually the members of the Committees, and will consider rotating members of the Committees from time to time; however, Committee rotation is not mandatory. A director may serve on more than one Committee, provided that the director is qualified for such service. The Audit, Nominating and Governance, Compensation, and Risk Committees consist solely of independent directors. In addition, directors who serve on the Audit Committee and the Compensation Committee must meet additional heightened independence criteria applicable to directors serving on these Committees under New York Stock Exchange listing standards.

Each of the Audit Committee, the Nominating and Governance Committee, the Compensation Committee, and the Risk Committee operates under a written charter. The charters set forth the purposes and responsibilities of the Committees as well as qualifications for Committee membership, procedures for Committee member appointment and removal, and Committee structure and operations. The charters also provide that each Committee will annually evaluate its performance. Subject to the requirements of the respective Committee charters, the Chairman of the Board coordinates with the chairperson for each committee of the Board, in consultation with the Chief Executive Officer, if separate, regarding the agendas for the Committee meetings which are distributed, along with related materials, in advance of the meetings. Committee members are encouraged to suggest agenda items. In addition, all directors, whether or not members of the Committee, may make suggestions to the Committee chair for additions to the agenda of his or her Committee.

Each Committee chair will determine the frequency and length of Committee meetings, in accordance with the Committee's charter. At any Committee meeting, Committee members are free to raise subjects, issues and questions that are not on the agenda. Each Committee shall report regularly to the Board summarizing the Committee's actions and any significant issues considered by the Committee at its meeting. Such reporting shall not be required if all directors are present at the Committee meeting where such actions or issues are considered. Unless a Committee expressly determines otherwise, the agenda and minutes for each Committee meeting shall be made available to all directors. Additional materials reviewed by the Committee will be available to any director upon request. Directors are free to attend any Committee meeting.

The Board may from time to time establish or maintain additional Committees as it deems necessary or appropriate.

DIRECTORS' COMPENSATION

The Compensation Committee will recommend to the Board the form and amount of compensation to be provided for service on the Board and its Committees. In making its recommendation, the Compensation Committee will consider the form and amount of compensation provided to persons serving on the boards of companies which are comparable to the Company, consistent with any applicable requirements of the listing standards. Directors who are officers of the Company do not receive any compensation for service as a director.

CHIEF EXECUTIVE OFFICER EVALUATION AND MANAGEMENT SUCCESSION

The Compensation Committee will conduct an annual review of the Chief Executive Officer's performance as set forth in its charter and will provide a report of such review to the full Board.

Periodically, the Compensation Committee will review and discuss with the Board executive management succession planning including (i) the establishment of appropriate criteria for the selection and evaluation of potential successors to the Chief Executive Officer and other executive management of the Company and (ii) succession in the event of an emergency or retirement of the Chief Executive Officer. The Chief Executive Officer shall make available his or her recommendations and evaluations of potential successors, along with a review of any development plans recommended for such individuals.

BOARD AND COMMITTEE PERFORMANCE EVALUATIONS

The Board conducts an annual self-evaluation to assess its performance and the performance of its Committees. The Audit, Nominating and Governance, Compensation, and Risk Committees each conduct annual self-evaluations to assess their respective performances. The ability of individual directors to contribute to the Board is considered by the Nominating and Governance Committee and the Board in connection with the re-nomination process.

The Nominating and Governance Committee is responsible for overseeing processes for conducting evaluations, and it does this pursuant to its written charter.

POLITICAL CONTRIBUTIONS

The Board oversees the Company's policies and procedures regarding political contributions.

CODE OF CONDUCT

The Company will at all times maintain a Code of Conduct for its employees, officers and directors. Among other matters, the Code of Conduct addresses relationships with customers, affiliates, suppliers and competitors; safeguarding the Company's assets; conduct in the workplace; conflicts of interest; and compliance with laws and regulations and other policies. The Code of Conduct specifies the procedures for employees to report any concerns or suspected violations of laws, regulations or the Code of Conduct and specifically provides that no retaliation will be taken against any employee for reporting such matters in good faith.

The Board expects directors, as well as the Company's officers and employees, to act ethically at all times and to adhere to the Code of Conduct. It is not expected that there would be waivers from the Code of Conduct. Any waiver applicable to an executive officer or director must be approved by the Board or the Audit Committee and promptly disclosed to stockholders.

RELATED PERSON TRANSACTIONS

The following rules shall be followed in connection with all related person transactions involving the Company.

A related person transaction shall be consummated or shall continue only if:

1. the Audit Committee approves or ratifies such transaction in accordance with this policy and if the transaction is on terms comparable to those that could be obtained in arm's length dealings with an unrelated third party;
2. the transaction is approved by the disinterested members of the Board; or
3. the transaction involves compensation approved by the Compensation Committee.

For purposes of this policy, "related person" has the meaning in Item 404 of Regulation S-K under the Securities Exchange Act of 1934.

For purposes of this policy, a “related person transaction” is a transaction between the Company and a related person, other than the types of transactions described below, which are deemed to be pre-approved by the Audit Committee:

1. any compensation paid to a director if the compensation is required to be reported under Item 402 of Regulation S-K;
2. any transaction with another company at which a related person’s only relationship is as an employee (other than an executive officer), director or beneficial owner of less than 10% of that company’s ownership interests;
3. any charitable contribution, grant or endowment by the Company to a charitable organization, foundation or university at which a related person’s only relationship is as an employee (other than an executive officer), the aggregate amount of which does not exceed the lesser of \$1,000,000, or 2% of the charitable organization’s total annual receipts;
4. transactions where the related person’s interest arises solely from the ownership of the Company’s equity securities and all holders of that class of equity securities received the same benefit on a pro rata basis;
5. transactions involving a related party where the rates or charges involved are determined by competitive bids;
6. any transaction with a related party involving the rendering of services as a common or contract carrier, or public utility, as rates or charges fixed in conformity with law or governmental authority;
7. any transaction with a related party involving services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture, or similar service;
8. transactions available to all employees or customers generally (unless required to be disclosed under Item 404, if applicable);
9. transactions involving less than \$100,000 when aggregated with all similar transactions;
10. transactions between the Company and its subsidiaries or between subsidiaries of the Company;
11. transactions not required to be disclosed under Item 404; and
12. open market purchases of the Company’s or its subsidiaries’ debt or equity securities and interest payments on such debt securities.

Notwithstanding the foregoing, in lieu of relying on standing pre-approval, the Company’s General Counsel may bring any related person transaction of a type described above to the Audit Committee for specific review and approval or ratification (as applicable), if the Company’s General Counsel determines it to be appropriate in light of the facts and circumstances relevant to the related person transaction.

The Board has determined that it is appropriate for the Audit Committee to review and approve or ratify related person transactions. Accordingly, at least annually, management shall review related person transactions to be entered into by the Company, if any. After review, the Audit Committee shall approve/ratify or disapprove such transactions. Management shall update the Audit Committee as to any material changes to such related person transactions. In unusual circumstances, the Company may enter into related person transactions in advance of receiving approval, provided that such related person transactions are reviewed and ratified as soon as reasonably practicable by the Audit Committee. If the Audit Committee determines not to ratify such transactions, the Company shall make all reasonable efforts to cancel or otherwise terminate such transactions.

OUTSIDE BOARD SERVICE - OFFICERS

The Chief Executive Officer of the Company may not serve on the board of directors of more than two publicly-held companies other than the Company. The Chief Executive Officer must obtain approval of the Board prior to agreeing to serve on the board of directors of any publicly-held company other than the Company. Persons reporting directly to the Chief Executive Officer may not serve on the board of directors of more than one publicly-held company. Persons reporting directly to the Chief Executive Officer must obtain approval of the Chief Executive Officer prior to agreeing to serve on the board of directors of any other publicly-held company.

OTHER KEY POLICIES AND PRACTICES

The proceedings and deliberations of the Board and its Committees shall be confidential. Each director shall maintain the confidentiality of information received in connection with his or her service as a director.

Management, working with the Board, shall provide an orientation process for new directors, including background material on the Company and its business. The Board believes that director orientation and continuing education is essential to valuable Board participation and decision making. In addition, portions of certain Board meetings will be devoted to educational topics at which senior management and outside subject matter experts present information regarding matters such as the Company's industry, business operations, strategies, objectives, risks, opportunities, competitors and important legal and regulatory issues. The Company encourages directors to periodically pursue or obtain appropriate programs, sessions or materials related to their service as a director and the Company will reimburse directors for reasonable expenses. As appropriate, management shall prepare additional educational sessions for directors on matters relevant to the Company and its business.

The Company will not make any personal loans or extensions, or arrangement for the extension, of credit to or for any director or executive officer.

Directors may contact the Chief Executive Officer at any time to discuss any aspect of the Company's business, and will have reasonable access to other employees of the Company and its subsidiaries to address issues that may arise. Directors should initiate requests for meetings or contacts through the Chief Executive Officer or the Secretary.

It is the policy of the Board that stockholders shall have reasonable access to directors at annual meetings of stockholders and an opportunity to communicate directly with directors on appropriate matters. The Board will generally respond, or cause the Company to respond, in writing to bona fide communications from stockholders addressed to one or more members of the Board. Stockholders and other interested parties are invited to communicate with the Board or any of its Committees or directors by writing to:

Board of Directors of Vistra Energy Corp.
c/o Corporate Secretary
6555 Sierra Drive
Irving, TX 75039

The Board and its Committees have the authority and discretion to retain independent outside financial, legal or other advisors. In performing its functions, the Board shall be entitled to rely in good faith on the advice, reports and opinions of management, counsel, accountants, auditors and other expert advisors.

Approved July 30, 2018