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December 30, 2020

Via email to shareholderproposals@sec.gov
Office of Chief Counsel
Division of Corporation Finance
U.S. Securities and Exchange Commission
100 F Street, N.E.
Washington, DC 20549

Re: Omission of Shareholder Proposal Submitted by the National Center for Public Policy Research

Dear Sir or Madam:

Pursuant to Rule 14a-8(j)(1) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), Duke Energy Corporation ("Duke Energy" or the "Company") requests confirmation that the staff of the Division of Corporation Finance (the "Staff") of the U.S. Securities and Exchange Commission (the "SEC") will not recommend any enforcement action if the Company omits from its proxy solicitation materials ("Proxy Materials") for its 2021 Annual Meeting of Shareholders (the "2021 Annual Meeting") a proposal (the "Proposal") submitted to the Company by the National Center for Public Policy Research (the "Proponent").

This letter provides an explanation of why the Company believes that it may exclude the Proposal and includes the attachments required by Rule 14a-8(j). In accordance with *Staff Legal Bulletin No. 14D* (Nov. 7, 2008), this letter and its exhibits are being delivered by e-mail to shareholderproposals@sec.gov. A copy of this letter and its attachments are also being sent on this date to the Proponent in accordance with Rule 14a-8(j), informing the Proponent of the Company's intention to omit the Proposal from its Proxy Materials. We also wish to take this opportunity to inform the Proponent that if he submits additional correspondence to the Staff with respect to the Proposal, a copy of that correspondence should also be furnished to the Company, addressed to the undersigned, pursuant to Exchange Act Rule 14a-8(k). This letter is being submitted not less than 80 days before the filing of the Company's definitive proxy statement, which the Company intends to file on or around March 23, 2021.

THE PROPOSAL

The Proposal requests that the Company's Board "prepare a report based on a review of the BRT Statement of the Purpose of a Corporation, signed by our Chief Executive Officer, and provide the board's perspective regarding whether our Company's governance and management systems should be altered to fully implement the Statement of Purpose, or, in the alternative, what our Company should do if the Statement cannot be reconciled with current practices and commitments." *See* Exhibit A for the complete Proposal submitted by the Proponent.

BASIS FOR EXCLUSION OF PROPOSAL

The Company believes that the Proposal may be properly excluded pursuant to Rule 14a-8(i)(10) because it has already been substantially implemented by the Company.

BACKGROUND

The Business Roundtable released its "Statement on the Purpose of a Corporation" (the "Statement of Purpose", attached hereto as Exhibit B) in 2019. The Statement of Purpose was signed by 181 CEO's, including the Company's Chair, President and CEO, Lynn Good, and stated that businesses play a vital role in the economy and that, while each individual company serves its own corporate purpose, the signatories shared a commitment to all of their stakeholders, including the following five key commitments: (1) delivering value to customers; (2) investing in employees; (3) dealing fairly and ethically with suppliers; (4) supporting communities in which the company works; and (5) generating long-term value for shareholders, including a commitment to transparency and engagement.

As a regulated public utility, Duke Energy has long understood that its purpose as an essential provider of energy serves an important role to the vitality of the communities it serves and society as a whole. Ms. Good's signature on the Statement of Purpose was consistent with the Company's own statement of purpose and simply reiterated the commitment the Company had already made to its communities and stakeholders, as evidenced by its own practices, policies, procedures and disclosures. The Corporate Governance Committee (the "Corporate Governance Committee") of the Board of Directors (the "Board") first discussed the Statement of Purpose and its commitments in September 2019. After receipt of the Proposal, the Corporate Governance Committee further reviewed the Statement of Purpose and the Proposal and determined that the Statement of Purpose is consistent with the Company's governance and practices and no alterations to the Company's governance or management systems are necessary to fully implement the Statement of Purpose.

DISCUSSION

The Company may exclude the Proposal pursuant to Rule 14a-8(i)(l0) because the Proposal has already been substantially implemented by the Company.

Rule 14a-8(i)(l0) provides that a shareholder proposal may be excluded from a company's proxy materials when the proposal has already been substantially implemented by that company. A proposal need not be "fully effected" by a company to meet the substantially implemented

standard under Rule l4a-8 but rather, the Staff has concurred with the exclusion of proposals in situations where the essential objective of the proposal has been satisfied. *See, e.g.*, Bank of New York Mellon Corp. (Feb. 15, 2019); and Exelon Corp. (Feb. 26, 2010). According to the Staff, the determination as to whether a proposal has been substantially implemented depends on whether the company's "particular policies, practices and procedures compare favorably with the guidelines of the proposal." Texaco, Inc. (Mar. 6, 1991, recon. granted Mar. 28, 1991). *See also*, The Wendy's Company (avail. Apr. 10, 2019) (concurring with exclusion of a proposal requesting that the board of directors prepare a report on the company's process for identifying and analyzing human rights risks of operations and supply chain where the company already had a code of conduct for suppliers, a code of business conduct and ethics, and other policies and disclosures concerning its supply chain practices and human rights risks); McDonald's Corporation (avail. Feb. 28, 2014) (concurring with the exclusion of a proposal requesting that the board of directors review and prepare a report to shareholders regarding the board's duties with respect to ESG issues where the board's sustainability and corporate responsibility committee charter as well as a report overseen by the committee described the Board's ESG oversight); and The Dow Chemical Co. (avail. Mar. 5, 2008) (concurring with exclusion of a proposal requesting that the board of directors prepare a report discussing how the company's efforts related to climate change have affected the global climate where the company had already included numerous corporate disclosures regarding its efforts related to climate change).

The Company's disclosures demonstrate that its governance, policies and procedures are aligned with the Statement of Purpose.

As stated above, Duke Energy's role as a regulated public utility has given it a unique perspective for years of a company's importance within the various communities it serves. As an essential provider of energy, the Company serves an important role to power the vitality of the communities it serves and the individuals within those communities. The Company has discussed this purpose in numerous disclosures on its website, SEC filings and other disclosures. As Lynn Good stated in her "Message from the CEO" in the Company's 2019 Sustainability Report (the "Sustainability Report"), "[h]aving a mission, vision and values keeps us grounded in an uncertain time. Our purpose at Duke Energy has never been more important. We provide an essential service. We power the daily lives of our employees, customers and communities, no matter the circumstances." The Sustainability Report is attached hereto as Exhibit C.

The Sustainability Report proceeds to detail the goals, governance, management actions, policies and procedures in the Company's key focus areas: (1) improving the lives of our customers and vitality of our communities; (2) growing and adapting the business, and achieving our financial objectives; (3) exceling in safety, operational performance and environmental stewardship; and (4) developing and engaging employees, and strengthening leadership. These four focus areas are completely aligned with the Statement of Purpose, which also focuses on customers, communities, suppliers, shareholders, and employees.

This alignment and the Company's views on its commitment to all stakeholders is also evident in the Sustainability Report and numerous other disclosures, a small portion of which are detailed in the following chart.

Statement of Purpose Commitment	Duke Energy Source Document	Illustrative Disclosures of Duke Energy's Existing Commitment
Deliver value to customers	2019 Sustainability Report, page 12, Our Sustainability Plan and Goals	Duke Energy's Sustainability Report details its customer goals, including goals regarding providing affordable energy and energy efficiency measures for customers, and its progress toward those goals.
	2019 Sustainability Report, pages 15-23, Customer section	Duke Energy's Sustainability Report included a section devoted to delivering value to customers, including how the Company is transforming the customer experience, connecting customers to smart energy technologies, customer assistance programs, customer rates and solutions the Company is providing for customers to access renewable energy.
Investing in employees	2019 Sustainability Report, page 13, Our Sustainability Plan and Goals	Duke Energy's Sustainability Report details the goals it has set for developing its employees, including workforce engagement metrics, diversity and inclusion goals, and leadership training goals, as well as the progress the Company has made toward those goals.
	2019 Sustainability Report, pages 47-53, Employee section	Duke Energy's Sustainability Report includes a section solely devoted to its employees, including articles on work being done to continue to strengthen the culture of diversity and inclusion within the Company, workforce performance metrics, and the Company's ethics and compliance program.
	Company website, Learning and development programs prepare our leaders and employees to meet the future challenges of our industry (Attached hereto as Exhibit D)	Duke Energy's website includes detailed information on its leadership and development programs, and states that "We are committed to providing learning and skill development solutions to help employees power their potential."
	Company website, Programs to engage and enable our employees (Attached	Duke Energy's website includes information on various programs targeted at employee development and engagement, including volunteerism, ethics, and leadership training and feedback, among other things.

Statement of Purpose Commitment	Duke Energy Source Document	Illustrative Disclosures of Duke Energy's Existing Commitment
	hereto as Exhibit E)	"Our success is dependent upon having capable, engaged and enabled employees to meet the challenges of our business."
	Company website, Work-life balance programs support the health and well-being of our employees (Attached hereto as Exhibit F)	Duke Energy's website includes information on numerous benefits and programs offered to employees to improve their health and well-being, and states that "We offer flexible work arrangements that support our work-life balance philosophy and help us attract and retain talent."
	Company website, Strengthening a culture of inclusion (Attached hereto as Exhibit G)	Duke Energy's website details the Company's commitment to build a diverse workforce that mirrors the communities we serve, and the work being done to support commun8ity economic development organizations to identify diverse suppliers and vendors.
Deal fairly and ethically with suppliers	Supplier Code of Conduct (Attached hereto as Exhibit H)	Duke Energy's website includes a copy of our Supplier Code of Conduct, which applies to all businesses that support Duke Energy, and includes information on the Company's core values, reporting of concerns and violations by suppliers, health and safety, conflicts of interest, supplier selection and competition, data privacy and environment so that suppliers know their rights and the Company's expectations.
	2019 Sustainability Report, page 23, Supporting Suppliers Who Share Our Values article	The Sustainability Report includes an article on how the Company promotes diversity and inclusion and other core values of the Company within its supply chain. "The company strives to improve the lives of our customers and the vitality of our communities by consistently considering supplier diversity, local economic impact, and environmental stewardship as part of our sourcing practices."
Support the communities in which the company works	2019 Sustainability Report, page 21, Investing in Our Communities article	The Sustainability Report discusses the Company's charitable giving in our communities for issues from weather preparedness to mental health and addiction assistance.
	2019 Sustainability	The Sustainability Report discusses the Company's

Statement of Purpose Commitment	Duke Energy Source Document	Illustrative Disclosures of Duke Energy's Existing Commitment
	Report, page 21, "Customer Assistance Programs Help Those in Need" article	assistance programs to help those in need pay their utilities. "Helping customers in need with heating and cooling assistance programs has been a hallmark of Duke Energy for a generation."
	2019 Sustainability Report, pages 12-13, Our Sustainability Plan and Goals – Growth section	The Sustainability Report discusses the goals the Company has set for economic development in the communities which the Company serves, as well as the Company's progress toward those goals.
	2019 Annual Report, page 10, Letter to Shareholders, (Attached hereto as Exhibit I)	Duke Energy's commitment to its communities is evidenced in part by its commitment to operational excellence and environmental performance to protect the health and safety of the communities in which it operates. This commitment is discussed in Duke Energy's 2019 Annual Report: "Our commitment to operational excellence remains foundational to our success. This focus always starts with safety – of our assets, our people, our communities and the environment."
Generate long-term value for shareholders and commit to transparency and effective engagement with shareholders	2019 Sustainability Report, pages 12-13, Our Sustainability Plan and Goals – Growth section	The Sustainability Report discusses the Company's goal for total shareholder return and the results for 2019.
	2019 Annual Report, Letter to Shareholders	Duke Energy's 2019 Annual Report discusses its corporate goals for obtaining results for shareholders and its actions toward those goals.
	2020 Proxy Statement dated March 26, 2020	Duke Energy's 2020 Proxy Statement discusses the Company's pay for performance executive compensation philosophy which aligns management compensation with shareholder financial returns and also discusses the engagements the Company has with shareholders. "This proxy statement contains information about our Board's oversight of Duke Energy's strategy, performance, risks, governance, executive compensation, and sustainability practices. It

Statement of Purpose Commitment	Duke Energy Source Document	Illustrative Disclosures of Duke Energy's Existing Commitment
		also talks about the outreach we have had in the past year with fellow shareholders and how that feedback has influenced the work that we are doing at Duke Energy."
	Stock Ownership Guidelines Policy (Attached hereto as Exhibit J)	Duke Energy has adopted a Stock Ownership Guidelines Policy which facilitates the alignment of the Board and Company management with the financial interests of shareholders.

Accordingly, the Company has already demonstrated through its numerous public disclosures that its policies, practices and procedures are aligned with the Statement of Purpose and compare favorably with the guidelines of the Proposal, and, therefore, the Proposal may be excluded from the Company's Proxy Materials.

The Board's Corporate Governance Committee has determined that the Company's governance and management systems already operate in accordance with the Statement of Purpose

The Staff has previously concurred with the exclusion of a similar shareholder proposal regarding the Statement of Purpose on the basis of substantial implementation. In *JPMorgan Chase & Co*. (avail. Feb. 5, 2020), a similar shareholder proposal requested that the company's board "provide oversight and guidance as to how the new statement of stakeholder theory should alter our Company's governance and management system, and publish recommendations regarding implementation." In granting no-action relief under Rule 14a-8(i)(10) to JP Morgan Chase & Co., the Staff stated that ". . . [i]t appears that the board's actions compare favorably with the guidelines of the Proposal and that the Company has, therefore, substantially implemented the Proposal." The Staff particularly noted the JP Morgan Chase & Co.'s representation that "the Corporate Governance and Nominating Committee of the Board again reviewed the BRT Statement and determined that no additional action or assessment is required, as the Company already operates in accordance with the principles set forth in the BRT Statement with oversight and guidance by the Board of Directors, consistent with the Board's fiduciary duties." *See* JPMorgan Chase & Co. (avail. Feb. 2020).

In its charter, a copy of which is attached hereto as Exhibit K, Duke Energy's Corporate Governance Committee has been delegated by the Board the responsibility of overseeing sustainability matters as well as the Company's strategy and goals with respect to environmental, social, and governance matters, to which the Statement of Purpose directly relates. As such, the Corporate Governance Committee first reviewed and discussed the Statement of Purpose and its commitments in September 2019.

The Corporate Governance Committee has also been delegated by the Board the responsibility of oversight with respect to shareholder proposals to be voted on at shareholder meetings, and, in December 2020, the Corporate Governance Committee reviewed the Proposal and further reviewed and discussed the Statement of Purpose and the Company's related disclosures and practices. Based on these reviews, the Corporate Governance Committee has determined that the Company's governance and management systems do not require alterations in order to implement the Statement of Purpose because the Company already operates in alignment with the principles of the Statement of Purpose and provides numerous public disclosures regarding this alignment. The analysis by, and determination of, the Corporate Governance Committee substantially implements the Proposal because, as was the case in *JPMorgan Chase & Co*., it addresses the underlying concerns of the Proposal regarding the Board's review of the Statement of Purpose's alignment with the Company's governance and management systems.

CONCLUSION

Based on the foregoing, the Company respectfully requests that the Staff advise that it will not recommend any enforcement action if the Company excludes the Proposal from its Proxy Materials for the 2021 Annual Meeting. If the Staff does not concur with the Company's positions, we would appreciate an opportunity to confer with the Staff concerning this matter prior to the issuance of a response. In such case, or if you have any questions or desire any further information, please contact the undersigned at (704) 382-9151.

Very truly yours,

Nancy M. Wright

CC: Kodwo Ghartey-Tagoe, Executive Vice President and Chief Legal Officer
David S. Maltz, Vice President, Legal, Chief Governance Officer and Assistant Corporate Secretary
Justin Danhof, National Center for Public Policy Research

EXHIBIT A

(Copy of Proposal and Related Correspondence)

NATIONAL CENTER
FOR PUBLIC POLICY RESEARCH

November 18, 2020

Via FedEx to

David B. Fountain
Senior Vice President, Legal, Chief Ethics and Compliance Officer and Corporate Secretary
Duke Energy Corporation
DEC 48H
P.O. Box 1414
Charlotte, NC 28201-1414

Dear Mr. Fountain,

I hereby submit the enclosed shareholder proposal ("Proposal") for inclusion in the Duke Energy Corporation (the "Company") proxy statement to be circulated to Company shareholders in conjunction with the next annual meeting of shareholders. The Proposal is submitted under Rule 14(a)-8 (Proposals of Security Holders) of the United States Securities and Exchange Commission's proxy regulations.

I submit the Proposal as the Deputy Director of the Free Enterprise Project of the National Center for Public Policy Research, which has continuously owned Company stock with a value exceeding $2,000 for a year prior to and including the date of this Proposal and which intends to hold these shares through the date of the Company's 2021 annual meeting of shareholders. A Proof of Ownership letter is forthcoming and will be delivered to the Company.

Copies of correspondence or a request for a "no-action" letter should be forwarded to Justin Danhof, Esq, General Counsel, National Center for Public Policy Research, 20 F Street, NW, Suite 700, Washington, DC 20001 and emailed to JDanhof@nationalcenter.org.

Sincerely,

Scott Shepard

Enclosure: Shareholder Proposal

Report on Company's Involvement with Business Roundtable "Statement on the Purpose of a Corporation"

Whereas, our Company's Chief Executive Officer (CEO) Lynn Good signed a Business Roundtable (BRT) "Statement on the Purpose of a Corporation," (Statement) in August 2019, committing our Company to serve all stakeholders – including employees, customers, supply chains, communities where we operate – and shareholders.[1]

Existing governance documents evolved in the still legally mandated system of shareholder primacy, but the Statement articulates a new purpose, moving away from shareholder primacy and including commitment to all stakeholders. The Statement may or may not be beneficial to associate with our brand, but as company policy, it may conflict with existing corporate law unless, and possibly even if, it is integrated into Company governance documents, including bylaws, articles of incorporation, and/or committee charters.

A stakeholder model would shift corporate focus from value creation to concerns generally referred to as Environmental, Social and Governance (ESG) issues. CEO Good works hard to indicate Company commitment to such causes, priding herself on her commitments to renewable energy, carbon-capture technology, and workplace diversity.[2] And she and other Company executives tout the power of ESG commitments to power profit growth for the company.[3]

For consistency and the avoidance of legal risk, our Company should not endorse positions with which it has not or cannot conform itself. We currently engage in actions that seem to contradict the Statement. Just two examples:

- Our Company is regularly accused of "greenwashing," as by failing to move directly to zero-carbon energy production, which environmental activists consider an insufficient commitment to environmental protection.[4]

And

- Our Company has instituted massive layoffs in the wake of mergers and consolidation by the Company, which activists consider an inappropriate placement of profit over duty to stakeholders.[5]

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[1] https://opportunity.businessroundtable.org/ourcommitment/
[2] https://moneyinc.com/duke-energy-ceo-lynn-good/
[3] https://www.bizjournals.com/charlotte/news/2020/10/09/duke-energy-tells-investors-environmental-social.html
[4] https://www.dailytarheel.com/article/2019/09/duke-energy-emission-plan-0924; https://www.pv-magazine.com/2019/11/19/more-claims-of-greenwashing-at-major-us-electric-utilities/; https://www.dailykos.com/stories/2020/5/29/1948437/-Renewable-Friday-Duke-Energy-Greenwashing
[5] https://www.wsoctv.com/news/local/duke-energys-latest-wave-of-job-cuts-its-largest-ever-/926485473/

And while the Statement implies accountability to stakeholders, without clear mechanisms in place to implement the Purpose, this broadened standard could reduce real accountability to shareholders and all stakeholders generally and in effect, result in genuine accountability to none. This would violate both the letter and the spirit of the Statement.

Resolved: Shareholders request our Board prepare a report based on a review of the BRT Statement of the Purpose of a Corporation, signed by our Chief Executive Officer, and provide the board's perspective regarding how our Company's governance and management systems can be altered to fully implement the Statement of Purpose, or, in the alternative, what our Company should do if the Statement cannot be reconciled with current practices and commitments. The report may include the Board's perspective on benefits and drawbacks of the options considered, as well as the Board's recommendations.

Supporting Statement

Given the Company's inconsistent actions related to the Statement of Purpose, the Board might after full investigation consider the option of rescinding the CEO's signature and Company's name from that document.

EXHIBIT B

Statement of Purpose of a Corporation

BR Business Roundtable

Statement on the Purpose of a Corporation

Americans deserve an economy that allows each person to succeed through hard work and creativity and to lead a life of meaning and dignity. We believe the free-market system is the best means of generating good jobs, a strong and sustainable economy, innovation, a healthy environment and economic opportunity for all.

Businesses play a vital role in the economy by creating jobs, fostering innovation and providing essential goods and services. Businesses make and sell consumer products; manufacture equipment and vehicles; support the national defense; grow and produce food; provide health care; generate and deliver energy; and offer financial, communications and other services that underpin economic growth.

While each of our individual companies serves its own corporate purpose, we share a fundamental commitment to all of our stakeholders. We commit to:

- Delivering value to our customers. We will further the tradition of American companies leading the way in meeting or exceeding customer expectations.

- Investing in our employees. This starts with compensating them fairly and providing important benefits. It also includes supporting them through training and education that help develop new skills for a rapidly changing world. We foster diversity and inclusion, dignity and respect.

- Dealing fairly and ethically with our suppliers. We are dedicated to serving as good partners to the other companies, large and small, that help us meet our missions.

- Supporting the communities in which we work. We respect the people in our communities and protect the environment by embracing sustainable practices across our businesses.

- Generating long-term value for shareholders, who provide the capital that allows companies to invest, grow and innovate. We are committed to transparency and effective engagement with shareholders.

Each of our stakeholders is essential. We commit to deliver value to all of them, for the future success of our companies, our communities and our country.

Released: August 19, 2019
Signatures Updated: September 2019, December 2019, February 2020, April 2020, June 2020, August 2020, September 2020 and October 2020.

EXHIBIT C

Sustainability Report

DUKE ENERGY®

2019 SUSTAINABILITY REPORT

Ready for what's next

2019 | 2020 RECOGNITIONS

Table of Contents

Duke Energy published its 2019 Sustainability Report in April 2020 during the COVID-19 (coronavirus) pandemic. Learn about the company's response to this crisis at dukeenergyupdates.com.

- For the 14th consecutive year, Duke Energy was named to the Dow Jones Sustainability Index for North America.

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

- Duke Energy was named to Fortune magazine's "World's Most Admired Companies" list in 2020 for the third consecutive year.
- Forbes magazine named Duke Energy one of "America's Best Employers" in 2019.
- Forbes magazine named Duke Energy one of "America's Best Employers for Diversity" in 2020 and one of "America's Best Employers for Women" in 2019.
- Duke Energy received a perfect score for the third year in a row on the Human Rights Campaign's 2020 Corporate Equality Index, and was named to the organization's list of "Best Places to Work for LGBTQ Equality."
- Duke Energy received a "HIRE Vets Medallion Award" in 2019 from the U.S. Department of Labor for recruiting, employing and retaining veterans.
- Labrador Advisory Services ranked Duke Energy No. 1 among U.S. utilities for investor transparency.
- Duke Energy was ranked 125 on Newsweek magazine's 2020 list of "America's Most Responsible Companies," out of 2,000 companies analyzed.
- Duke Energy received the Edison Electric Institute's "Emergency Recovery Award" for the company's power restoration efforts after Winter Storm Diego hit the Carolinas in December 2018.
- The Arbor Day Foundation recognized Duke Energy as a 2019 Tree Line USA utility in Florida, Indiana, Kentucky, Ohio and the Carolinas.
- Duke Energy was recognized for ethics and compliance excellence by the Ethisphere Institute with its "Compliance Leader Verification" designation for 2019 and 2020.
- For the 15th consecutive year, Duke Energy in 2019 was named to Site Selection magazine's list of "Top Utilities in Economic Development."

LYNN J. GOOD

Chair, President and Chief Executive Officer

Ready for what's NEXT

A Message From Our CEO

This is an extraordinary time for our company and our country as we respond to the impact of COVID-19. This pandemic is unlike anything we've seen – and it's required us to dramatically adjust how we operate. Like people everywhere, we've experienced a range of emotions – everything from fear and anxiety to hope and pride – as we navigate this together.

Having a mission, vision and values keeps us grounded in an uncertain time. Our purpose at Duke Energy has never been more important. We provide an essential service. We power the daily lives of our employees, customers and communities, no matter the circumstances. And sustainability is a critical part of that.

The importance of delivering value through sustainability continues to grow, reshaping how industries operate, invest and deliver value to their stakeholders.

I'm proud to say we have a strong track record on sustainability, including the actions we've taken to reduce the impact of our operations on the environment. For example, last year we decreased our carbon emissions an additional 8 percent from 2005 levels, bringing total reductions to 39 percent.

That's progress – but we've taken our commitment even further.

In 2019, we refreshed our climate strategy and accelerated our goals – we now plan to reduce carbon emissions from electricity generation by at least 50 percent by 2030 and achieve net-zero emissions by 2050. In the pages that follow and our newly released Climate Report, you'll find more details on how we plan to achieve these targets. We're also strong advocates for investments in research and development and technologies that don't exist at scale yet today.

THE IMPORTANCE OF DELIVERING VALUE THROUGH SUSTAINABILITY CONTINUES TO GROW, RESHAPING HOW INDUSTRIES OPERATE, INVEST AND DELIVER VALUE TO THEIR STAKEHOLDERS.

2019 Results

Other highlights of our sustainability success in 2019 include:

- Shared our plans to pursue subsequent license renewal to operate our nuclear fleet for another 20 years. Nuclear power is a linchpin in achieving our climate goals – providing nearly 90 percent of our carbon-free generation.
- Announced over 1,500 megawatts of new wind and solar projects in our Commercial Renewables business, and made significant progress on new solar projects in our regulated businesses in Florida and the Carolinas.
- Brought our Asheville combined-cycle natural gas plant online in North Carolina and have since retired two coal-fired units at the site.
- Improved reliability measures 15 percent year over year and prevented more than 610,000 extended power outages, saving customers approximately 62 million outage minutes with self-optimizing grid capabilities.
- Issued an additional $1.3 billion in green bonds, bringing our total clean energy offerings to $2.3 billion since 2018.
- Announced plans to support the deployment of nearly 7,500 electric vehicle chargers in our service territories including residential, fleet, public transit and highway fast charging.
- Increased investment in battery storage, including approximately $600 million over the next five to 10 years to expand capabilities by nearly 400 megawatts.
- Continued to build a diverse and talented workforce that's positioned to meet the pace of change in our industry. This includes the establishment of our Optimist Hall facility with nearly 400 employees dedicated to developing new products and services and transforming how we operate our business.
- Remained active in the communities we serve, creating jobs, fostering innovation and providing support. In 2019, we helped attract over 15,000 jobs and $7.1 billion across our service territories.
- Donated more than $30 million in 2019 to help tackle pressing community issues, such as the opioid epidemic, access to affordable housing and skilling the workforce for the jobs of tomorrow.

Continuing Our Legacy

In a time when uncertainty is the only certainty, it reminds us to stay focused on the path forward.

We're embracing change as we prepare our business to meet tomorrow's energy needs. We're becoming more efficient, more competitive and more agile – while maintaining our commitment to sustainability.

There's no question sustainability is a defining characteristic of our future, and I look forward to continuing our legacy of meeting the needs of our stakeholders.

Lynn J. Good
Chair, President and Chief Executive Officer

April 28, 2020

Louis Renjel

Senior Vice President
Federal Government and
Corporate Affairs

About This Report

The energy industry is changing. At Duke Energy, we want to give our customers, employees, and stakeholders a front seat to impact and witness this exciting transformation.

In 2019, we announced a commitment to be carbon neutral by 2050, a key development as we seek to build a cleaner energy future.

Tomorrow's energy landscape will continue to address key issues of today: Ensuring reliable and affordable energy while addressing the important issue of climate change. We must also be mindful of a changing workforce, economic opportunity for the communities we serve, cybersecurity and the role of new technology, and we will need to collaborate with our stakeholders to develop solutions to these issues.

Successful companies are those that recognize and adapt to a changing landscape. In this report, you will notice the many areas where engagement with our external stakeholders has created positive outcomes.

That engagement will continue as Duke Energy moves toward a more clean, affordable and reliable energy system. Maintaining open, two-way communication channels will help us promote a better environment for sustainability to thrive.

As always, we aim to make sure our information is comprehensive, clear and paints an accurate picture of the company. We are proud of the progress we've made and are focused on opportunities for improvement.

In addition to this Sustainability Report, you can find a detailed Global Reporting Initiative Index on our website. Duke Energy is also participating in the Edison Electric Institute and American Gas Association sustainability reporting initiative.

The company has also issued a 2020 Climate Report to provide more details on how we are managing climate risks, including physical, policy and economic risks – as well as our plan to transition to a cleaner energy future. The report is organized to align with the Taskforce on Climate-related Financial Disclosures (TCFD) framework.

Lastly, we intend to use the Sustainability Accounting Standards Board (SASB) standards in 2020 to help inform our sustainability reporting.

Thank you for your interest in the 2019 Sustainability Report and Duke Energy.

Louis Renjel
Senior Vice President
Federal Government and Corporate Affairs

Duke Energy At A Glance

Electric Utilities and Infrastructure

Generation Diversity (percent owned capacity)[1]

42% Natural Gas/Fuel Oil
33% Coal
18% Nuclear
7% Hydro and Solar

Generated (net output gigawatt-hours (GWh))[2]

36% Natural Gas/Fuel Oil
35% Nuclear
27% Coal
2% Hydro and Solar

Customer Diversity (in billed GWh sales)[2]

34% Residential
30% General Services
20% Industrial
16% Wholesale/Other

Electric Utilities and Infrastructure conducts operations primarily through the regulated public utilities of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Indiana and Duke Energy Ohio.

Electric Operations

- Owns approximately 51,144 megawatts (MW) of generating capacity
- Service area covers about 91,459 square miles with an estimated population of 25 million
- Service to approximately 7.8 million residential, commercial and industrial customers
- 280,024 miles of distribution lines and a 31,312-mile transmission system

[1] As of December 31, 2019. | [2] For the year ended December 31, 2019.
[3] Contains projects included in tax equity structures where investors have differing interests in the projects' economic attributes (100 percent of the tax equity projects' capacity is included).

Natural Gas Customer Diversity

Gas Utilities and Infrastructure conducts natural gas distribution operations primarily through the regulated public utilities of Piedmont Natural Gas and Duke Energy Ohio.

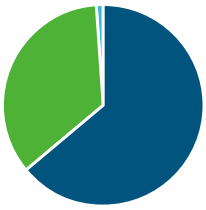
Natural Gas Operations (throughput)[2]

51% Power Gen
18% General Services
15% Residential
9% Industrial
7% Other

- Regulated natural gas transmission and distribution services to approximately 1.6 million customers in the Carolinas, Tennessee, southwestern Ohio and Northern Kentucky
- Maintains more than 33,700 miles of natural gas transmission and distribution pipelines and 27,200 miles of natural gas service pipelines

Commercial Renewables

Generation Diversity (percent owned capacity)[1,3]



64% Wind
35% Solar
1% Storage/Fuel Cell

Commercial Renewables primarily acquires, develops, builds and operates wind and solar renewable generation throughout the continental U.S. The portfolio includes nonregulated renewable energy and energy storage businesses.

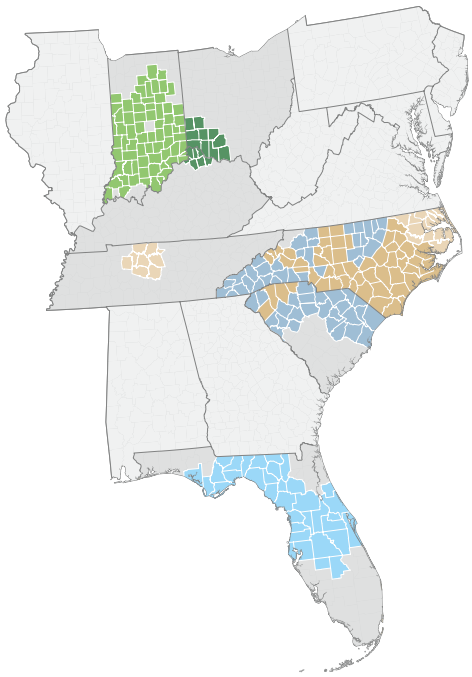
Commercial Renewables' renewable energy includes utility-scale wind and solar generation assets, distributed solar generation assets, distributed fuel cell assets and a battery storage project, which total 2,282 MW across 19 states from 22 wind facilities, 126 solar projects, 11 fuel cell locations and one battery storage facility. The power produced from renewable generation is primarily sold through long-term contracts to utilities, electric cooperatives, municipalities and corporate customers.

As part of its growth strategy, Commercial Renewables has expanded its investment portfolio through the addition of distributed solar companies and projects, energy storage systems and energy management solutions specifically tailored to commercial businesses.

Duke Energy At A Glance

CONTINUED

Maps of Operations



Service Territories

Counties Served*

- Duke Energy Indiana
- Duke Energy Ohio/Kentucky
- Duke Energy Carolinas/Progress
- Piedmont Natural Gas
- Overlapping territory (Duke Energy/Piedmont Natural Gas)
- Duke Energy Florida

*Portions may be served by other utilities.

Commercial and Regulated Renewable Projects

- Solar power projects
- Wind power projects
- Battery storage facilities
- Third-party customers
- Under construction

*Denotes DERC, LLC. solar locations

Duke Energy Renewables
As of December 31, 2019

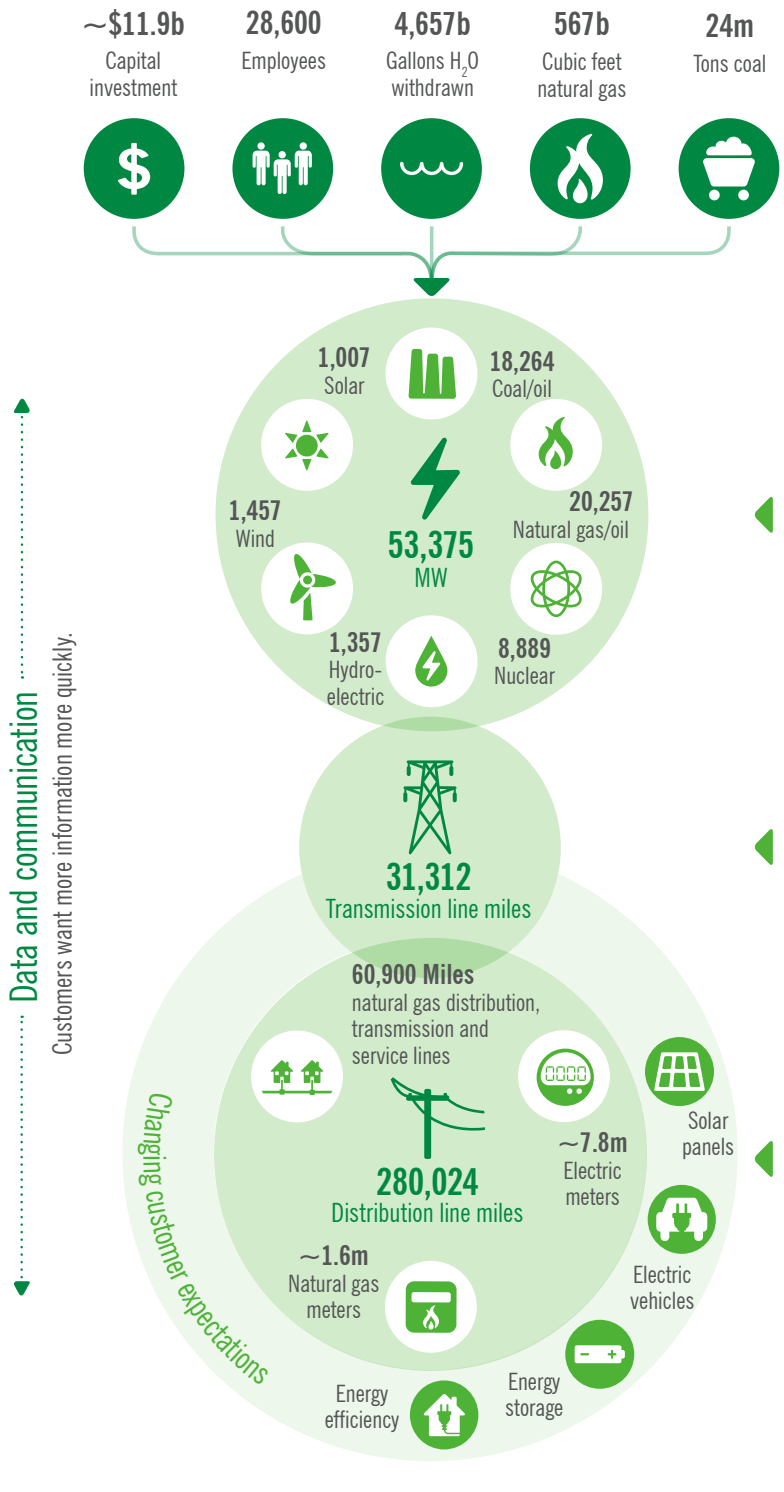
Value Creation Model

Major Resources

Duke Energy begins its value creation process by using natural resources, technology and talent to create energy and spur growth in our communities.

Evolving Business Model

As technology and customers' expectations evolve, Duke Energy must also evolve. The company's business model now is mainly a combination of selling electricity and natural gas. But it is also helping customers cut energy consumption and use it more wisely.



Impacts and Value Created on next page

Value Creation Model

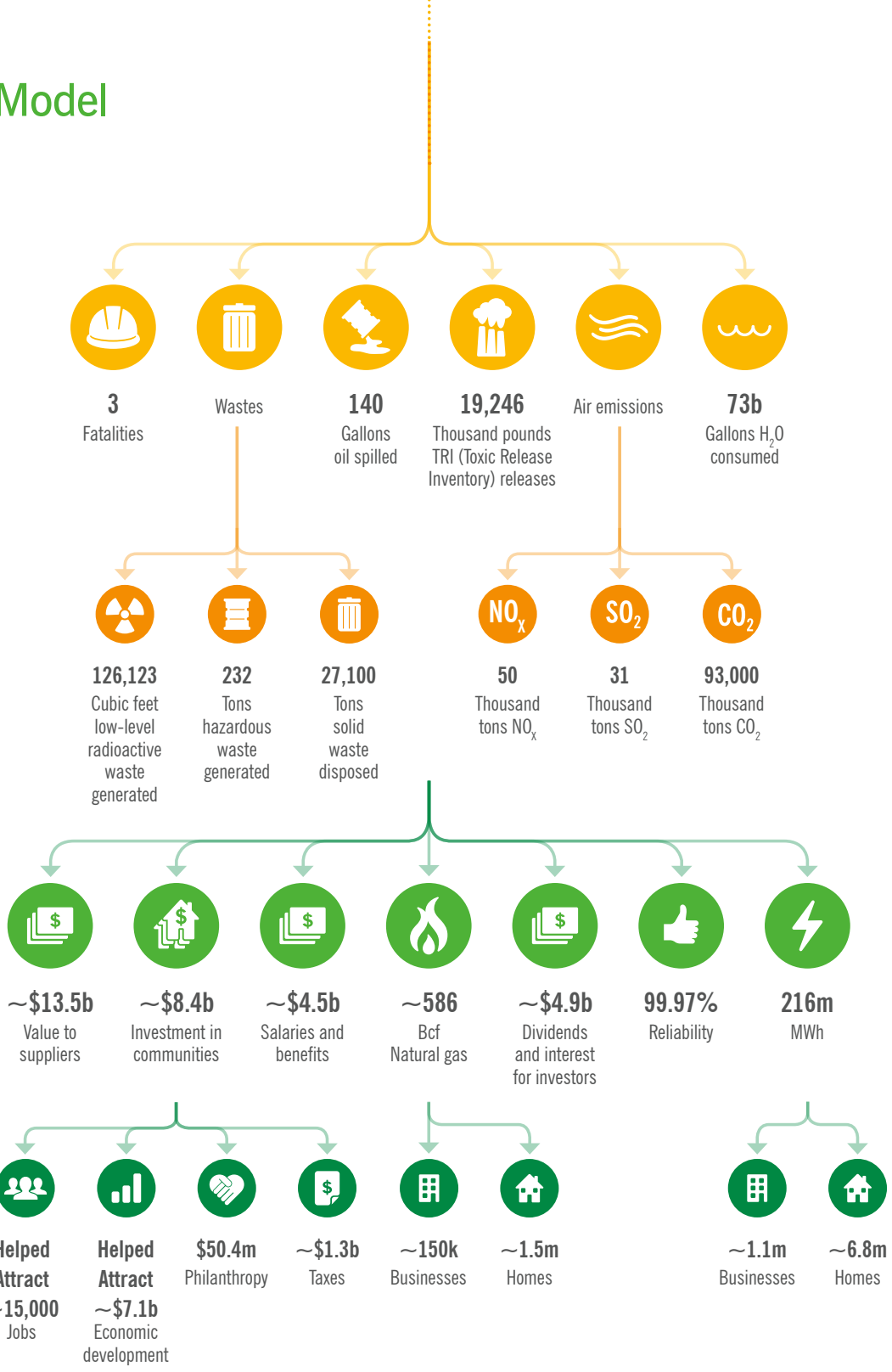
CONTINUED

Mitigating Impacts

Generating and delivering energy creates environmental impacts. Duke Energy works hard to reduce them. Our recent track record is good. But our goal is to continuously improve.

Creating Value

We fuel the economy, energize lives and provide an attractive investment. Duke Energy also supports communities with the taxes it pays, as well as through philanthropic contributions and employee volunteerism.



The information presented here is meant to provide an overview of Duke Energy and is not meant to be precise or inclusive of all the company's inputs and outputs. Please see the 2019 Duke Energy Annual Report on Form 10-K for detailed notes and further explanations of financial information and this Sustainability Report for more social and environmental information.

Our Stakeholders and What Matters Most

The Value of Our Stakeholders

Duke Energy is honored to provide the reliable energy that keeps our communities moving forward. Every day, our product has an impact on people's lives.

With that privilege comes a deep sense of responsibility to deliver the right energy solutions. The only way to get those solutions right is if they are shaped by the views of a broad array of perspectives.

Thankfully, our stakeholder audience is diverse. They include customers, shareholders, regulators, environmental groups, social advocates, community agencies, elected officials, employees and many others. Each stakeholder brings a needed and essential perspective, which is vitally important as we develop future energy solutions to meet their needs.

Getting those perspectives early and often – and then collaborating to develop workable solutions – is essential. We seek that input in many formal and informal ways. They range from one-on-one meetings in our stakeholders' offices to open houses to our Advisory or Listening Councils – to name a few.

With so much at stake, securing and transforming our collective energy future depends on hearing many voices. Our commitment to make a positive impact on our communities keeps us focused on hearing more and listening harder.

What Matters Most

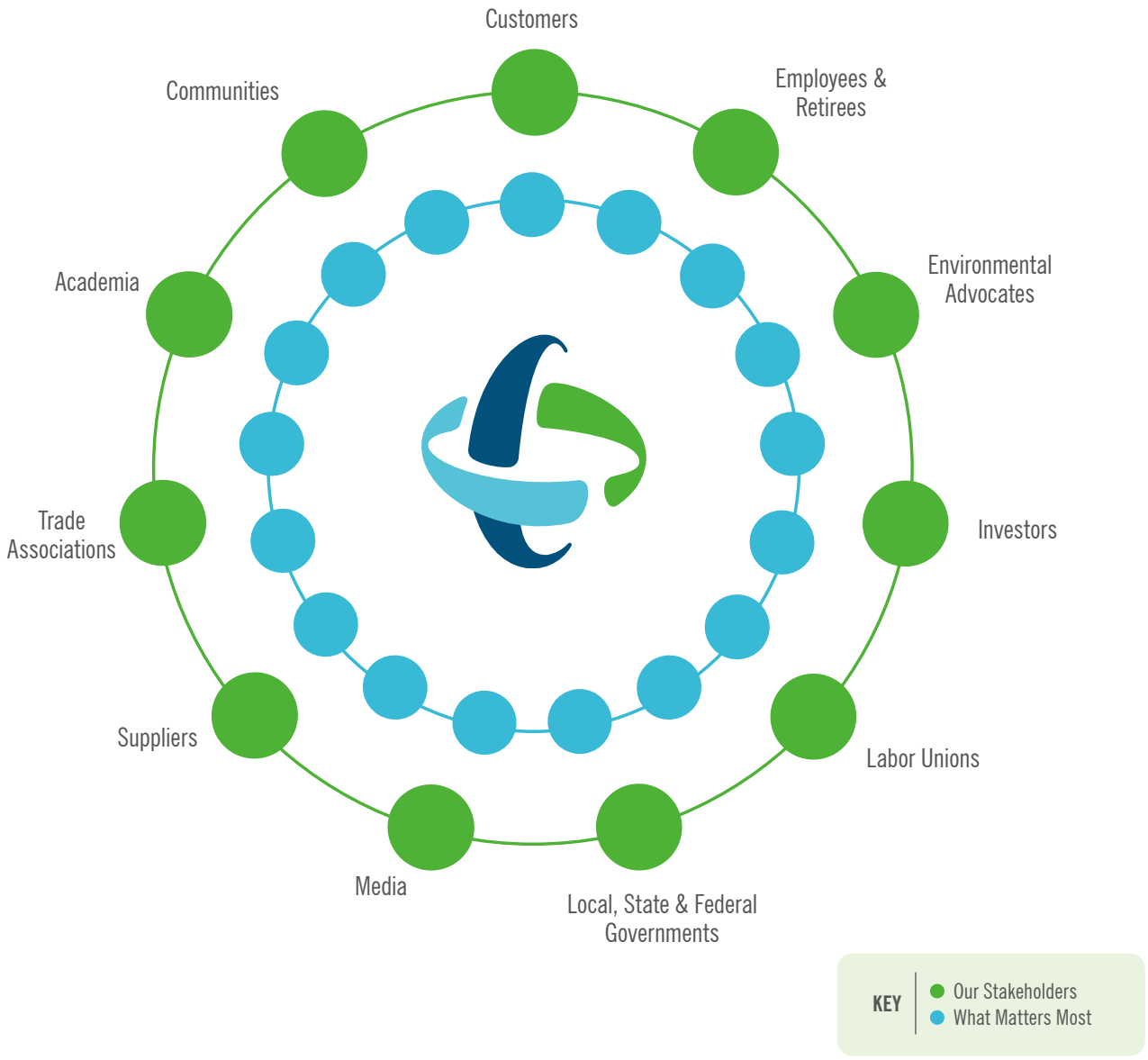
Duke Energy's approach to sustainability focuses on the issues that are most important to our stakeholders and to us. We identify issues from a variety of sources such as stakeholder feedback, surveys, reporting frameworks, thought leader perspectives, social and traditional media coverage, and shareholder proposals in our sector.

We have mapped our priority issues to the United Nations Sustainable Development Goals (SDGs), which aim to "end poverty, protect the planet and ensure prosperity for all." Since their development in 2015, the 17 SDGs have gained traction with stakeholders concerned about sustainability issues. While there was alignment between our priorities and several of the SDGs, goals such as "Seven: Affordable and Clean Energy," and "Thirteen: Climate Action," are especially applicable to our company.

The graphic depicts the relationship among Duke Energy, its stakeholders and the most important issues. The stakeholders and issues are both presented alphabetically to make it clear that they are all important while safety, as always, is our No. 1 priority.

Our Stakeholders and What Matters Most

CONTINUED



What Matters Most

- Safety: *Our No. 1 Priority*
- Affordable Energy
- Air Emissions
- Biodiversity & Habitat Protection
- Climate Change
- Community Engagement
- Customer Engagement
- Cybersecurity
- Diversity & Inclusion
- Economic Development
- Employee Development & Engagement
- Ethics & Compliance
- Human Rights
- Long-Term Investor Value
- Reliability & Resiliency
- Risk Management
- Water Quality & Availability

Our Sustainability Plan and Goals

GOAL STATUS
- Achieved or on track
- Currently not on track
- Target not achieved

1 | CUSTOMERS

Improve the lives of our customers and vitality of our communities.

GOALS:

- **Affordable energy:** Maintain electric rates lower than the national average.

2019 status: Duke Energy's electric rates in all six states we serve were lower than the national average in all three customer categories (residential, commercial and industrial). (See related graphic on page 20: "Duke Energy's Electric Rates: Below U.S. Average.")

- **Energy efficiency – consumption:** Achieve a cumulative reduction in customer energy consumption of 18,750 gigawatt-hours (GWh) (equivalent to the annual usage of 1.56 million homes) by year-end 2020.

2019 status: As of year-end 2019, energy consumption was reduced by nearly 19,000 GWh.

Updated goal: Achieve a cumulative reduction in customer energy consumption of 20,000 GWh (equivalent to the annual usage of 1.67 million homes) by year-end 2020.

- **Energy efficiency – peak demand:** Achieve a cumulative reduction in peak demand of 6,000 megawatts (MW) (equivalent to 10 600-MW power plants) by year-end 2020.

2019 status: As of year-end 2019, peak demand was reduced by nearly 6,700 MW.

Updated goal: Achieve a cumulative reduction in peak demand of 6,900 MW (equivalent to 11.5 600-MW power plants) by year-end 2020.

Potential changes in state energy efficiency rules and requirements, and changes to utility avoided costs may have an impact on our future energy efficiency goals.

- **Charitable giving:** The Duke Energy Foundation will invest more than $30 million annually in charitable giving.

2019 status: The Duke Energy Foundation contributed $31.3 million. Total 2019 charitable giving was $50.4 million. (See related graphic on page 22: "2019 Charitable Giving.")

- **Community leader ratings:** During 2019, conduct a community leader study across all our service territories to maintain insight into our performance with this important customer segment.

2019 status: Community leaders reported overall satisfaction ratings ranging from 85 to 96 percent across all jurisdictions. Results showed satisfaction with power quality and reliability performance. Improvement areas included rate increases/high bills and renewables.

- **Community volunteerism:** Support our communities with more than 100,000 employee and retiree volunteer hours annually.

2019 status: Over 136,000 volunteer hours were donated.

2 | GROWTH

Grow and adapt the business, and achieve our financial objectives.

GOALS:

- **Economic development:** Stimulate growth in our communities and help attract at least 40,000 jobs and $10 billion in capital investment from 2017 through 2021.

2019 status: Since 2017, Duke Energy helped our communities attract more than 41,000 jobs and over $18.3 billion in capital investment to our service territories. (See related graphic on page 31: "Economic Development.")

Updated goal: Stimulate growth in our communities and help attract at least 45,000 jobs and $23 billion in capital investments from 2017 through 2021.

Total shareholder return (TSR): Outperform other investor-owned utilities in TSR, annually and over a three-year period, as measured by the Philadelphia Utility Index (UTY).

2019 status: Duke Energy's TSR results were:
- 10.3 percent in 2019, compared to the UTY return of 26.8 percent.
- 10.2 percent over three years on an annualized basis, compared to the annualized UTY return of 14.0 percent.

- **Renewables (updated goal):** Own, operate or contract 16,000 MW of wind, solar and biomass by 2025. (This goal includes 100 percent of the capacity of majority-owned assets that Duke Energy operates.)

2019 status: As of year-end 2019, Duke Energy owned, operated or had under contract over 8,100 MW of wind, solar and biomass.

- **Governance:** Keep abreast of developments regarding corporate governance principles and recommend internal improvements as appropriate.

2019 status: In 2019, the Board of Directors focused on oversight of the company's strategy and the necessary composition of the Board to oversee that strategy. As part of that focus, the Board appointed three new directors; now approximately 40 percent of directors are members of a traditional diverse class, including four women. In addition, the Board modified the responsibilities and names of two committees to better align its structure with the oversight of key operational risks.

- **Transparency:** Achieve top-quartile performance in disclosure, as measured by Bloomberg Environmental, Social and Governance (ESG) Disclosure Scores for our industry.

2019 status: As of January 29, 2020, Duke Energy had a Bloomberg ESG Disclosure Score of 57.4, the third-best score and in the top quartile of our peer U.S. utilities.

Our Sustainability Plan and Goals

CONTINUED

GOAL STATUS
- Achieved or on track
- Currently not on track
- Target not achieved

3 | OPERATIONS

Excel in safety, operational performance and environmental stewardship.

GOALS:

- **Safety – incident rate:** During 2019, achieve an employee Total Incident Case Rate (TICR) of 0.38.

  2019 status: Total company employee TICR was 0.38. Duke Energy was one of the industry leaders for the fifth year in a row.

- **Safety – fatalities:** During 2019, achieve zero work-related fatalities.

  2019 status: Tragically, in 2019 there were three work-related fatalities.

- **Reliable energy – generation:** During 2019, maintain the high reliability of our generation fleet with a nuclear optimized reliability of less than 203.67, fossil/hydro optimized reliability of less than 57.34 and renewables availability of at least 95.0 percent.

  2019 status:
  - **Nuclear**: Optimized reliability was 183.36.
  - **Fossil/hydro**: Optimized reliability was 57.83.
  - **Renewables**: Renewables availability was 94.0 percent.

- **Reliable energy – customer delivery:** During 2019, maintain the high reliability of our distribution system with a customer delivery reliability score of 100 or higher.

  2019 status: The customer delivery reliability score was 144.

- **Reliable energy – natural gas distribution:** During 2019, maintain the high reliability of our natural gas distribution system with two or fewer outages.

  2019 status: There was one outage. (Outages impacting at least 100 customers that were not caused by a third party.)

- **Carbon emissions (updated goal):** Reduce the carbon dioxide (CO_2) emissions from our generation fleet by at least 50 percent from the 2005 level by 2030 (equates to a reduction from 153 million tons to 75.5 million tons), and attain net-zero emissions by 2050.

  2019 status: Our generation fleet emitted about 93 million tons of CO_2, a reduction of 39 percent, representing solid progress compared to 31 percent through 2018.

- **Water withdrawals:** Reduce water withdrawals by our generation fleet by 1 trillion gallons by 2030 from the 2016 level (5.34 trillion gallons).

  2019 status: Water withdrawals were approximately 4.66 trillion gallons, a reduction of 0.68 trillion gallons.

- **Releases to water:** Reduce releases of TRI (Toxic Release Inventory) chemicals to water by half by 2030 from the 2016 level (212,000 pounds).

  2018 status: Releases of TRI chemicals to water were approximately 520,000 pounds in 2018. These releases are expected to decrease significantly as coal ash basins are closed. (Data for 2019 will be available in August 2020.)

- **Solid waste:** Maintain the percentage of solid waste that is recycled at 80 percent. (This goal excludes Duke Energy Renewables, which has a relatively small waste stream.)

  2019 status: Approximately 77 percent of solid waste generated in 2019 was recycled.

- **Coal ash management (updated):** Meet all federal and state regulatory requirements, while safely closing ash basins.

  2019 status: In 2019, we safely moved 4.5 million tons of coal ash bringing the total amount removed from high-priority N.C. sites and stored in approved facilities to 23.5 million tons. We met all requirements for N.C. House Bill 630 and reached a Settlement Agreement with the N.C. Department of Environmental Quality in early 2020 on the approach for permanently closing the nine remaining coal ash basins in the state.

4 | EMPLOYEES

Develop and engage employees, and strengthen leadership.

GOALS:

Overall goal: Foster a high-impact, engaged, diverse and inclusive culture built on strong leadership.

Employee engagement: Strive for a companywide engagement score of 76 percent by 2022, measured by favorable responses to employee engagement surveys.

2019 status: The next employee engagement survey will be conducted in 2020.

- **Diversity and inclusion:** Increase the percentage of females and minorities in our workforce to 25 percent and 20 percent, respectively, by year-end 2020.

  2019 status: Female representation in the workforce was 23.7 percent (up from 23.3 percent in 2018), and minority representation was 18.8 percent (up from 18.1 percent in 2018). The 2020 COVID-19 (coronavirus) pandemic may create an impact on external hiring, making it challenging for the company to meet this goal by year-end 2020.

- **Leadership:** Advance leadership capabilities and bench strength.

  2019 status: 85 percent of senior management positions have at least one Ready Now Candidate. Plans were identified for advancing diverse leaders with focus on strengthening the culture of inclusion, improving the diversity talent pipeline, and reinforcing leadership commitment and accountability.

Management Approach to Sustainability

Sustainability Governance

Duke Energy has adopted a management approach to sustainability that engages all levels of the company from the Board of Directors to our employees. We also strive to embed sustainable business practices throughout the company.

The Corporate Governance Committee of the Board of Directors

Provides board level oversight over sustainability issues.

Chief Executive Officer

Ultimate responsibility for the company's sustainability performance and long-term success.

Senior Vice President, Federal Government and Community Affairs

Responsible for partnering with business units to develop sustainability goals, integrating sustainable business practices across the company and sustainability reporting.

Senior Business Leaders

Accountable for applicable sustainability goals and integrating sustainability into respective areas.

Sustainability Corps Members

Specially trained employees who provide local support and advocacy for sustainable business practices.

Employees

Implement departmental initiatives and identify local sustainability opportunities.

About Our Data

This report contains the best data available at time of publication. Social and environmental data can be challenging to accurately measure. We correct and report errors in prior-year data when found, and we work to continually improve our data measurement, gathering and reporting processes to increase the integrity of information presented.

Global Reporting Initiative

The Global Reporting Initiative (GRI) is a recognized international framework for economic, environmental and social performance disclosure. We provide a detailed response to GRI indicators on our website, including indicators in GRI's Electric Utilities Sector Disclosures. Sections of this report with information responsive to the GRI indicators/disclosures include the following:

- **General:** Introduction Section (See pages 2-14), Our Sustainability Plan and Goals Section (See pages 12-13)
- **Economic:** Customers Section (See pages 15-23), Growth Section (See pages 24-33)
- **Environmental:** Operations Section (See pages 34-46), Growth Section (See pages 24-33)
- **Social:** Employees Section (See pages 47-53), Customers Section (See pages 15-23)

CUSTOMERS

Improve the Lives of Our Customers and Vitality of Our Communities

1 CUSTOMERS

2019 Highlights

- In 2019, reached a cumulative, multiyear reduction in customer energy consumption of nearly 19,000 gigawatt-hours, and a reduction in peak demand of 6,700 megawatts.
- Customers benefited from electric rates below the national average in all customer classes and all service areas for the sixth consecutive year.
- Installed approximately 2 million smart meters. To date, more than 80 percent of our customers now have smart meters. Smart meters provide real-time information that enables customers to make better decisions about their energy usage.
- During 2019, the Duke Energy Foundation contributed $31.3 million to our communities, and our employees and retirees volunteered over 136,000 hours.

Challenges and Opportunities

- Respond to the accelerating pace of industry transformation and use data, technology and insights to be more efficient and bring customers better value.
- Continue our investments to create a smarter grid that can support the growth of renewables and storage, and be more resilient and better prepared for severe weather events.
- Modernize our modeling tools and the way we plan our energy infrastructure to focus more on integrated planning across electricity generation, transmission and distribution, including the examination of nontraditional solutions.
- Continue to engage with stakeholders to achieve positive outcomes on matters important to our communities.

Early Collaboration Yields Savings at Cincinnati School

Duke Energy has been exceeding its energy efficiency goals as customers embrace doing more with less energy. The company has been recognized as the clear leader in energy efficiency in the Southeast by the Southern Alliance for Clean Energy.

Duke Energy's goals to reduce customer energy consumption and peak demand were both exceeded in 2019.

Duke Energy's goals to reduce customer energy consumption and peak demand were both exceeded in 2019. The company has set even more aggressive energy efficiency goals for 2020.

Duke Energy works closely with its customers to help them save energy and money.

A collaboration between Duke Energy and the Bethany School in Cincinnati helped the kindergarten through eighth grade school earn recognition as the Midwest's first "net-zero" school building and the second-most energy-efficient school in the U.S.

To earn a net-zero designation, a building must be powered by enough renewable energy to offset its demand for energy produced by carbon-emitting sources. The Bethany School earned its designation by using two types of renewable energy systems: solar and geothermal. A solar energy system harnesses the sun's power to produce electricity. Geothermal systems draw from the Earth's natural temperature for heating and cooling.

Bethany School's commitment to sustainability resulted in an ultra-efficient design that earned the school more than $75,000 in Duke Energy incentives and rebates.

Some of the energy-efficient design features include:

- A building layout that keeps most classrooms out of the direct path of the sun.
- Insulation that keeps warm air inside the building during winter or outside during summer.
- Roofing materials chosen with high solar reflectance values, to minimize the "heat island effect" that buildings can create in the environment.
- A geothermal exchange system of more than 100 piping wells buried to depths of 305 feet – and engineered to maximize the transfer of warmer or cooler air between buildings where needed.

In total, the design is expected to deliver energy savings of about 187,000 kilowatt hours per year. That's about the same amount of energy used to dry more than 53,600 loads of laundry and good news for a school committed to sustainability and saving money.

Duke Energy is strengthening the electric grid to keep customers' lights on during severe weather.

Helping Customers Go Green with REC Purchases

When label stock maker UPM Raflatac wanted to go 100 percent renewable, it didn't have the luxury of building a solar or wind farm at its plant in Henderson County, North Carolina.

But it did have another option: It could buy the ownership rights to the amount of energy its Mill River plant and its 170 employees would use in a year.

The path to 100 percent renewable involved buying Renewable Energy Certificates (RECs) through Duke Energy's company REC Solutions. To renewable energy insiders, a REC (pronounced "wreck") is a common term. To the rest of the world – not so much.

A REC is a market-based instrument that can be bought, sold and traded. One REC is issued when 1 megawatt-hour (MWh) of electricity is generated and delivered to the electricity grid from a renewable energy source. It can be from a rooftop solar array, large wind farm or several other energy sources.

Many companies cannot change the sources of electricity delivered by the local energy grid. But by purchasing RECs, those same companies can buy the ownership rights to renewable energy. By owning the REC, a company can legally claim the renewable energy as its own.

Currently, a REC can cost anywhere from 75 cents to $8 per MWh in Duke Energy's regulated service territories – depending on geography and various state regulations. In some areas of the northeastern United States, a REC can cost as much as $400.

So as customers seek to meet their sustainability goals, buying RECs could be a growing part of that strategy. And Duke Energy might be the first energy company they call.

Connecting Customers to a Smarter Energy Future

Duke Energy's grid improvement initiative continues to expand across its service territories.

The company is leveraging smart technologies and making strategic investments to improve reliability for customers, strengthen the grid against physical and cyber threats, enable expansion of solar and innovative technologies, and give customers more options and control to manage their energy use and save money.

As part of this effort, Duke Energy is significantly expanding the use of smart, self-healing technology that automatically identifies power outages and quickly reroutes power to restore customers – often in less than a minute – helping to reduce the number of customers affected by outages by as much as 75 percent.

Customers can track electricity use, report power outages and pay bills using the Duke Energy app.

Self-healing systems delivered significant benefits to customers in 2019, helping to avoid more than 610,000 extended customer outages and saving customers more than 1 million hours of outage time. And those benefits will continue to increase as this technology expands in 2020.

A smart-thinking grid also supports the two-way power flow needed to effectively integrate rooftop solar and other distributed technologies like battery storage, electric vehicles and microgrids.

Duke Energy has delivered improved options and control to customers in 2019 with more than 7 million smart meters now installed in the Carolinas, Florida and the Midwest – 80 percent of the company's customers. Smart meters provide customers with more information about their energy use and usage alerts to help them save energy and money before their bill arrives. They also provide improved outage detection and can help to speed restoration following a major outage.

Additional work in 2019 included grid-strengthening upgrades, physical and cyber security improvements and targeted undergrounding of outage-prone lines, all of which will help deliver a better experience for customers.

With severe weather events increasing in frequency and severity across the company's service area, improving the grid to make it stronger and more resilient will continue to be a top priority for Duke Energy to reliably serve customers now and in the future.

Transforming the Customer Experience Through Action

At the center of all we do is the people we serve – our customers. Understanding what customers think, feel and need is essential to being nimble and responsive in the present, and in planning for a smarter energy future.

Duke Energy learns from customers through face-to-face conversations as well as more formal feedback. Surveys, focus groups, town halls and other market research are some of the information sources we rely on.

Understanding what customers think, feel and need is essential to being nimble and responsive in the present, and in planning for a smarter energy future.

Still, what we learn only transforms the customer experience when we respond with action. Our most recent customer service enhancements were developed to meet customer needs for real-time and proactive information:

- The Duke Energy app offers easy access to paying an energy bill, tracking home energy use, reporting and checking an outage status, and more.
- The interactive outage map provides the number of customers without power, when and where an outage was reported and estimated restoration times. Customers can also opt in to receive outage alerts by phone, text or email.
- Track My Service notifications provide updates to customers seeking to start, stop or transfer their energy services, and are expanding to include planned outage and vegetation management (tree trimming) notifications.

These tools complement Duke Energy's existing service offerings including My Home Energy Report, Online Savings Store, the Find It Duke contractor referral service and the Free Home Energy House Call.

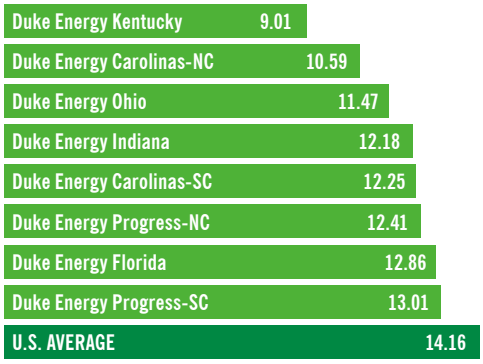
Connecting with customers in the ways that matter most helped increase Duke Energy's internal customer satisfaction rating by 25 percent in 2019. The company also saw improvement across most of our service territories as measured by J.D. Power's Customer Service Index for residential service customers.

Looking ahead, customers can expect more action in response to their feedback. A newly designed energy bill, based on input from customers, is just one example. In the meantime, we'll keep listening and learning in order to further deliver on customer wants and needs.

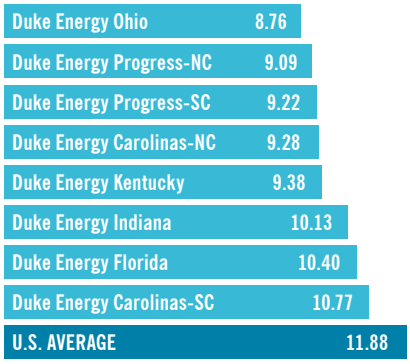
Duke Energy's Electric Rates: Below U.S. Average

In effect as of July 1, 2019
(cents per kilowatt-hour (kWh))

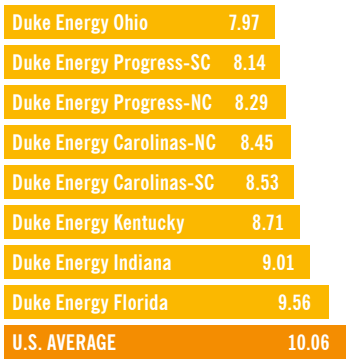
Residential



Commercial



Industrial



Source: Edison Electric Institute Typical Bills and Average Rates Reports, Summer 2019 (latest available).

Notes: Rates are based on the following typical bill assumptions. Residential: 1,000 kWh per month usage. Commercial: 40-kW demand and 14,000 kWh per month usage. Industrial: 1,000-kW demand and 400,000 kWh per month usage.

Customer Assistance Programs Help Those in Need

Helping customers in need with heating and cooling assistance programs has been a hallmark of Duke Energy for a generation. The company's heating assistance programs include Share the Warmth in the Carolinas, Helping Hand Indiana, HeatShare Ohio and WinterCare Kentucky. To help with energy costs during extreme summer heat, the company offers Cooling Assistance in the Carolinas and the Energy Neighbor Fund in both the Carolinas and Florida.

Since Share the Warmth's inception in 1985, Duke Energy has contributed more than $35 million to the program through Crisis Assistance Ministry and 85 other service agencies.

Since Share the Warmth's inception in 1985, Duke Energy has contributed more than $35 million to the program through Crisis Assistance Ministry and 85 other service agencies. The program is supported by Duke Energy's customers, shareholders and employees. The Duke Energy Foundation matches all contributions dollar for dollar up to $500,000.

The Piedmont Natural Gas Share the Warmth program has contributed more than $3.7 million in customer and corporate donations since 2003 to Crisis Assistance Ministry and other organizations to help struggling residents in North Carolina, South Carolina and Tennessee.

Piedmont's optional program rounds a customer's monthly bill up to the nearest dollar – totaling no more than $12 a year – and donates the difference to help those in need in the community, regardless of their energy source or provider.

These contributions are invaluable to those struggling to make ends meet, giving them the means to keep their heat on and families warm.

The company is always looking for new ways to help more customers in need. In December 2019, Duke Energy and the NFL's Carolina Panthers teamed up to bolster contributions to Share the Warmth.

The partnership included game-day events, advertising and other outreach efforts including a text-to-give option allowing anyone who donates to receive an exclusive thank-you video featuring Carolina Panther players.

Plus, the Carolina Panthers Charities Fund contributed $1,000 per quarterback sack in December and guaranteed a minimum of $15,000 – the grand total was $15,000.

Investing In Our Communities

Duke Energy has a long history of supporting its communities. In 2019, the Duke Energy Foundation contributed $31.1 million in its territories – from nonprofits to major issues that impact our areas.

In 2019, the company made $750,000 in grants to tackle a major problem facing the nation: opioid addiction.

In North Carolina, the company awarded $100,000 to the More Powerful NC campaign and $400,000 to the North Carolina Harm Reduction Coalition (NCHRC).

2019 Charitable Giving

$31.3m
Duke Energy Foundation

$6.9m
Other company cash contributions[1] and in-kind gifts and services[2]

$8.5m
Cash contributions from employees and retirees

$3.7m
Estimated value of volunteers' time

1 Includes charitable giving associated with regulatory settlements.
2 Payment made in the form of goods and services instead of money.

The More Powerful NC campaign was created by the North Carolina Departments of Justice and Health and Human Services, as well as other partners, to raise awareness about the opioid crisis. The campaign outlines real, actionable steps for the safe storage, use and disposal of pain medications, as well as resources for finding treatment and recovery support.

NCHRC is a comprehensive harm reduction program. The organization engages in grassroots advocacy, resource development, coalition building and direct services for people impacted by drug use. NCHRC also provides resources and support to the law enforcement, public health and provider communities.

In Indiana, Duke Energy announced $250,000 in grants to tackle unique aspects of the issue. Five people a day die in the state from drug overdoses – many opioid related.

Ivy Tech Community College will receive $175,000 to educate and prepare specialists in addiction and mental health to combat the crisis. Meanwhile, Hamilton Center, Inc., a regional behavioral health system in Indiana, will receive $75,000 for a pilot program to help those with an opioid use disorder who are unemployed or want to remain in the workforce while seeking treatment for their substance use disorder.

Separately, Duke Energy also is helping communities prepare for hurricanes in the wake of several major storms that have hit the Carolinas and Florida in recent years.

In Florida, a $500,000 grant to local organizations helped assemble and distribute storm preparedness kits to vulnerable customers, who may not have the means to access the materials in other ways.

In North Carolina, the company announced more than $1.1 million in funding to help local communities increase their response capabilities for future weather events with advance preparation and planning.

A Powerful Commitment to Human Rights

Duke Energy works every day to power customers' lives and help communities thrive. A strong commitment to safety, integrity and service drives our daily efforts and future vision. We amplify this in our Human Rights Policy.

The cornerstones of this policy can be found in the United Nations Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. Internally, a Code of Business Ethics

Diverse and Local Supplier Spending

(in millions)	2015	2016	2017	2018	2019
Spending with Tier I diverse suppliers[1, 2]	$633	$681	$776	$850	**$1,153**
Spending with Tier II diverse suppliers[3]	$405	$494	$437	$492	**$467**
Total diverse supplier spending	$1,038	$1,175	$1,213	$1,342	**$1,620**
Spending with Tier I local suppliers[2]	$3,300	$3,500	$3,670	$4,180	**$4,940**

1 Piedmont Natural Gas data from the first three quarters are included in 2016. Full-year data are included beginning in 2017.
2 Tier I represents direct purchases from diverse or local suppliers.
3 Tier II consists of spend by Duke Energy suppliers with diverse suppliers/subcontractors.

and Supplier Code of Conduct provide the backbone to commitments outlined in the human rights policy, including:

- **Workforce:** Working conditions at Duke Energy reflect the human dignity of our workforce. We uphold human and workplace rights in all operations, treating workers fairly and without discrimination.
- **Communities and Stakeholders:** Respecting the rights of people where they live, work and play includes doing business in ways that protect the environment and mitigate adverse impacts from our operations.
- **Suppliers and Partners:** Supplying goods and services to Duke Energy requires adhering to these same commitments and applying them locally and around the world.

Duke Energy employees, suppliers, customers and other stakeholders can report a human rights concern anonymously by phone or online through the company's EthicsLine, or directly to company personnel. In 2019, no human rights concerns were raised through the company's EthicsLine or internal channels.

Respect for human rights is an imperative to powering lives. Duke Energy is proud to embrace the ongoing process of educating, learning, evaluating and improving how we operate.

Supporting Suppliers Who Share Our Values

In 2019, Duke Energy spent more than $13.5 billion purchasing goods and services used to provide electricity and natural gas to our customers.

The company strives to improve the lives of our customers and the vitality of our communities by consistently considering supplier diversity, local economic impact, and environmental stewardship as part of our sourcing practices.

Since 2015, Duke Energy has spent more than $1 billion annually with minority-, women-, veteran-, service-disabled veteran-owned and federal HUBZone-certified businesses. The spending has grown an average of 10 percent per year, with 2019's spending coming in at $1.6 billion.

As for spending with local suppliers, Duke Energy's figure has exceeded $4 billion since 2018.

Our local economic impact and community outreach were two of several factors that led to us earning the Hispanic Chamber of Metro Orlando's Corporate Procurement Group of the Year Award. The award is presented to the corporation who has done the most, overall, in increasing its spending with Hispanic and other diverse suppliers, and managing initiatives to assist these suppliers.

Duke Energy's Supplier Code of Conduct describes in detail our expectations of suppliers.

We also partner with industry peers and suppliers to advance sustainability best practices in the utility sector through our work with the Electric Utility Industry Sustainable Supply Chain Alliance.

GROWTH

Grow and Adapt the Business and Achieve Our Financial Objectives

GROWTH | 2

2019 Highlights

- During 2019, helped our communities attract over 15,000 new jobs and $7.1 billion in capital investment to our service territories.
- In our commercial renewables business, announced over 1,500 megawatts of new wind and solar projects, and made significant progress on new solar projects in our regulated businesses in Florida and the Carolinas.
- Increased total, multiyear green bond issuances to $2.3 billion across the company to finance clean energy projects.
- Achieved adjusted earnings per share (EPS) of $5.06, above the midpoint of our original guidance range, resulting in a 5 percent compound annual growth rate in adjusted diluted EPS since 2017, the first year after the completion of the company's portfolio transformation.
- Increased the quarterly dividend on our common stock by 2 percent; 2020 marks the 94th consecutive year Duke Energy has paid a quarterly dividend.
- Achieved financial results while delivering outstanding improvement in customer service, increasing reliability measures by 15 percent and customer satisfaction measures by 25 percent.

Challenges and Opportunities

- Continue to help attract jobs and capital investment in our communities through our economic development programs.
- Work to advance the Atlantic Coast Pipeline project to bring low-cost natural gas and economic development to eastern North Carolina.
- Deliver value to our customers and communities and grow our business by investing $56 billion in capital over the next five years, with an emphasis on investments in the grid and cleaner energy.
- Maintain our position as an industry leader in environmental, social and governance disclosure.

Wind power project in Texas: The sun and wind are helping Duke Energy reduce carbon emissions.

Renewable Energy's Growth Continues to Accelerate

To accelerate the company's transition to cleaner energy solutions, Duke Energy is planning to double its portfolio of solar, wind and biomass by 2025.

To achieve net-zero carbon emissions by 2050, renewable generation will be important to Duke Energy's strategy and will become a growing part of the diversified portfolio the company is building to reliably meet customer demand. To accelerate the company's transition to cleaner energy solutions, Duke Energy is planning to double its portfolio of solar, wind and biomass by 2025.

The company has added more than 2,500 megawatts (MW) of solar capacity to our grid over the past four years, including significant growth in North Carolina that helped keep the state second in the nation for solar capacity.

In 2019, the company was awarded approximately 190 MW of utility-scale solar under North Carolina House Bill 589. Most of the projects will come online in 2021. The number of customers that installed or received a rebate under our $62 million multiyear rebate program in North Carolina increased by nearly 1,700 – bringing the total to 3,600 rebates. The program has doubled rooftop solar in the state in its first two years. Duke Energy also launched a Green Source Advantage program, helping large customers and municipalities meet their sustainability goals.

In Florida, the company's Lake Placid and Trenton Solar Power plants came online, bringing nearly 120 MW to customers. In addition, the company announced other solar and battery projects, continuing its progress to add 700 MW of solar generation through 2022, while projecting to double its solar investments in the state by 2028.

Our Commercial Renewables business continues to grow as we announced approximately 1,500 MW in new projects, which will be placed into service by the end of 2020. This included our largest solar facility to date, the 150-MW North Rosamond solar project in California, which started operation in June. As well, our 200-MW Mesteño Windpower project in Texas began commercial operation in December, producing enough energy to power about 60,000 average homes.

Looking ahead, Commercial Renewables has nearly 1,300 MW of wind and solar energy in late-stage development – the majority of which will come online in 2020.

Duke Energy remains a national leader in building batteries to store electricity.

Battery Storage Projects Take Off

Duke Energy has been a leader in battery energy storage since 2013 when the 36-megawatt (MW) Notrees Energy Storage project came online next to a company wind farm in Texas.

Duke Energy continues to push ahead in the emerging battery storage market. The versatility of battery storage systems makes the technology a natural extension of the energy grid. The company will apply years of engineering and operating experience to maximize its full potential.

Duke Energy plans to spend roughly $600 million over the next five to 10 years to expand battery storage by almost 400 MW. A number of these projects made significant progress in 2019.

In Nabb, Indiana, a battery will be installed near an existing substation. This installation will be used to provide grid benefits as well as backup customer power in the event of a power outage.

Also in Indiana, a customer microgrid solution that includes a 2-MW solar array and a 5-MW battery for energy storage is under construction at the National Guard's Camp Atterbury site.

In Florida, the 5.5-MW Cape San Blas lithium-based battery facility will be located about 40 miles southeast of Panama City in Gulf County. The project is an economical alternative to replacing distribution equipment necessary to accommodate local load growth.

In Madison County, North Carolina, a microgrid system will consist of a 2-MW solar facility and a 4-MW lithium-based storage facility. This will provide a safe, cost-effective and reliable grid solution to serve hundreds of customers in the Hot Springs community. It will also provide support services to the overall grid.

Of course, batteries are not the only energy storage method. The company has more than 2,000 MW of pumped storage hydro power. Over the next three years, Duke Energy will increase the capacity at its Bad Creek facility in South Carolina by about 320 MW as it upgrades the facility.

Making a Charge for More Electric Vehicles

The transportation sector produces more carbon dioxide emissions than any other industry in the United States. But Duke Energy is working to implement programs to trim those emissions by promoting electric transportation.

In Florida, the company's Park and Plug program has installed over 400 public charging stations in the state, with more than 80 stations targeting lower-income neighborhoods.

Last year, those stations helped offset more than 500,000 tons of carbon dioxide. They also saved more than 27,000 gallons of gasoline. By 2022, the company will have installed more than 500 public charging stations in Florida.

Duke Energy has installed over 400 public electric vehicle charging stations in Florida.

In North Carolina, the company has proposed a $76 million electric transportation program, which would be the largest investment in electric vehicle infrastructure in the southeastern United States. The plan, which includes 2,000 charging stations, has received widespread support from business, customer and environmental groups. The North Carolina Utilities Commission is currently reviewing the proposal.

Under Duke Energy's proposal, the company would offer rebates to customers for residential charging stations. It would position public fast charging stations in strategic locations around North Carolina. And it would help vehicle fleets go all electric.

Combined, we plan to support the deployment of nearly 7,500 electric vehicle chargers across our service territories, including Indiana, Kentucky, Ohio, Florida and the Carolinas. These deployments would support residential, fleet, public transit and highway fast charging.

Grants from Duke Energy have already helped the North Carolina cities of Raleigh, Asheville and Greensboro expand their fleets to include electric buses. In all cases, the company contributed to charging infrastructure that allowed the cities to spend more on purchasing new electric buses.

Duke Energy is also practicing what it preaches. The company has roughly 600 electric vehicles in its fleet, including 230 on-road electric vehicles.

In order to lower overall emissions, Duke Energy continues to take a proactive approach to decarbonizing the electric transportation sector – one plug at a time.

Growing Sustainably in Five Key Areas

Duke Energy continues to build a sustainable and smarter energy future:

- **Modernizing the energy grid.** Duke Energy is building a smarter energy grid that gives customers more control over their energy usage, boosts customer convenience, accommodates additional renewable energy, increases service reliability and bolsters energy system security – both physical and cyber. (See related article on page 18, "Connecting Customers to a Smarter Energy Future.")

In order to lower overall emissions, Duke Energy continues to take a proactive approach to decarbonizing the electric transportation sector – one plug at a time.

- **Generating cleaner energy.** Duke Energy continues to generate cleaner electricity by investing in natural gas, solar and wind energy projects – and by maintaining its existing fleet of carbon-free nuclear power plants. In 2019, the company announced a goal of achieving net-zero carbon emissions from electric generation by 2050. The company simultaneously announced a near-term goal of cutting carbon emissions by at least 50 percent or more by 2030, from 2005 levels. In addition to using new renewable energy facilities to reach those goals, the company also said it would seek federal approval to renew the operating licenses of the six carbon-free nuclear power plants it currently operates for an additional 20 years. (See related article on page 36, "Duke Energy's Path to Net-Zero Carbon.")
- **Expanding natural gas infrastructure.** Natural gas continues to play a major role in Duke Energy's cleaner energy future. Deploying low-cost natural gas helps speed the transition away from coal, maintain reliability and balance the intermittent nature of renewables. The company is investing in natural gas-fired power plants, an interstate natural gas pipeline, and the retrofitting of coal-fired power plants to enable them to also burn lower carbon-emitting natural gas. (See related article on page 32, "Natural Gas Enables Cleaner Energy Future.")
- **Transforming the customer experience.** Duke Energy is working hard to further improve the customer experience. New technology is shortening and sometimes eliminating power outages. Smart meters are giving customers new ways to manage and reduce electricity usage, saving them money. New communications tools are being developed based on customer input. (See related article on page 19, "Transforming the Customer Experience Through Action.")
- **Engaging stakeholders.** Fortune magazine named Duke Energy to its 2020 "World's Most Admired Companies" list – an indication that Duke Energy's many diverse stakeholders value the company's commitment to a sustainable future. The company continues to work collaboratively with regulators, legislators, environmentalists, consumer advocates and many others on its multiple sustainability and modernization initiatives. (See related article on page 10, "The Value of Our Stakeholders.")

Moving Toward a Cleaner Generation Fleet and Increased Fuel Diversity

(megawatt-hour output)

2005[1]

60% Coal/oil
33% Nuclear
6% Natural gas
1% Hydro, wind and solar

2019[1,2]

35% Natural gas
34% Nuclear
26% Coal/oil
5% Hydro, wind and solar

2030E[3]

41% Natural gas
28% Nuclear
19% Hydro, wind and solar
12% Coal/oil

1 2005 and 2019 data based on Duke Energy's ownership share of U.S. generation assets as of December 31, 2019.
2 2019 data excludes 9,400 GWh of purchased renewables, equivalent to approximately 4 percent of Duke Energy's output.
3 2030 estimate will be influenced by customer demand for electricity, weather, fuel, purchased power prices, and other factors.

Economic Development: New Jobs, Community Investment

Duke Energy's economic development team in 2019 helped bring 15,400 new jobs and $7.1 billion in new capital investment – through 102 projects – to numerous communities in the six states served by the company's electric utilities.

Site Selection magazine named Duke Energy to its "Top Utilities in Economic Development" list for the 15th consecutive year in 2019.

Duke Energy's economic development specialists work to attract new industry to North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky. The 26-member team also encourages existing companies in those states to expand at home, rather than look elsewhere.

The team includes experts in multiple target markets, including aerospace, data centers, advanced manufacturing, automotive, life sciences and food/beverage processing.

In 2019, the team evaluated 21 properties in Duke Energy's service areas for potential business and industrial development through Duke Energy's Site Readiness Program.

Through that program, Duke Energy partners with local economic development agencies to identify potential industrial sites, assess the sites' strengths and weaknesses, facilitate site improvements, and market the sites to future industry.

Since its 2005 launch, the program has evaluated 280 sites – with 46 project wins that generated $8 billion in new capital investment and 10,420 new jobs.

In 2019, Duke Energy also provided more than $2 million to local economic development agencies and initiatives to fund job creation and business development projects.

"Economic development is vital to the states, communities and customers served by Duke Energy," says Stu Heishman, Duke Energy's vice president of economic development. "We're glad we can play a key role in attracting business investment and new jobs."

Duke Energy's economic development team in 2019 helped bring 15,400 new jobs and $7.1 billion in new capital investment – through 102 projects – to numerous communities in the six states served by the company's electric utilities.

Environmental, Social and Governance Ratings

Duke Energy benchmarks its environmental, social and governance practices against best-in-class and peer companies. The risk ratings provided for Duke Energy by Institutional Shareholder Services (ISS), a leading corporate governance and responsible investment advisory service to the financial community, are provided below.

	QuickScore 2018[1]	QualityScore 2019[1,2]	**QualityScore 2020[1]**	Rating Scale
Environmental	—	3	**3**	1 = Lowest risk (best rating) 10 = Highest risk
Social	—	4	**2**	
Governance	3	2	**1**	

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1 As of March 1.
2 2019 is the first year that the ISS environmental and social scores were available at the time our sustainability report was published.

Economic Development

Duke Energy works with state and local authorities to promote economic growth in our communities, helping attract business investment and jobs. Duke Energy helped attract over 15,400 jobs and $7.1 billion of investment in 2019.

$7.1 billion
Total Capital Investment

15,400
Total Jobs

North Carolina

CAPITAL INVESTMENT
$3.3 billion

JOBS
4,280

South Carolina

CAPITAL INVESTMENT
$537 million

JOBS
1,750

Indiana

CAPITAL INVESTMENT
$1.1 billion

JOBS
2,439

Florida

CAPITAL INVESTMENT
$324 million

JOBS
1,619

Ohio–Kentucky

CAPITAL INVESTMENT
$1.9 billion

JOBS
5,386

Encouraging Civic Participation at All Levels

Duke Energy serves 7.8 million electric and 1.6 million natural gas customers across seven different states, and employs nearly 30,000 people. With complex political and policy landscapes at the state and federal levels, it is important that there is a balanced view on issues to ensure the best interest of Duke Energy customers and employees are top of mind.

DukePAC, a voluntary, nonpartisan political action committee, leverages the collective financial contributions of eligible employees to support political organizations and candidates who share the concerns and best interests of Duke Energy employees and customers. In 2019, DukePAC's total contributions were $633,930.

DukePAC also serves as a key resource in its ability to educate employees, encouraging their increased civic participation at all levels.

Through engagement with local communities, lawmakers, and stakeholders, Duke Energy is also able to advocate for state-specific policies at the state capitals in its service territory. The company also advocates for innovative and practical policies at the federal level that further the good progress made by the company, and the industry as a whole.

Duke Energy's total reportable federal lobbying expenses in 2019 were $5,284,510. That amount includes the $963,720 federal lobbying portion of trade association dues (includes dues in excess of $50,000) to support policy research and advocacy. The company also contributed approximately $1,194,660 to Section 527 organizations created to support the nomination, election, appointment or defeat of a candidate. (For additional details, see Duke Energy's Corporate Political Expenditure Reports.)

Duke Energy's Political Expenditures Policy requires compliance with laws and regulations governing political contributions, government interaction and lobbying activities. It also requires a semiannual update on political expenditures to the Corporate Governance Committee of the Duke Energy Board of Directors. The company is legally prohibited from making direct contributions to candidates for U.S. federal offices and certain state offices.

Natural Gas Enables Cleaner Energy Future

Natural gas continues to play a central role as Duke Energy moves toward a cleaner, lower-carbon energy future. This low-cost fuel source is helping the company retire coal plants faster and balance the intermittent nature of renewables.

In 2020, the company's new natural gas-fired Asheville Combined Cycle Station in Buncombe County, North Carolina, became operational. The power plant replaced a 56-year-old, higher carbon-emitting, coal-fired plant.

The natural gas plant is 75 percent more efficient than the retired coal plant. In addition, the new plant's carbon dioxide emissions are 60 percent lower (per megawatt hour), sulfur dioxide emissions are 99 percent lower, and nitrogen oxides emissions are 40 percent lower than the coal plant's emissions. Mercury emissions have been eliminated.

Duke Energy also has retrofitted two units at its coal-fired Rogers Energy Complex near Cliffside, North Carolina, enabling the power plant to burn a combination of natural gas and coal – rather than coal only – to reduce carbon dioxide and other emissions.

A similar natural gas retrofitting project has been completed on one unit (and is underway on a second unit) at Duke Energy's Belews Creek Steam Station, a coal-fired power plant in Stokes County, North Carolina. Natural gas retrofitting work also is underway at the company's Marshall Steam Station, a coal-fired power plant in Catawba County, North Carolina.

In addition, Duke Energy in 2019 continued expansion work at its Lincoln Combustion Turbine Station, a natural gas-fired power plant near Denver, North Carolina. The company is adding a new unit that will significantly increase the plant's electricity output, particularly during periods of high customer demand. When fully operational in 2024, the new unit will be about 34 percent more efficient than the plant's 16 existing units.

Meanwhile, legal and regulatory work on another natural gas project – the proposed Atlantic Coast Pipeline – continues. The approximately 600-mile underground natural gas pipeline, partly owned by Duke Energy, would start in West Virginia and traverse Virginia and eastern North Carolina before ending in Robeson County, North Carolina.

The pipeline's natural gas would be used in Virginia and North Carolina to fuel power plants and industrial facilities, heat homes and businesses, support local economic development, and ensure that natural gas utilities have enough natural gas to meet growing customer demand.

Additional court and regulatory rulings related to the pipeline's review and approval process are expected in 2020.

Strong Results for Shareholders and Value for Customers

In 2019, Duke Energy achieved adjusted earnings per share of $5.06, delivering 7 percent growth for the year. It was a strong year for Duke Energy – the company met its commitments to customers, advanced its long-term strategy and exceeded growth expectations.

Our electric, gas and commercial renewables businesses all experienced growth in 2019, which was helped by base rate increases in the Carolinas and Florida, customer growth in our gas businesses and new renewables projects placed in service.

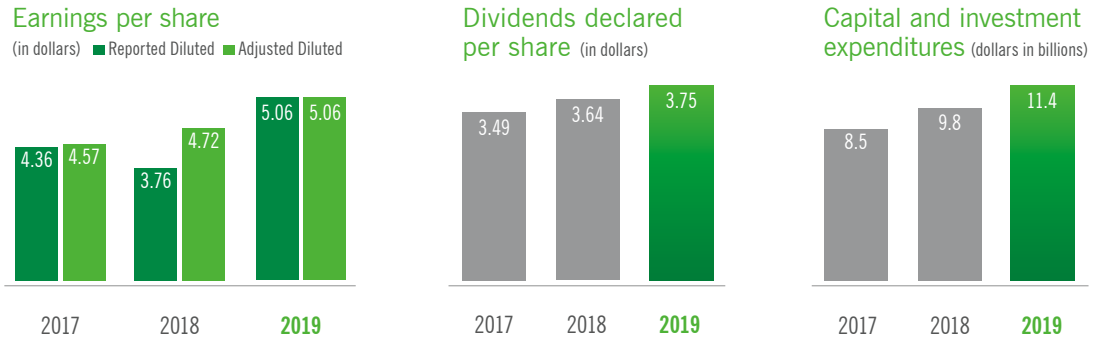
In 2019, the company issued $2 billion in preferred stock and priced $2.5 billion in equity. These proactive steps strengthened the balance sheet, paving the way for a substantial increase in our five-year capital plan, significantly increasing the earnings potential of the company to the benefit of our communities and shareholders.

Financial Highlights

December 31, 2019

(In millions, except per share data)[1]	2017	2018	2019
Total operating revenues	$23,565	$24,521	**$25,079**
Income from continuing operations	$3,070	$2,625	**$3,578**
Reported basic and diluted earnings per share (GAAP)	$4.36	$3.76	**$5.06**
Adjusted basic and diluted earnings per share (Non-GAAP)	$4.57	$4.72	**$5.06**
Dividends declared per share	$3.49	$3.64	**$3.75**
Total assets	$137,914	$145,392	**$158,838**
Long-term debt including capital leases, less current maturities	$49,035	$51,123	**$54,985**

1 See Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2019, for detailed notes and further explanations.



Given 2019 results and our revised capital plan, the company announced on February 13, 2020 its 2020 adjusted earnings per share guidance range of $5.05 to $5.45, with a midpoint of $5.25 per share – and extended its long-term growth rate of 4 to 6 percent through 2024.

Duke Energy remains committed to offering an attractive, long-term value proposition to its shareholders. 2020 marks the company's 94th consecutive year paying a dividend to its investors, and Duke Energy grew the dividend 2 percent in 2019. The company's dividend yield continues to be one of the highest in the industry.

Duke Energy completed two green bond issuances – one for Duke Energy Progress and another for Duke Energy Florida, bringing total green bond issuances to $2.3 billion across the company. The funds will finance eligible green energy projects – including zero-carbon solar and energy storage.

Duke Energy's total shareholder return – measured as the change in stock price plus the reinvestment of dividends – for 2019 was 10.3 percent. The company is proud of the returns it is delivering to investors but also recognizes this lagged peer utilities.

Despite providing investors with clarity around key issues in 2019 – such as balance sheet strength and coal ash basin closure progress – Duke Energy's total shareholder return was not as strong as many peer utilities due to uncertainties around coal ash closure cost recovery in the Carolinas and the Atlantic Coast Pipeline. We expect to achieve more clarity on these uncertainties in 2020 and 2021.

Looking longer term, Duke Energy is confident in its underlying business fundamentals and strategy, which are underpinned by the outstanding communities we serve. We are focused on delivering strong, long-term returns for our shareholders and providing industry-leading service to our customers for years to come.

OPERATIONS

Excel in Safety, Operational Performance and Environmental Stewardship

3 OPERATIONS

2019 Highlights

- Remained one of the electric utility industry's top leaders in safety performance for the fifth year in a row with a Total Incident Case Rate of 0.38.
- Announced a new goal to achieve net-zero carbon dioxide emissions from electricity generation by 2050.
- Increased our previous goal to reduce carbon dioxide emissions from 40 percent to at least 50 percent by 2030 (from 2005 levels).
- Since 2005, decreased carbon dioxide emissions by 39 percent, sulfur dioxide emissions by 97 percent and nitrogen oxides emissions by 79 percent.
- Announced pursuit of subsequent license renewals for all of our nuclear power plants, which are carbon-free, for an additional 20 years of operation.
- Since 2010, retired 51 units at coal-fired power plants, totaling approximately 6.6 gigawatts (GW). In 2019, filed for accelerated depreciation of approximately 7 GW of coal generating capacity.
- Reduced water withdrawn for electric generation by 684 billion gallons since 2016.
- Recycled 77 percent of our solid waste, diverting approximately 91,000 tons of solid waste from landfills.

Challenges and Opportunities

- Maintain industry-leading safety performance and continue to focus on the prevention of serious injuries to our workers.
- Continue to demonstrate our commitment to operational excellence, which is fundamental to our company's success.
- Further strengthen our grid to enable more renewable energy and to protect against cyber and physical threats.
- Continue to move to a low-carbon future by retiring coal plants and replacing them with natural gas plants and renewable energy.
- Advocate for public policies that advance the innovations necessary to achieve a net-zero carbon future – including longer-duration energy storage, carbon capture, advanced nuclear power plants and other technologies.

Duke Energy's Path to Net-Zero Carbon

Duke Energy continues to achieve significant decreases in overall carbon emissions, driven largely by utilizing more natural gas and renewables generation and less coal.

Duke Energy is serious about doing its part to deliver the cleaner energy future that its customers want and deserve, while keeping energy affordable and reliable.

In September 2019, the company refreshed its climate strategy and announced the acceleration of its carbon-reduction goals from electric generation. Duke Energy's new goals are to reduce carbon dioxide emissions at least 50 percent by 2030 from 2005 levels, and strive to be net-zero by 2050. The company is the largest power generator in the United States to have such a net-zero goal.

Duke Energy continues to achieve significant decreases in overall carbon emissions, driven largely by utilizing more natural gas and renewables generation and less coal. As of year-end 2019, the company has reduced carbon emissions by 39 percent from 2005 levels.

While there are many factors that influence emissions on an annual basis, Duke Energy is confident in its ability to meet its 2030 goal of at least a 50 percent carbon emissions reduction, and its 2050 goal of net-zero carbon emissions.

Achieving these ambitious goals requires a bold vision and a pragmatic strategy. This vision includes continuing to modernize the current fleet and grid with increased investments in renewables, storage, natural gas and energy efficiency. Importantly, the company plans to continue to operate its existing nuclear fleet and retire coal plants.

To reach our net-zero 2050 target, we must have additional non-emitting technologies. We are working with the private and public sectors to drive research, development and demonstration of new technologies – such as longer-duration (up to seasonal) storage, carbon capture, advanced nuclear and new, carbon-free solutions that don't exist yet at scale.

The company has taken a holistic approach to managing the climate issue that includes three key areas of focus: adaptation, mitigation and innovation.

- **Adaptation** – Duke Energy is preparing for the changing global climate, including water conservation and storm preparation.
- **Mitigation** – Duke Energy is working to slow climate change with a variety of carbon-reduction and land conservation efforts.
- **Innovation** – Duke Energy is helping drive the technology necessary for a carbon-free future, including grid modernization and new technologies.

The company has already made meaningful progress in each area and will continue to update plans to ensure that climate change is tackled from all angles.

You can read more on this approach in the company's 2020 Climate Report.

Duke Energy's nuclear power plant teams generate carbon-free electricity around the clock.

Nuclear Essential to Meeting Carbon Goals

Nuclear power remains Duke Energy's largest greenhouse gas emissions-free generator. And the company plans to rely on it as it seeks to be carbon neutral by 2050.

In September 2019, the company announced it would seek to renew the operating licenses of the 11 reactors it operates at six nuclear stations in the Carolinas for an additional 20 years.

The first nuclear plants will approach the end of their current operating licenses in the early 2030s. Rigorous, ongoing preventive maintenance programs across the nuclear fleet and technology upgrades and investments over the years have contributed to their continuing strong operating performance. In 2019, Duke Energy's nuclear fleet marked its 21st consecutive year with a fleet capacity factor – a measure of reliability – greater than 90 percent.

The company expects to submit the license renewal application for Oconee Nuclear Station in South Carolina in 2021, followed by its other nuclear stations.

In 2019, the Duke Energy nuclear fleet generated almost 74 billion kilowatt-hours of electricity and avoided the release of more than 52 million tons of carbon dioxide – equivalent to keeping more than 11 million passenger cars off the road.

U.S. nuclear facilities are licensed by the U.S. Nuclear Regulatory Commission and were originally licensed to operate for 40 years based on economic considerations, not technology limitations.

Regulations allow nuclear licensees to renew their licenses for up to 20 years at a time. All Duke Energy-operated nuclear units have received one renewed license for an additional 20 years. The process to renew licenses for a second 20 years requires a comprehensive analysis and evaluation to ensure the units can safely operate for the extended operation period.

Nuclear power remains Duke Energy's largest greenhouse gas emissions-free generator.

Safety Performance Metrics

	2015	2016	2017	2018[1]	2019
Employee and contractor work-related fatalities	5	0	2	3	**3**
Employee Total Incident Case Rate (TICR)[2,3]	0.41	0.40	0.36	0.43[4]	**0.38**
Employee Lost Workday Case Rate (LWCR)[2,5]	0.18	0.15	0.15	0.15	**0.14**

1 2018 is the first year that Piedmont Natural Gas results are included.
2 Includes both employees and workforce augmentation contractors.
3 Number of recordable incidents per 100 workers (based on OSHA criteria). Top decile in 2018 for employee TICR was 0.51 (Edison Electric Institute survey for companies with more than 7,000 employees).
4 TICR excluding Natural Gas Business Unit was 0.34.
5 Number of lost workdays per 100 workers.

The company is committed to leading the industry in safety by proactively addressing risk and empowering employees.

Duke Energy Remains Committed to Worker Safety

Despite an improving safety trend, Duke Energy tragically experienced three work-related fatalities and two life-altering injuries in 2019. By working internally and with other Edison Electric Institute companies in 2020, Duke Energy will continue our efforts to reduce the number of serious injuries and become an even safer workplace.

The company is committed to leading the industry in safety by proactively addressing risk and empowering employees. Workers put safety first by actively caring, recognizing hazards and taking accountability for their actions.

Consistent with our industry-leading performance from previous years, employees continued to deliver strong safety results in 2019, meeting our target total incident case rate. Since 2012, the company has reduced its number of recordable injuries by 46 percent.

To enhance safety performance, the company used data to identify safety risks and prevent injuries before they occurred. New programs and technologies also improved employee safety behavior through better on-the-job observations.

In addition to injury reduction initiatives, Duke Energy introduced a decentralized safety governance model to improve accountability. The Environmental, Health and Safety business unit primarily provides direction and oversight, allowing safety professionals to directly support daily operations.

Duke Energy also continues to provide work-life programs to support the health and overall well-being of employees.

Turning the Corner on Coal Ash

A year of strong momentum in ash basin closure culminated with a breakthrough achievement that puts the coal ash debate to rest in North Carolina. Duke Energy, state regulators and environmental groups agreed to a plan to permanently close the company's remaining nine coal ash basins, primarily by excavation with ash moved to lined landfills.

This reasonable, common-sense approach protects people and the environment while keeping costs in check as much as possible, saving approximately $1.5 billion when compared to the full excavation order that state regulators issued on April 1, 2019.

Coal Plant Retirements[1]

Duke Energy is increasingly providing cleaner energy to our customers, shifting to more flexible, lower- and no-carbon sources while maintaining reliability and rates below the national average. Since 2010, we have retired 6,539 megawatts (MW) of older coal capacity, while investing in natural gas and renewables. By 2024, we plan to retire an additional 862 MW of older coal capacity, which will bring total coal plant retirements to 7,401 MW, or roughly one-third of our former coal portfolio.

Retired Coal Units[2]

	Location	Units	Total capacity (megawatts)	Actual retirement date
Edwardsport Station	Ind.	6, 7, 8	160	2010
Cliffside Steam Station	N.C.	1, 2, 3, 4	198	2011
Buck Steam Station	N.C.	3, 4	113	2011
W.H. Weatherspoon Plant	N.C.	1, 2, 3	170	2011
Gallagher Station	Ind.	1, 3	280	2012
Cape Fear Plant	N.C.	5, 6	316	2012
Beckjord Station	Ohio	1	94	2012
Dan River Steam Station	N.C.	1, 2, 3	276	2012
H.F. Lee Plant	N.C.	1, 2, 3	382	2012
Robinson Plant	S.C.	1	177	2012
Buck Steam Station	N.C.	5, 6	256	2013
Riverbend Steam Station	N.C.	4, 5, 6, 7	454	2013
Sutton Plant	N.C.	1, 2, 3	553	2013
Beckjord Station	Ohio	2, 3	222	2013
Beckjord Station	Ohio	4, 5, 6	543	2014
W.S. Lee Steam Station	S.C.	1, 2	200	2014
W.S. Lee Steam Station	S.C.	3	170	2015 Converted to natural gas
Miami Fort Station	Ohio	6	163	2015
Wabash River Station	Ind.	2, 3, 4, 5, 6	668	2016
Crystal River Energy Complex	Fla.	1, 2	766	2018
Asheville Plant	N.C.	1, 2	378	2020
Total		**51**	**6,539**	

Planned Coal Unit Retirements

	Location	Units	Total capacity (megawatts)	Planned retirement date
Gallagher Station	Ind.	2, 4	280	2022[2]
Allen Steam Station	N.C.	1, 2, 3	582	2024
Total		**5**	**862**	

Coal Units with Proposed Accelerated Depreciation

	Location	Units	Total capacity (megawatts)	Potential retirement date
Allen Steam Station	N.C.	4, 5	516	2024[2]
Rogers Energy Complex (Cliffside Steam Station)[3]	N.C.	5	544	2026[2]
Gibson Station	Ind.	5	310 Duke Energy's ownership share	2026[2]
Cayuga Station	Ind.	1, 2	995	2028[2]
Marshall Steam Station[3]	N.C.	1, 2	740	2028[4]
Mayo Plant	N.C.	1	727	2029[2]
Roxboro Steam Plant	N.C.	3, 4	1,392	2029[2]
Gibson Station	Ind.	3, 4	1,252	2034[2]
Gibson Station	Ind.	1, 2	1,260	2038[2]
Total		**15**	**7,736**	

Coal Unit Retirement Dates from Integrated Resource Plans

	Location	Units	Total capacity (megawatts)	Potential retirement date
Roxboro Steam Plant	N.C.	1, 2	1,047	2028
Marshall Steam Station[3]	N.C.	3, 4	1,318	2034
Belews Creek Steam Station[3]	N.C.	1, 2	2,220	2037
Rogers Energy Complex (Cliffside Steam Station)[3]	N.C.	6	844	2048
Total		**7**	**5,429**	

1 In addition to coal unit retirements, a number of older oil/natural gas generation units have been or will be retired.
2 In rate cases filed in 2019, the company has proposed shortening the depreciable lives of coal units as it transitions to cleaner energy sources. These depreciation dates have not been approved yet by state regulatory commissions.
3 Coal units that have been or will be retrofitted to run fully or partially on natural gas.
4 In response to a rate case filed in 2016, these depreciation dates were approved in 2017 by the state regulatory commission.

Duke Energy scientists ensure lakes and rivers next to power plants remain clean and healthy.

Duke Energy had appealed that decision; the settlement resolves that appeal as well as all other pending environmental litigation related to basin closure methods in North Carolina.

The company made tremendous progress safely closing its other basins – nearly 28 million tons of ash have been excavated across all of our service territories since closure began.

Notably, basin excavation was completed at several power plants: Dan River Steam Station (Eden, North Carolina), along with Sutton Plant (Wilmington, North Carolina), Riverbend Steam Station (Mount Holly, North Carolina), East Bend Station (Union, Kentucky), and the second of three basins at W.S. Lee Steam Station (Williamston, South Carolina).

In Indiana, Duke Energy received approval from state regulators for the closure and post-closure plans for several of its basins; discussions continue to move toward resolution on the others.

Systemwide, the company completed technology upgrades at its operating coal plants to take all ash basins permanently out of service, with the exception of Gallagher Station (Floyd County, Indiana) since it is being retired in 2022.

Production ash is now handled dry – either in lined landfills or recycled. Additionally, the company is nearing completion on ash recycling facilities at three retired coal plant sites in North Carolina to reprocess ash for use in concrete beginning in 2020.

Learn more about how we are leading the industry in safely closing ash basins.

Environmental Scientists Protect Lakes and Habitat

In lakes and rivers adjacent to its power plants, scientists from Duke Energy take water samples, survey the fish population, and collect habitat and lake health information throughout the year.

What does that have to do with generating power? The data helps optimize plant operations while also complying with state and federal regulatory requirements that protect the public and the environment.

Duke Energy's scientific monitoring has been underway for 60 years in some water bodies, allowing the company, governmental agencies and other stakeholders to see long-term trends and confirm that environmental conditions remain healthy for aquatic life and human use.

In lakes and rivers adjacent to its power plants, scientists from Duke Energy take water samples, survey the fish population, and collect habitat and lake health information throughout the year.

Duke Energy wildlife biologist Tim Hayes protects animals and plants at renewable energy sites.

Samples are handled under strict guidelines and sent to regulators for independent verification, using scientifically established procedures with a robust quality assurance process in the field and the lab.

Lake Norman north of Charlotte, North Carolina, for example, was created by Duke Energy as home to three generating facilities: Cowans Ford Hydro Station, Marshall Steam Station and McGuire Nuclear Station. The company has conducted scientific monitoring of the lake since 1959, collecting more than 20,000 samples with nearly 1.5 million individual test results.

Such tests aren't limited to areas immediately around generating facilities – the company collects samples from over 70 locations lakewide, including near each public drinking water intake, sharing data with local municipalities. Additionally, semiannual fish testing by Duke Energy scientists demonstrates that fish are healthy and thriving; sample results are independently tested and verified by state resource agencies.

Similar tests (such as water quality monitoring and fish sampling) are conducted across all 27 North Carolina water bodies managed by the company, as well as several waterbodies within South Carolina and Indiana. In sum, decades of scientific monitoring confirm that Duke Energy facilities continue to be safely operated under strict permits designed to protect public health and the environment.

Keeping the Lights On and Protecting Wildlife

Duke Energy Renewables Environmental Development Director Tim Hayes spends a lot of time looking at the ground.

That might seem odd, but it's the way of a wildlife biologist. Eyes pointed just beyond his feet, he looks for tufts of fur, tracks, and even scat for clues as to what wildlife lives near solar and wind sites.

People are often surprised to learn energy companies have biologists, but it's imperative as the company expands renewables. When his team isn't looking for wildlife, they're working with government agencies, nonprofits and technology developers to create policies, products and plans that keep wildlife safe while producing clean energy that customers depend on.

Before construction, they survey species, consult with wildlife agencies, perform biological surveys and decide if the site will move on to construction or if the wildlife risk is too great.

During construction, Duke Energy hires consultants who specialize in the area's threatened or endangered plants and animals. At Mesteño Wind Project, the team worked around species like the Texas tortoise.

The crew built a dirt road through an area Hayes calls a hotbed of tortoise activity. The area was unavoidable, but the tortoise loves the thick brush (a shady place to rest), good soil and plentiful water, so the team educated workers about the tortoise and set a 5 mph speed limit.

Once a site is in production, they monitor ecosystem health. When the results are unexpected, Hayes' team finds solutions. At Los Vientos Wind Project, the team noticed higher than expected bat fatalities, which was an opportunity to test a new Bat Deterrent System. The two-year study reduced overall fatalities by half, and now they're pursuing the continental United States' first commercial installation of the technology.

As the industry grows, it's vital to find solutions like these. Hayes knows it's not a problem he can solve on his own, but he's glad to be part of the solution.

Staying Ahead of Cyber Threats

Cybersecurity continues to be a growing national topic. From threats to the financial, utilities and telecommunications sectors to concerns of election meddling and ongoing email phishing campaigns to expose personal information.

Threats continue to grow and bad actors continue to become more sophisticated as they target their audiences.

As Duke Energy uses more digital capabilities, modernizes the energy grid and introduces new applications, including the customer app, the company is staying ahead to protect the grid, our generating assets and customer, employee and shareholder information. As the largest operator of the energy grid, using a multilayered approach with many safeguards for cybersecurity is a top priority for Duke Energy.

Duke Energy continues to modernize its cyber protection processes. The company is implementing security measures for operational technology, such as substations, power plants and new grid mechanisms.

Reliable Power

Reliable power is one of Duke Energy's most important commitments to its 7.8 million electric customers. To help improve reliability performance, each year the company sets customer delivery and generation reliability targets.

Customer Delivery

In 2019, Duke Energy began using the customer delivery reliability measure, which takes into account the average duration of outages, customers experiencing multiple outages and customers experiencing lengthy outages. The 2019 target was 100 or higher, and the result was 144.

Generation

Duke Energy's diverse generation fleet with carbon-free nuclear, hydro, wind and solar; lower-carbon natural gas; and higher-carbon coal and oil reliably met customer demand.

The nuclear fleet optimized reliability, which is a measure of generation reliability along with the cost to achieve that reliability, continued a five-year positive trend, with a 2019 index of 183.36. The fossil/hydro fleet's optimized reliability continued its five-year positive trend, with a 2019 index of 57.83. The commercial fleet's renewables availability was 94 percent, showing solid performance in 2019.

Generation Reliability

	2016	2017	2018	2019	2019 Target
Nuclear optimized reliability[2,3]	243.88	230.46	198.49	**183.36**	**203.67**
Fossil/hydro optimized reliability[2,3]	63.88	61.64	59.54	**57.83**	**57.34**
Commercial renewables availability[3]	94.2%	94.6%	95.3%	**94.0%**	**95.0%**

1 Outages with a duration greater than five minutes; statistics are reported per customer, excluding planned outages. Calculated in accordance with applicable guidelines.
2 Lower numbers indicate better performance.
3 Based on units operated by Duke Energy and ownership share.

In an effort to protect its systems and engage stakeholders, Duke Energy routinely shares information, lessons learned and best practices with industry partners, peer utilities and government agencies, including the Department of Homeland Security and the Federal Bureau of Investigation.

Duke Energy also has a dedicated team focused on educating employees and increasing awareness of threats – from routine test phishing emails and annual trainings to seminars and video resources.

The company maintains an incident response team of highly-skilled cybersecurity professionals who identify, mitigate and engage organizations across the company, as well as local, state and federal agencies to respond to issues. And, to ensure we are adequately prepared to respond, the company conducts drills to test emergency response plans and ensure employees understand their role in case an event occurs.

In an effort to protect its systems and engage stakeholders, Duke Energy routinely shares information, lessons learned and best practices with industry partners, peer utilities and government agencies, including the Department of Homeland Security and the Federal Bureau of Investigation.

The Power of Partnership in Red Tide Recovery

Residents and tourists along Florida's world-famous Gulf Coast often enjoy catching the popular red drum, or redfish. Yet in the wake of a historic red tide bloom, anglers of all ages released tens of thousands of the fish instead.

Red tide occurs naturally during most late summers from a bloom of dinoflagellate (algae) that usually dies off in weeks. When a 2017 bloom lingered into 2019, heartbreaking losses of manatees, sea turtles, fish and other marine life resulted.

The massive redfish release effort resulted from a partnership between Duke Energy and the Coastal Conservation Association Florida (CCA). Employees at Duke Energy's Mariculture Center in Crystal River, Florida spawned and raised 34,000 juvenile "fingerlings" and 300 adult redfish. Members of CCA Florida arranged the release events after Duke Energy received permits from Florida's Fish and Wildlife Commission.

By late 2019, release events were completed within a 500-mile span between the Pan Handle's Gulf County to Collier County on the southwest coast.

Fingerlings were released in locations lined with mangroves and other hiding places to increase their survival chances against predators. Adults, which can live for up to 40 years, were tagged and hand-released. If caught, anglers can help researchers by calling the phone number on the tag.

Will 34,300 redfish make a difference? One female redfish can spawn up to 2 million eggs per batch, making millions of new redfish a possibility. That's encouraging news for Florida's delicate coastal ecosystem – including those counting on its longevity to thrive.

Environmental Performance Metrics

2019 Electricity Generated and Generation Capacity[1]

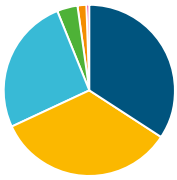
	Electricity Generated (net megawatt-hours)		Generation Capacity (megawatts)	
	MWh (thousands)	Percent	MW	Percent
Total Carbon-Free	**85,885**	**39.7%**	**12,710**	**23.8%**
Nuclear	73,948	34.2%	8,889	16.7%
Wind	6,468	3.0%	1,457	2.7%
Conventional hydro	3,235	1.5%	1,357	2.5%
Solar	2,234	1.0%	1,007	1.9%
Total Lower-Carbon	**74,864**	**34.6%**	**20,261**	**38.0%**
Natural gas	74,834	34.6%	20,257	38.0%
Biomass	30	0.0%	4	0.01%
Total Higher-Carbon	**56,371**	**26.0%**	**18,264**	**34.2%**
Coal	56,276	26.0%	16,989	31.8%
Oil	95	0.0%	1,275	2.4%
Pumped-Storage Hydro[2]	**(714)**	**(0.3)%**	**2,140**	**4.0%**
Total	**216,406**	**100%**	**53,375**	**100%**
Purchased Renewables	**9,407**	**Equivalent to 4%**	**4,298**	**Equivalent to 8%**

1 All data, except for purchased renewables, based on Duke Energy's ownership share of generating plants as of December 31, 2019. Totals may not add up exactly because of rounding.
2 Pumped-storage hydro helps meet peak demand and, like other storage technologies, consumes more energy than it produces.

2019 electricity generated and generation capacity

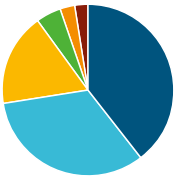
Duke Energy has a diverse, increasingly clean generation portfolio. Almost 40 percent of the electricity we generated in 2019 was from carbon-free sources, including nuclear, wind, hydro and solar. Almost 35 percent was from lower-carbon natural gas, which emits about half as much carbon dioxide as coal when used for electric generation. The remaining 26 percent was from higher-carbon coal and oil. Taken together, owned and purchased renewables are equivalent to over 9 percent of our MWh generation. Duke Energy Renewables sells the electricity and/or Renewable Energy Certificates (RECs) it generates to its customers.

2019 Electricity Generated[1]



34.6% Natural gas
34.2% Nuclear
26.0% Coal
4.0% Wind/solar
1.5% Conv. hydro
0.04% Oil

2019 Generation Capacity[1]



38.0% Natural gas
31.8% Coal
16.7% Nuclear
4.6% Wind/solar
2.5% Conv. hydro
2.4% Oil

1 Excludes pumped-storage hydro.

Fuels Consumed For Electric Generation[1]

	2008	2017	2018	2019
Coal (million tons)	63.1	31.1	29.3	**24.3**
Oil (million gallons)	230.6	30.1	64.9	**26.0**
Natural gas (billion cubic feet)	163.4	496.6	610.3	**567.1**

1 All data based on Duke Energy's ownership share of generating assets as of the end of each calendar year.

Fuels consumed for electric generation

Since 2008, the use of coal and oil as generation fuels has significantly decreased. These fuels are being replaced by natural gas and renewables.

Environmental Performance Metrics

CONTINUED

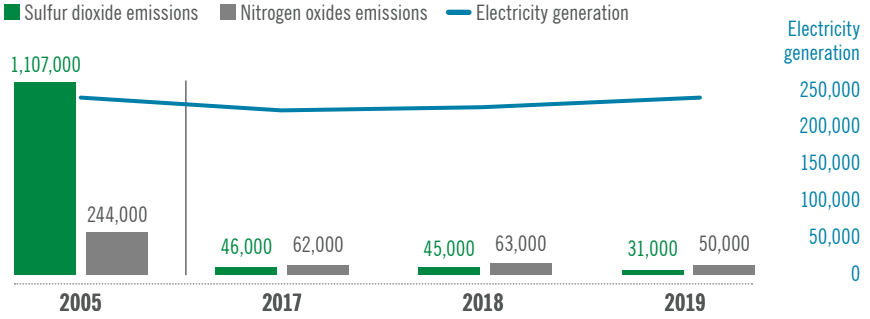
Water Withdrawn and Consumed for Electric Generation
(billion gallons)

	2011	2017	2018	2019
Withdrawn	5,900	5,293	4,991	**4,657**
Consumed	105	71	84	**73**
Consumption intensity (gallons per MWh generated)	456	324	374	**337**

Emissions From Electric Generation[1]

	2005	2017	2018	2019
CO_2 emissions (thousand tons)	153,000	105,000	105,000	**93,000**
CO_2 emissions intensity (pounds per net kWh)	1.29	0.96	0.94	**0.86**
SO_2 emissions (tons)	1,107,000	46,000	45,000	**31,000**
SO_2 emissions intensity (pounds per net MWh)	9.3	0.4	0.4	**0.3**
NO_x emissions (tons)	244,000	62,000	63,000	**50,000**
NO_x emissions intensity (pounds per net MWh)	2.1	0.6	0.6	**0.5**
CH_4 emissions (CO_2 equivalent) (thousand tons)	420	230	218	**186**
N_2O emissions (CO_2 equivalent) (thousand tons)	731	391	369	**361**

Sulfur Dioxide and Nitrogen Oxides Emissions (tons)[2] and Electricity Generation (thousand net megawatt-hours)



Methane Emissions from Natural Gas Distribution
(thousand tons)[3]

	2016	2017	2018	2019
CH_4 emissions (CO_2 equivalent)	184	175	176	**185**

1 All data based on Duke Energy's ownership share of generating assets as of December 31, 2019. Totals may not add up exactly due to rounding.
2 SO_2 and NO_x reported from Duke Energy's electric generation based on ownership share of generating assets.
3 Methane emissions are calculated by applying EPA emission factors to the miles of pipeline and the number of services, and adding component leaks based on survey data.

Water withdrawn and consumed for electric generation

Water withdrawn is the total volume removed from a water source, such as a lake or a river. Because of the once-through cooling systems on many of our coal-fired and nuclear plants, over 98 percent of this water is returned to the source and available for other uses. *Water consumed* is the amount of water removed for use and not returned to the source.

Emissions from electric generation

Many factors influence emissions levels and intensities, including generation diversity and efficiency, demand for electricity, weather, fuel and purchased power prices, and emissions controls deployed. Since 2005, our carbon dioxide (CO_2) emissions decreased by 39 percent, sulfur dioxide (SO_2) emissions decreased by 97 percent and nitrogen oxides (NO_x) emissions decreased by 79 percent. These decreases are primarily due to addition of pollution control equipment, decreased coal generation, increased natural gas generation and replacement of higher-emitting plants.

Methane emissions from pipeline operations

Methane (CH_4) is the primary component of natural gas, and is a greenhouse gas. We work to minimize methane emissions, but some is released during pipeline operations and maintenance. Duke Energy is a founding partner of the U.S. EPA's Natural Gas Star Methane Challenge program, which is aimed at cost-effective technologies and practices that improve operational efficiency and reduce methane emissions.

Environmental Performance Metrics

CONTINUED

Sulfur Hexafluoride Emissions from Electric Transmission and Distribution

(thousand tons)[1]

	2016	2017	2018	2019
SF_6 emissions (CO_2 equivalent)	573	536	337	**535**

Toxic Release Inventory

(thousand pounds)[2]

	2007	2016	2017	2018
Releases to air	97,969	6,074	5,226	**5,110**
Releases to water	257	212	174	**520**
Releases to land	22,052	9,738	9,728	**10,148**
Off-site transfers	155	2,628	2,211	**3,469**
Total	**120,434**	**18,652**	**17,338**	**19,246**

Waste

	2016	2017	2018	2019
Solid waste				
■ **Total generated** (thousand tons)[3]	102	109	104	**118**
■ **Percent recycled**	76%	80%	79%	**77%**
Hazardous waste generated (tons)[4]	1,195	126	281	**232**
Low-level radioactive waste (Class A, B and C) generated (cubic feet)[5]	193,996	148,188	126,123	—

Reportable Oil Spills[6]

	2016	2017	2018	2019
Spills	40	46	32	**17**
Gallons	1,143	5,062	387	**140**

Environmental Regulatory Citations[7]

	2016	2017	2018	2019
Citations	9	10	17	**25**
Fines/penalties (dollars)	$7,114,090	$19,797	$533,776	**$97,558**

1 SF_6 emissions fluctuations are due to maintenance, replacement and storm repair needs.
2 Data pertain to electric generation facilities Duke Energy owns or operates and where Duke Energy is the responsible reporting party. Totals may not add up exactly due to rounding.
3 Weights are estimated based on volumes where necessary. Excludes Duke Energy Renewables, which has smaller volumes, and large nonreplicable projects such as plant demolitions. Piedmont Natural Gas is included beginning in 2017.
4 Excludes Duke Energy Renewables. Hazardous waste generation fluctuates mainly due to maintenance projects.
5 Total of Class A, B and C waste disposal as reported to the Nuclear Regulatory Commission. Crystal River Unit 3 is not included in these statistics, because it is not part of the operating fleet, and is retired. Data for 2019 will be available later in 2020.
6 Excludes Piedmont Natural Gas.
7 Includes international and U.S. federal, state and local citations and fines/penalties.

Sulfur hexafluoride emissions

Sulfur hexafluoride (SF_6) is an insulating gas used in high-voltage electric transmission and distribution switchgear equipment, and is a greenhouse gas. We work to minimize SF_6 emissions, but some is released during transmission and distribution operations and maintenance.

Toxic Release Inventory (TRI)

Duke Energy's TRI releases for 2018 were down 84 percent from 2007, primarily due to the significant investments we've made in environmental controls for our power plants, and decreased coal generation. Recently increased releases were largely due to coal ash basins and their closure operations. These releases are expected to decrease significantly as coal ash basins are closed. (Data for 2019 will be available in August 2020.)

Waste

Due to downturns in market demand for waste wood for biomass generation, we did not meet our goal to recycle 80 percent of our solid waste. We are working on strategies to improve performance on this goal in the future. (This goal excludes Duke Energy Renewables, which has a relatively small waste stream.)

Reportable oil spills

Oil spills include releases of lubricating oil from generating stations, leaks from transformers, or damage caused by weather or by third parties (typically because of auto accidents).

Environmental regulatory citations

Fines/penalties were relatively large in 2016 because of a 2014 oil spill at the Beckjord Station in Ohio, and a 2014 coal ash spill. See the "Legal Cases Resolved" article in the 2015 Sustainability Report. The increase in the number of citations from 2018 to 2019 was due mostly to an increase in water discharge reporting and compliance issues, which have been resolved with regulatory authorities.

EMPLOYEES

Develop and Engage Employees and Strengthen Leadership

4 EMPLOYEES

2019 Highlights

- Increased female representation in the workforce to 23.7 percent (up from 23.3 percent in 2018), and increased minority representation to 18.8 percent (up from 18.1 percent in 2018).
- Earned a perfect score for the third year in a row on the Human Rights Campaign's Corporate Equality Index, and earned distinction as a "Best Place to Work for LGBTQ Equality."
- Named one of "America's Best Employers for Diversity" in 2020 and one of "America's Best Employers for Women" in 2019 by Forbes magazine.
- Received a "HIRE Vets Medallion Award" in 2019 from the U.S. Department of Labor for recruiting, employing and retaining veterans.
- Ranked 125 on Newsweek magazine's 2020 list of "America's Most Responsible Companies," out of 2,000 companies analyzed.

Challenges and Opportunities

- Foster a high-performance and inclusive culture built on strong leadership, diversity and engaged employees.
- Continue to invest in education and workforce development to ensure a robust pipeline of highly skilled workers.
- Ensure transfer of knowledge from our retiring baby boomer workers to new employees.

Duke Energy maintains a diverse, inclusive work environment built on teamwork and collaboration.

Strengthening Our Culture of Diversity and Inclusion

Duke Energy continues its commitment to build a diverse workforce that mirrors the communities it serves and is strengthening a culture of inclusion where employees and customers feel respected and valued throughout the company. This intentional effort not only applies to today; but is a sustainable part of our culture for the next generation workforce.

Strengthening a culture of inclusion takes every employee within the company understanding their part in making each other feel welcomed, respected, heard and valued for the perspectives they bring to the company.

Increasing the percentage of under-represented employee groups, specifically females and minorities, is a Duke Energy priority. In fact, the company has an aspirational goal to increase the percentage of females and minorities in its workforce to 25 percent and 20 percent, respectively, by year-end 2020. Achieving these goals will require a balanced commitment to hiring external talent and continuing to develop and promote from within.

Duke Energy has teams dedicated to recruiting diverse talent as external hiring opportunities arise. While always hiring the most qualified candidates, regardless of background, the company makes a strong effort to ensure diverse populations are aware of job opportunities when they are available.

Duke Energy representatives attend career events at historically black colleges and universities, military bases, professional societies and community events as one of the company's many strategies to directly reach out to diverse talent and potential employees.

Strengthening a culture of inclusion takes every employee within the company understanding their part in making each other feel welcomed, respected, heard and valued for the perspectives they bring to the company.

Our Employee Resource Groups (ERGs) and Diversity and Inclusion (D&I) councils help the company understand, and value the differences among employees, customers and communities and help foster an inclusive environment.

The company's D&I councils are embedded across the company in various business units. These councils focus on specific diversity and inclusion needs of the business and help drive inclusion deeper into the employee experience.

Duke Energy has eight ERGs and numerous departmental D&I councils. They provide cultural awareness, learning and development opportunities, scholarships, represent the company at community events, recruiting assistance, professional development and business support:

- **Advocates for African Americans (A3)** – attract, develop, engage and retain African American employees
- **Business Women's Network (BWN)** – professional development, personal enrichment for working women; with a focus on challenges women face in the workplace
- **disABILITY Outreach and Inclusion** – empowerment and inclusion for individuals with disabilities; focusing on disability awareness through education, networking, community outreach
- **Latinos Energizing Diversity (LED)** – attract and engage Latino employees by creating an engaging environment where the Latino culture is embraced by all employees
- **New to Duke (N2D)** – integrate new employees to strengthen engagement and increase employee retention
- **Together We Stand (TWS)** – enable our veterans to celebrate their shared service, effectively employing the skills of veterans, and make our communications stronger by supporting internal/external veterans' initiatives
- **We Are One for LGBT Equality (WeR1)** – increase awareness and understanding of issues impacting LGBT employees and allies and maintain and encourage a work environment that is inclusive and supportive of all employees
- **Asian Inclusion Network (AIN)** – this is a newly created ERG for attracting and engaging Asian employees

Membership for ERGs is open to all Duke Energy full- or part-time employees regardless of race, ethnicity or cultural background. Approximately 6,000 Duke Energy employees participate in one or more ERGs, and numerous employees also participate in their departmental D&I councils.

Developing Tomorrow's Workforce Today

Sustainability is about being ready for the future. Duke Energy's commitment to delivering a smarter energy future includes a commitment to developing the workforce that will be necessary for that future. Providing employees with the essential knowledge, development and skills they need to be safe and successful in a changing industry is part of our culture.

That commitment also extends to developing tomorrow's workforce. National concerns about declining student interest in science, technology, engineering and math studies – disciplines collectively known as STEM – have our attention. Individuals with these skills are the foundation of our work today and tomorrow. That's why part of Duke Energy's strategy for developing a sustainable workforce includes reaching into local education systems to bring energy career awareness to educators, students and parents.

Duke Energy has established relationships with local community colleges that offer programs in the STEM studies essential to the future. Students are prepared for possible future employment in the energy industry as lineworkers, solar technicians and other careers.

Our education efforts don't stop there, however. In fact, they start much earlier. Duke Energy employees have strong local connections and take pride in sharing their knowledge and histories. Using a speaker toolkit developed expressly for this purpose, employees share information about Duke Energy and the many career opportunities that exist within the changing energy industry.

Maintaining a skilled workforce includes a focus on today without losing sight of tomorrow. That's why planting the seeds of interest in an energy career must begin early and remain a key strategy for today and tomorrow.

Learn more about how Duke Energy's learning and development programs prepare leaders and employees to meet future challenges.

Duke Energy's highly skilled lineworkers use drones and computers to keep power flowing.

Lineworker Skills Always Being Fine-Tuned

No one is more hands-on with the electric utility industry than lineworkers. To ensure a pipeline of future employees, Duke Energy has been funding strategic initiatives to help enhance and diversify the energy industry's workforce of tomorrow.

To ensure a pipeline of future employees, Duke Energy has been funding strategic initiatives to help enhance and diversify the energy industry's workforce of tomorrow.

The company has worked closely with community colleges and other educational organizations to attract a future workforce that will have the skills necessary to build and maintain a changing energy infrastructure.

But once workers get to Duke Energy, the fine-tuning of skills is not over. And being the best of the best doesn't stop.

Every October in Bonner Springs, Kansas, the best lineworkers compete against the best in their trade at the International Lineman's Rodeo.

The Lineman's Rodeo events test job-related skills like working safely while climbing fast, making repairs and rescuing an injured teammate while being judged on speed, agility, technique and safety procedures.

In 2019, more than 1,000 lineworkers from the United States, Canada and Australia competed and our Duke Energy linemen roped in six awards, with North Carolina's Mike Haynes, David Phillips and Neal Walker taking home first place in the world for the journeyman senior division, ages 50 and up.

While most people associate maintaining the grid with the manual work of setting poles and stringing lines, lineworkers are also using drones and computers in their trucks and relay technicians are making the self-healing grid possible. It takes highly skilled talent to tackle the ever-changing needs of the industry.

But their work from the front lines is critical to powering our communities now and will continue to be in the future.

Charging Ahead with Ethics and Compliance

Duke Energy is one the first U.S. electric and natural gas investor-owned utilities to receive Compliance Leader Verification. Duke Energy's verification is for 2019 and 2020.

Awarded by the Ethisphere Institute, Compliance Leader Verification is awarded to companies with leading ethics and compliance programs.

Ethisphere is an independent research center that provides thought leadership and promotes best practices in corporate ethics and compliance. It's Duke Energy's practice to seek an outside assessment of our ethics and compliance program about every five years.

Ethisphere's Compliance Leader Verification process includes a comprehensive review of a company's ethics and compliance program structure and oversight. It examines employee training and communications, risk measurement and mitigation, monitoring practices designed to expose misconduct, consistency in the application of disciplinary measures, and employee perceptions of the company's ethics culture.

The strength of Duke Energy's ethics and compliance program is crucial to the company's success and integrity, which depend on the continuing ability to earn the trust and confidence of our customers, employees, regulators, elected officials, shareholders, and other stakeholders.

Duke Energy's Code of Business Ethics describes ethics and compliance standards for Duke Energy employees. New employees are required to complete ethics and compliance training in the first 30 calendar days on the job. All employees also are annually required to: complete ethics refresher training; acknowledge their responsibility to comply with company ethics policies; and confirm their obligation to report violations of laws, rules or company policies.

The strength of Duke Energy's ethics and compliance program is crucial to the company's success and integrity, which depend on the continuing ability to earn the trust and confidence of our customers, employees, regulators, elected officials, shareholders, and other stakeholders. That success is dependent on every employee's dedication and focus to ensure we consistently deliver results the right way, every day and in every job.

Learn more about Duke Energy's ethics and employee engagement programs.

Workforce Performance Metrics

Workforce Statistics

	12/31/17	12/31/18	12/31/19
Full- and part-time employees	29,143	29,923	28,649
Collective bargaining unit members as percent of workforce	18.8%	18.1%	18.8%

Workforce Demographics

	12/31/17	12/31/18	12/31/19
Ethnic diversity as percent of workforce[1]			
■ White	82.2%	80.4%	81.1%
■ Black/African American	12.0%	11.9%	12.3%
■ Hispanic/Latino	1.7%	2.3%	2.6%
■ Asian	1.5%	1.6%	1.8%
■ American Indian/Alaska Native	0.6%	0.6%	0.6%
■ Native Hawaiian/Other Pacific Islander	0.1%	0.1%	0.1%
■ Not specified	0.0%	1.8%	0.2%
■ Two or more races (not Hispanic or Latino)	1.9%	1.4%	1.4%
Females/minorities as percent of workforce/management			
■ Females as percent of workforce	23.1%	23.3%	23.7%
■ Females as percent of management	18.0%	18.8%	19.4%
■ Minorities as percent of workforce	17.7%	18.1%	18.8%
■ Minorities as percent of management	11.5%	11.9%	12.3%

Employee Turnover Summary

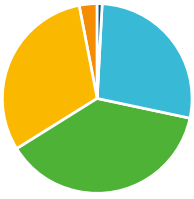
	2017	2018	2019
Turnover as percent of workforce	8.1%	8.0%	12%
Percentage of employees eligible to retire in five years[2]	45%	42%	41%
Percentage of employees eligible to retire in 10 years[2]	57%	54%	52%

1 Totals may not add up exactly because of rounding.
2 "Eligible to retire" is defined as 55 years of age or older, with at least five years of service.

A Multigenerational Workforce

Gen X, millennial and Gen Z workers collectively represent about 72 percent of Duke Energy's workforce. Traditionalists and baby boomers comprise about 28 percent. The company highly values every employee from every generation, every background and every way of life. Duke Energy workers' diverse skills, deep knowledge and broad experience ensure that customers' energy needs are reliably met, around the clock.

Five Generations of Duke Energy Employees*



0.1% Traditionalists (born before 1946)
28% Baby boomers (born 1946-1964)
38% Generation X (born 1965-1981)
31% Millennials (born 1982-1995)
3% Generation Z (born after 1995)

* Percentages don't total 100% due to rounding.

Forward-Looking Information

Cautionary statement regarding forward-looking information

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to:

- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies;
- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;
- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- The impact of the COVID-19 pandemic;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the United States electric grid or generating resources;
- The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets;
- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions;
- Credit ratings of Duke Energy and its registered subsidiaries may be different from what is expected;
- Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of Duke Energy's capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- The ability to obtain adequate insurance at acceptable costs;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities;
- The effect of accounting pronouncements issued periodically by accounting standard-setting bodies;
- The impact of United States tax legislation to our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values; and
- The ability to implement our business strategy, including enhancing existing technology systems.

Additional risks and uncertainties are identified and discussed in Duke Energy's reports filed with the SEC and available at the SEC's website at sec.gov. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and Duke Energy expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Information

Non-GAAP Measures

Management evaluates financial performance in part based on non-GAAP financial measures, including adjusted earnings and adjusted diluted EPS. These items represent income from continuing operations available to Duke Energy common stockholders in dollar and per-share amounts, adjusted for the dollar and per-share impact of special items. As discussed below, special items include certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance. Management believes the presentation of adjusted earnings and adjusted diluted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods.

Management uses these non-GAAP financial measures for planning and forecasting, and for reporting financial results to the Board of Directors, employees, stockholders, analysts and investors. Adjusted diluted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measures for adjusted earnings and adjusted diluted EPS are GAAP Reported Earnings and Diluted EPS Available to Duke Energy Corporation common stockholders (GAAP Reported EPS), respectively.

Special items included in the periods presented include the following, which management believes do not reflect ongoing costs:

- Impairment Charges in 2019 represents a reduction of a prior year impairment at Citrus County CC and an OTTI on the remaining investment in Constitution. For 2018, it represents an impairment at Citrus County CC, a goodwill impairment at Commercial Renewables and an OTTI of an investment in Constitution.
- Costs to Achieve Mergers represents charges that result from strategic acquisitions.
- Regulatory and Legislative Impacts in 2018 represents charges related to the Duke Energy Progress and Duke Energy Carolinas North Carolina rate case orders and the repeal of the South Carolina Base Load Review Act.
- Sale of Retired Plant represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Impacts of the Tax Act represents amounts recognized related to the Tax Act.
- Severance Charges relate to companywide initiatives, excluding merger integration, to standardize processes and systems, leverage technology and workforce optimization.

Duke Energy's adjusted earnings and adjusted diluted EPS may not be comparable to similarly titled measures of another company because other companies may not calculate the measures in the same manner.

Reconciliation of GAAP Reported Amounts to Adjusted Amounts

The following table presents a reconciliation of adjusted earnings and adjusted diluted EPS to the most directly comparable GAAP measures.

	Years Ended December 31,			
	2019		2018	
(in millions, except per share amounts)	**Earnings**	**EPS**	Earnings	EPS
GAAP Reported Earnings/EPS	**$3,707**	**$5.06**	$2,666	$3.76
Adjustments to Reported:				
Impairment Charges	**(8)**	**(0.01)**	179	0.25
Costs to Achieve Piedmont Merger	**–**	**–**	65	0.09
Regulatory and Legislative Impacts	**–**	**–**	202	0.29
Sale of Retired Plant	**–**	**–**	82	0.12
Impacts of the Tax Act	**–**	**–**	20	0.03
Severance Charges	**–**	**–**	144	0.21
Discontinued Operations	**7**	**0.01**	(19)	(0.03)
Adjusted Earnings/ Adjusted Diluted EPS	**$3,706**	**$5.06**	$3,339	$4.72

DUKE ENERGY®

*BUILDING A **SMARTER** ENERGY FUTURE®*

EXHIBIT D

Company Website Article on Learning and Development Programs

Learning and development programs prepare our leaders and employees to meet the future challenges of our industry

Our Leadership Imperatives define what it means to lead at Duke Energy and we embed these into everything we do:

- *Live Our Purpose*: clear connection between the work, the purpose, and the mission of Duke Energy.
- *Transform for the Future*: leading change toward the vision of transforming the business in an agile, flexible way.
- *Deliver Results the Right Way*: drive outcomes for our customers and stakeholders, with safety, integrity and customer service.
- *Work as One*: collaboration, joint problem-solving, and enterprise leadership to deliver one solution from Duke Energy.
- *Inspire Our People*: embracing inclusion and inspiring enthusiasm for adding value to the future of the organization.

We promote the continuing development of employees by reimbursing the costs of certain educational programs.

- The Education Assistance Program assists employees with the pursuit of educational opportunities that contribute to skill development and growth.
- Participating employees may receive up to $5,250 per year in reimbursement for eligible course expenses.
- More than 860 employees participated in the program in 2019.

We are committed to providing learning and skill development solutions to help employees power their potential.

- Since 2017, the Duke Energy Leadership Academy has provided learning and development programs for every level in the organization to build talent capabilities for today and tomorrow.
- In 2019, we had 2,512 program completions (913 people leaders, 604 individual contributors and 995 new employees).
- The learner is at the center of everything we do, and we design blended learning curriculums to support a variety of learning styles and delivery methods, including instructor-led (classroom and virtual), social learning communities, learning partners, micro learning and more.
- Our learning solutions are just in time (resources available 24/7), just enough (bite-sized learning content), and just for them (to meet their unique development needs).

Our workforce development and training partnerships build the skills needed for key roles at Duke Energy.

- We partner with community colleges in each of our jurisdictions to provide training and preparation for jobs at Duke Energy.
- Learners earn the middle skill credentials necessary for success in engineering technology, distribution line construction and customer service, and we are building on this to include additional career pathways in the future.

We are building learning solutions for upskilling and reskilling employees to support business transformation.

- Our business is transforming and leveraging more technology and innovation more than ever before.
- To support this trend, we recently launched a digital transformation program as well as learning paths and content on big data, agile and design thinking.
- Our new online learning library content is mobile-enabled so employees can access learning when and where they need it.

We strive to continuously improve our programs by seeking input from the participants.

- Our **Learner Satisfaction Scores** have continued to increase year over year.
- 78% of participants strongly agree that the program offering will help them to be more effective in their role as a leader.
- 80% of participants strongly agree that the program offerings support Duke Energy's Leadership Imperatives.

We have programs and initiatives to ensure a strong leadership bench for senior executive roles.

- We have a robust **Succession and Talent Planning** process that starts with our business strategy. We create succession plans that are reviewed annually and shared with the Duke Energy Board of Directors.
- Our **Executive Assessment Process** helps us better understand the skills, experiences, and leadership DNA of potential successors for executive roles.
- Insights gained from this customized process helps to inform us about successor readiness and the timing of talent moves to ensure our leadership bench is effectively positioned to drive value for our shareholders.

We recognize the value in career development through executive sponsorship.

- For eligible employees, our **Accelerated Pathways Program** matches proteges and executive sponsors to accelerate their readiness for their next career opportunity.
- Since the program launched in 2017, 32 high-potential leaders have participated, and several of which received career development moves as a result.

EXHIBIT E

Company Website Article on Employee Development and Engagement

Programs to engage and enable our employees while supporting the communities we serve

Our employee volunteerism programs help support our purpose to "power the lives of our customers and the vitality of our communities."

- We have a proud 100-year history of supporting our communities through volunteerism. In 2019, our employees volunteered more than 136,000 hours, estimated at $3.4 million.
- We offer a variety of programs such as our **Hours4Good** program, which allows employees to volunteer their time and receive up to $2,000 for the nonprofit of their choice.
- Our **Teams4Good** program provides a $500 grant to the nonprofit selected by teams of employees to complete a project to support the nonprofit.
- We sponsor and encourage employee participation in companywide volunteer events such as the **MLK Day of Service** and our signature program, **Duke Energy In Action Month,** which is an annual event.
- Employees receive 10 hours of paid time off each calendar year through our **Excellence in Education and Communities** Policy to support our communities through volunteerism.

"My co-workers and I volunteered at a local food bank during Duke Energy In Action Month, and learned about hunger in our community. I am proud to work for a company that truly cares about the people in our communities."

Duke Energy Employee

We provide ongoing performance feedback and development as an investment in our employees, which is the key to our success as a company.

- Our success is dependent upon having capable, engaged and enabled employees to meet the challenges of our business.
- Our **Powering Your Performance** process enables employees to maximize their potential, performance and contribution to our overall success as a company.
- Each year, our leaders and employees work together to create annual performance goals and development plans. And throughout the year, they have ongoing conversations to discuss progress and receive feedback to ensure success.

We care about what's important to our employees and we seek feedback on how we can improve.

- We proactively seek employee input through our **Employee Engagement Survey** on what we're doing and how we need to improve.
- Survey feedback is strictly anonymous to encourage transparency, and we create action plans to continuously improve. We had a participation rate of 80% on our last survey.

Our Innovation Center at Optimist Hall is designed to inspire creativity and innovation for teams to design new products and services.

- The **Innovation Center** at Optimist Hall in Charlotte, N.C., enables teams to solve problems using human-centered design principles.
- We have approximately 300 employees at our Innovation Center, and another 100 that rotate based on current projects.
- It's a new way of working that ignites employees' imagination and provides teams with choice, flexibility and purpose.

We strive to ensure fairness in our employment decisions and corrective actions.

- Employees who have received an adverse employment decision or corrective action are given an opportunity to elevate concerns under our **Employee Recourse Policy**.
- The process includes a review by management and others, and a timely response to the employee.
- We have a **grievance process** in place for our represented employees and each collective bargaining agreement allows for a review of various employment actions through this formal process.

Our Ethics program ensures we are committed to doing the right thing, exercising appropriate behavior, and living our core values.

- If employees have any ethics concerns, they can provide feedback, express and seek guidance through our Ethics program. Through an external service provider, employees may use our EthicsLine (866.838.4427) to raise work-related concerns, anonymously and securely, and have confidence their issues will be addressed with the utmost care and attention.
- Duke Energy was recognized for ethics and compliance excellence by the Ethisphere Institute with its "Compliance Leader Verification" designation for 2019 and 2020. Duke Energy was one of the first U.S. investor owned electric and gas utilities to earn this honor.

EXHIBIT F

Company Website Article on Employee Benefits

Work-life balance programs support the health and well-being of our employees

We provide paid time off to help our employees balance between their priorities at work and home.

- To support our employees in balancing their work and personal lives, we provide paid time off for vacation, holidays, parental leave, military leave, sick and family care, and bereavement.
- New hires are eligible for up to 120 hours of **paid vacation** based on salary grade, in addition to 12 **paid holidays** each calendar year.
- As the families of our employees grow, we provide up to six weeks of **parental leave pay** to allow for care and bonding after the birth, adoption or placement of a child in foster care.
- We proudly support and honor our employees who serve in the military by providing **military pay** up to 120 hours per calendar year for those who must take a leave of absence from work to fulfill their military commitments. We also provide active-duty pay to cover the difference between their company pay and military pay for each active-duty deployment for up to five years.
- During times when employees must miss work due to personal illness or injury, we offer eligible employees an annual allotment of up to 80 hours of paid **sick and family care** leave.
- We also provide support for our employees who experience the loss of a loved one by offering up to five paid days off for **bereavement**.

We provide employees with financial assistance to cover eligible expenses related to adoption proceedings.

- Our Adoption Assistance Program was established to provide financial assistance to employees who adopt a child under age 18, and we have helped numerous families over the years.
- In 2019, we supported 22 employees by reimbursing their adoption agency and placement fees, attorneys' fees and court costs.

"My wife and I are thankful for the support provided by Duke Energy in the adoption of our daughter. The Adoption Assistance Program helped make our dream of becoming parents a reality."

Duke Energy Employee

We offer flexible work arrangements that support our work-life balance philosophy and help us attract and retain talent.

- **Flexible work arrangements** allow employees to create a work schedule around the needs of their families.
- Some options include four 10-hour days, three 12-hour days, working from home on a short-term basis, work location flexibility, part-time schedules and even job-sharing options.

Our employee assistance program helped nearly 3,100 employees and their families in 2019.

- Our **Employee Assistance Program (EAP)** provides the right support at the right time to improve the resiliency of our employees and their families.
- EAP resources include financial and estate planning, elder and childcare, healthy lifestyle coaching, legal support, work/life management, stress management and more.
- Counselors are available 24 hours a day, seven days a week, and all services are strictly private and confidential.

"Coping with the loss of my mother has been tougher than I could have imagined, but the grief counselor provided by our EAP has been helpful in getting me through this difficult time."

Duke Energy Employee

Our Live Well Program helps employees take care of themselves and their families.

- Our **Live Well Program** offers a variety of activities designed to help employees and their spouses/domestic partners reach their health and well-being goals while earning rewards to save on their health care costs.
- The resources help employees reach their goals to reduce stress, eat healthier and exercise.
- Employees participate in activities, such as biometric health screenings, health coaching, seminars and health challenges, to improve their physical, emotional, social and financial health, while earning rewards.
- In 2019, 62% of employees and 56% of spouses/domestic partners participated in our **Live Well Program** and saved a combined $6.6 million on their health care costs

EXHIBIT G

Company Website Article on Diversity and Inclusion

Strengthening a culture of inclusion where employees and customers feel respected and valued throughout the company.

Our commitment to build a diverse workforce that mirrors the communities we serve is an intentional effort that not only applies today; but is a sustainable part of our culture for the next generation workforce:

- We serve diverse communities in an increasingly complex world. That is why we pursue a strategy that integrates diversity, equity and inclusion into everything we do.
- Support for our diversity, equity and inclusion strategy starts from the top. As CEO, Lynn Good believes teams with diverse skills, experiences and backgrounds make us a better company and our executive team leaders take ownership for driving our diversity and inclusion goals forward.
- Each management team member has diversity and inclusion action plans, which support business unit specific diversity targets. The targets are subject to our quarterly business review process, used as part of talent planning and included in scorecards.
- Increasing the percentage of underrepresented employee groups, specifically females and minorities is a company priority.
- We have an aspirational goal to increase the percentage of females and minorities in the workforce to 25 percent and 20 percent, respectively. Achieving these goals will require a balanced commitment to hiring external talent and continuing to develop and promote from within.
- Duke Energy has teams dedicated to recruiting diverse talent as external hiring opportunities arise.
- We attend career events at historically black colleges and universities, military bases, professional societies and community events as one of the company's many strategies to directly reach out to diverse talent and potential employees.

We support community economic development organizations locally and nationally to help us identify diverse suppliers and vendors.

- For five consecutive years, Duke Energy has exceeded $1 billion in diverse spend. In 2019, Duke Energy spent more than $1.5 billion with diverse businesses.
- The award-winning supplier diversity program has been successful and recognized in recent years nationally, regionally and locally.

We are committed to building and enabling a diverse workforce to deliver the right products and services to our customers and grow our business.

- The top 500 leaders in the company have completed unconscious bias training.

- This training, which helps individuals understand how unconscious bias can impact decisions and how to mitigate it, is being offered to mid-level leaders and individual contributors.
- Leaders and individual contributors have the opportunity to participate in civil treatment training, which is designed to address potential workplace issues and create and maintain a fair and professional culture.
- In 2020, the company has held more than 400 Pathways to Inclusion conversations to provide employees an opportunity to talk openly and candidly about how recent and historical events have impacted them.

We foster an inclusive work environment and position our employees to serve as ambassadors within our company and communities.

- The company has eight Employee Resource Groups (ERGs) with 31 chapters across all of Duke Energy. There are more than 6,000 ERG members, who are integral in promoting and building a diverse, equitable and inclusive organization that delivers the right products and services to our customers, grows our business and enables people to reach their full potential.
- ERGs include Advocate for African Americans, Business Women's Network, disABILITY Outreach and Inclusion, Latinos Energizing Diversity, New to Duke, Together We Stand, We Are One for LGBT Equality and the Asian Inclusion Network.
- Employees are also engaged through Diversity and Inclusion Councils. These councils are embedded across the company in various business units and focus on specific diversity and inclusion needs of the business and help drive inclusion deeper into the employee experience.

We reinforce our commitment to diverse communities through our Duke Energy Foundation and partnerships with organizations who focus on advancing and driving inclusion in the workplace.

- In 2019, the Duke Energy Foundation contributed $31.1 million in its territories.
- Through the Duke Energy Foundation, we are making strategic investments to build powerful communities where our natural resources thrive, students can excel, and a talented workforce drives economic prosperity for all. The Duke Energy Foundations current and past grant-making includes working with organizations to provide affordable housing, workforce development and early childhood education to help create equal access to opportunities, a key component of social justice.
- In 2020, the Duke Energy Foundation donated more than $1 million to 80 organizations to support social justice and racial equity in the seven states where the company has electric and natural gas customers. These grants were employee-directed and chosen by the Advocates for African Americans as well as company diversity and inclusion councils.
- As a participant in the Historically Black Colleges & Universities Challenge (HBCUs), we are partnering with HBCUs to strengthen the talent pipeline through engagement, recruiting and building sustainable relationships.
- Duke Energy was one of first companies in the energy industry to sign on to the CEO Action for Diversity and Inclusion commitment. It is the largest CEO-driven business commitment to advance diversity and inclusion in the workplace.

- In 2019, Duke Energy's military recruiting team attended more than 30 military-related hiring events nationwide.
- We collaborate and maintain strong partnership with various organizations in its hiring efforts including: The National Society of Black Engineers, Society of Women Engineers, National Black MBA, the Society for Hispanic Professional Engineers and Enable America.
- Since 2017, 32 high-potential Duke Energy leaders have participated in Accelerated Pathways to accelerate their readiness for their next career opportunity.

We are honored to recognized by organizations for the work we do to promote a divers and inclusive environment, making Duke Energy a great place to work.

- Above and Beyond Award (presented to Piedmont Natural Gas, a subsidiary of Duke Energy, by the N.C. Committee for Employer Support of the Guard and Reserve.
- World's Most Admired Companies by Fortune.
- Best Places to Work for LGBTQ Equality by the Human Rights Campaign.
- Top 50 Employers by CAREERS & the disABLED Magazine.
- National Society of Black Engineers (NSBE) SEEK Award.
- America's Best Employers by Forbes.
- 2019 U.S. Department of Labor HIRE Vets Gold Medallion Award.
- SAP Industry Innovation Award.
- Best Companies for Diversity by Black Enterprise.
- Best Employers for Diversity by Forbes.
- America's Best Employers for Women by Forbes
- Top Employer for Female Engineers by Woman Engineer Magazine.
- Top 300 Most Responsible American Companies by Newsweek.
- No. 1 among U.S. utilities for investor transparency by Labrador Advisory Services.
- Named to the Dow Jones Sustainability Index multiple years in a row.
- Emergency Recovery Award by Edison Electric Institute.
- Employer Support Freedom Award by the U.S. Secretary of Defense.
- Top 10 Utilities in Economic Development from Site Selection Magazine's Annual List.

EXHIBIT H

Supplier Code of Conduct

SUPPLIER CODE OF CONDUCT

Ethics Matters

DUKE ENERGY®

Effective December 2018

CONTENTS

INTRODUCTION

WELCOME

At Duke Energy, powering the lives of our customers and the vitality of our communities is our purpose. It's what drives us and what's behind all we do at Duke Energy. At its core, this purpose is our reason for being in business and conveys what we at Duke Energy stand for in historical, ethical, emotional and practical terms.

Duke Energy's expectations for our suppliers are described in more detail in this Supplier Code of Conduct. The work of our suppliers is critical to the lives of our customers and reflects on Duke Energy and its commitments. Upholding the highest standards of ethical, social and sustainable conduct is the foundation of our expectations for our suppliers.

OVERVIEW

This Supplier Code of Conduct ("Code") applies to all of the businesses and individuals who support Duke Energy, its subsidiaries, joint ventures, divisions or affiliates by working together to provide services or products necessary for the safe, successful and ethical conduct of our business. Our suppliers should educate their employees, agents and subcontractors so they understand and comply with this Code. Suppliers are expected to provide sufficient training and supervision to ensure that any of the workers they assign to perform work for Duke Energy comply with this Code.

Compliance with this Code is a requirement for becoming or remaining a supplier with Duke Energy and for individual workers to be eligible for contract assignments to Duke Energy. The expectations set forth here are intended to supplement, not replace, requirements established by contract, policy or in a supplier's own ethics and compliance guidelines. We encourage our suppliers to conduct ongoing self-assessments with these requirements and will monitor compliance through audits or site visits as we deem necessary.

Suppliers are expected to fully cooperate with all requests. If nonconformance with this Code is detected, we will work with the supplier to correct the identified issues and ensure compliance. Deficiencies may result in a remediation plan, removal of a worker from a Duke Energy site or project, or termination of the business relationship.

OUR CORE VALUES

Duke Energy is committed to our core values – safety, integrity and service. These fundamental values ensure that the decisions we make today are the right decisions for tomorrow. We expect our suppliers to share and adhere to these same essential values and apply them to how they do business locally and around the world.

SAFETY

Safety refers to the health and safety of everyone who works here, as well as our communities and the environment.

INTEGRITY

Integrity is acting honestly and ethically, holding ourselves accountable and earning trust.

SERVICE

Service means being agile and innovative in taking care of our customers and helping our communities prosper.

QUESTIONS, CONCERNS AND VIOLATIONS

Duke Energy encourages open discussion with our suppliers and stakeholders to ensure all aspects of our supply chain conduct business with the highest levels of integrity.

We expect and trust our suppliers to report actual or suspected noncompliance with this Code so that any issues can be addressed. We also ask that all suppliers report any events or media coverage they believe could cause harm to the parties' relationship, Duke Energy's business or the Duke Energy brand.

You can ask questions or report a concern by contacting one of the following resources:

- Your Duke Energy Supply Chain Representative
- Duke Energy Ethics Office | P.O. Box 1333, Charlotte, NC 28201 | ethicsofficer@duke-energy.com
- Duke Energy EthicsLine | 866.838.4427 | https://ethicsline.duke-energy.com

The EthicsLine is managed by an independent third party and is available 24/7. You can choose to remain anonymous when using the EthicsLine, but it is vitally important for you to keep your report number and PIN in a safe place so you can follow up on your concern or question. Investigators may have follow-up questions about your concern, and you can assist with the investigation by calling or logging back in to the web submission tool to provide additional details.

Without all the facts, it may be difficult for us to get to the bottom of your concern or question.

We review and take action on 100 percent of the concerns we receive. We expect all suppliers to cooperate fully to ensure a meaningful and thorough investigation. We also expect suppliers to have their own systems to receive concerns, conduct investigations and take corrective measures when appropriate.

GOOD FAITH REPORTING AND RETALIATION

Duke Energy prohibits retaliation against individuals who in good faith report concerns or who participate in the investigation or resolution of a concern. Good faith does not mean you are right about your concern, but it does mean you honestly believe it to be true.

We will take appropriate corrective action against employees found to have participated in retaliation, up to and including termination of employment. We also expect our suppliers to take appropriate measures to prevent retaliation and address confirmed allegations as necessary. If you believe you have been retaliated against by someone at Duke Energy, please contact one of the resources in the Ethics Office, EthicsLine or Supply Chain so that we may conduct an investigation.

BUILDING TRUST WITH EACH OTHER

COMMITMENTS TO OUR PEOPLE AND SUPPLIERS

As a company, Duke Energy is committed to creating and maintaining an inclusive work environment where the contributions of every individual are recognized, all people are valued and respected, and all have opportunities to reach their full potential. We are committed to honoring and protecting the human rights of others and expect our suppliers to share this commitment.

All Duke Energy suppliers must comply with the letter and spirit of applicable U.S. and international labor and employment laws. Suppliers must compensate workers in a manner that meets all legal requirements associated with wages, working hours, overtime and benefits. Workers should be employed only if they are authorized to work in the jurisdiction to which they are assigned. Employment of underage workers, forced or indentured labor, harassment, discrimination, retaliation or violence or intimidation of any kind is prohibited, and workers must be allowed to join or not join any association as protected by law.

HEALTH AND SAFETY

At Duke Energy, we put safety first in all we do. Our goal is a zero injury and illness safety culture where workers demonstrate personal commitment to continuous safety improvement and to the safety of the communities we serve. Protecting workers and the community enhances the quality of life for our workforce and contributes to our long-term business success. Suppliers are expected to report all accidents and near misses in accordance with Duke Energy policies. Actions taken to suppress reports will not be tolerated.

Suppliers are held accountable and must demonstrate their commitment to providing a safe and healthy workplace by exercising good judgment and applying safe work practices to all activities, including regulatory and contract-specific requirements. Among other requirements, suppliers must ensure their workers adhere to general and site-specific safety requirements, including the use of personal protective equipment (PPE), prohibitions on the use and possession of illegal drugs and alcohol, restrictions on the possession of weapons, and support for a violence-free environment.

CONFLICTS OF INTEREST

A conflict of interest exists when a supplier faces a choice between what is in their best interests (financial or otherwise) and what is in the interest of Duke Energy.

A conflict may arise if a supplier:

- Employs a current Duke Energy employee or someone with a close personal relationship to a Duke Energy employee to perform work for Duke Energy
- Is partially or fully owned or controlled by a current Duke Energy employee or someone with whom they have a close personal relationship
- Has access to Duke Energy's proprietary information while providing goods and services to Duke Energy's competitors and uses this information to benefit themselves or a competitor
- Provides services to develop a request for proposal (RFP) to be issued by Duke Energy and seeks to bid on the work covered by that RFP
- Is engaged or overseen by a Duke Energy employee with whom they have a close personal relationship

Suppliers must promptly disclose any potential conflict of interest to Duke Energy prior to entering into any business transaction as even the appearance of a conflict could be mutually harmful. If a potential conflict arises during the business relationship, it must be disclosed promptly after it becomes known.

BUILDING TRUST WITH OUR BUSINESS SUPPLIERS

POLICY AGAINST CORRUPTION

Duke Energy builds relationships based on trust and respect by conducting business legally and with integrity. We will not engage in any kind of corrupt activity or tolerate such activity committed by a third party with whom we do business. Suppliers must comply with the letter and spirit of applicable U.S. and international laws, including those prohibiting bribery, kickbacks, corruption and other unethical business practices intended to obtain an improper advantage. Suppliers are expected to maintain their own anti-corruption policies, including conducting appropriate due diligence for the parties with whom we work, and maintaining accurate books and records. As a precaution, suppliers are prohibited from making a payment to expedite a legally provided service or request, known as a facilitation payment, without prior approval.

BUSINESS GIFTS AND COURTESIES

Business courtesies are designed to build goodwill and sound working relationships but should never be used to gain special advantage in a relationship. Although a modest exchange may be acceptable under certain conditions, it's never required for doing business with Duke Energy. Suppliers must never offer or provide personal incentives or rewards to Duke Energy employees in an effort to influence a business decision such as a procurement award.

Small or nominal promotional items, gifts and entertainment given in the regular course of business and in accordance with local and international laws are acceptable. However, care should be taken to not provide business courtesies on a frequent or continual basis. Providing cash, cash equivalents, gift cards or discounts not available to all employees is strictly prohibited. Suppliers are also prohibited from providing business courtesies to foreign and domestic public officials and employees on Duke Energy's behalf without prior approval.

SUPPLIER SELECTION

Our suppliers are integral to the success of our company, and we choose our suppliers carefully. We are committed to fair and ethical dealings in bid evaluation, negotiation, award decisions and the administration of purchasing and sourcing activities. Our decision to select a supplier is based on fair and objective criteria, such as technical, commercial or other valid business reasons. Suppliers are therefore expected to cooperate with all due diligence requests and processes.

Through our commitment to supplier diversity, we build relationships with small, local and diverse businesses capable of providing commodities and services at competitive prices. We expect our suppliers to share this commitment to seek, use and develop diverse suppliers while performing work for Duke Energy. We are committed to building bridges with our suppliers by providing equitable opportunities to compete. While we provide philanthropic support to address the needs of communities where our customers live and work, our suppliers are never required to make charitable or political contributions in order to do business with us.

FAIR COMPETITION

At Duke Energy, we believe in doing business honestly and transparently. We will always participate in the marketplace fairly and in compliance with anti-trust laws and regulations, and we expect our suppliers to refrain from activities that reduce competition and restrict trade such as agreeing to fix prices, rigging bids or dividing market territories. Our suppliers are expected to conduct business with integrity and should refrain from any activity that disrespects our competitors, such as making inaccurate statements about their products or services or sharing confidential information.

BUILDING TRUST WITH COMMUNITIES

DATA PRIVACY

The information we gather during business operations is critical to our success and the security of the assets we operate for our customers. It is also an essential component of our business value and brand identity. In addition, we respect the privacy of our employees, contingent workers, customers and shareholders and take precautions to keep their information secure. Our suppliers have a shared obligation to guard sensitive information closely and protect it against unintentional disclosure and internal or external threats.

Any information provided to our suppliers by Duke Energy, including employee, contingent worker, customer and shareholder information, must be managed in compliance with Duke Energy's policies and requirements, particularly privacy and IT security requirements, as well as applicable data privacy laws and regulations. Sensitive information can only be shared within your company on a need-to-know basis. Suppliers cannot share Duke Energy's sensitive information with third parties without express written permission. Suppliers are also prohibited from using our sensitive information for their benefit, including making financial trades based on material nonpublic information. All unauthorized access to, or disclosures of, Duke Energy information should be reported as soon as possible using the resources described earlier in this Code.

ENVIRONMENT

We are committed to being a good neighbor, which means we respect and honor our role as a steward of our environment. Sustainability is central to everything we do, and responsible management of our natural resources is critical to a cleaner environment, the quality of life in the communities we serve and Duke Energy's long-term business success.

We actively seek suppliers that share our commitments. Suppliers must abide by the letter and the spirit of all federal, state and local environmental laws and Duke Energy policies and procedures related to pollution, waste disposal, air emissions and stormwater management. Suppliers should have environmental management systems and training in place to manage risk, conserve resources and protect the environment. All permits and registrations must be obtained when required. Suppliers are expected to report spills or other issues in accordance with Duke Energy policies.

DUKE ENERGY RESOURCES

Providing safe, reliable service to our customers and communities is one of our highest priorities, and the resources needed to accomplish this goal are enormous. Our resources, including company facilities, equipment, systems, technology assets, materials, time, information and office and field supplies, should always be protected from theft and used responsibly for legitimate business purposes. All workers are expected to abide by all access, network security and badging policies and to create business records for Duke Energy in an accurate and honest manner.

Suppliers may not use Duke Energy's name or logo, trademarks or other intellectual property without the express written consent of the company, and the intellectual property rights of third parties will always be honored. Suppliers also are prohibited from speaking on our behalf without express authorization. Suppliers shall not use social media in a way that harms the Duke Energy brand, our workers, systems or assets. Gambling, solicitation or distribution of information or materials not approved by Duke Energy is prohibited.

CYBERSECURITY

Our suppliers play a key role in maintaining the security and integrity of Duke Energy computer systems, networks and information. Suppliers are required to implement and maintain a cybersecurity system designed to prevent unauthorized access to, and maintain the security of, their own computer systems, networks and information and to help prevent unauthorized access to, and to maintain the security of, Duke Energy's computer systems, networks and information. Suppliers must notify Duke Energy immediately in the event of suspected or actual unauthorized access to the supplier's or Duke Energy's computer systems, networks or information.

BUILDING TRUST WITH GOVERNMENTS

COMPLIANCE WITH LAWS AND REGULATIONS

In addition to those specifically called out in this Code, our suppliers are expected to comply with all applicable U.S. and foreign laws and regulations. Violations of these rules – whether intended or not – can damage our operations, financial stability and reputation. If local laws are less restrictive than this Code, suppliers are expected to comply with the expectations in this Code. Suppliers should implement a compliance program commensurate with their size and risk exposure to prevent, detect and correct issues of noncompliance.

POLITICAL INTERACTIONS

Duke Energy regularly interacts with public officials responsible for laws, regulations, rules and policies that affect our company. Suppliers are prohibited from making representations on behalf of Duke Energy without prior approval and must ensure all interactions and relationships with public officials are professional and productive and comply with all related requirements.

FEDERAL AND STATE ENERGY REGULATIONS

Federal and state energy regulatory commissions have specific codes and standards of conduct that address discrimination and preferential treatment between regulated companies and their affiliates. In addition, we are subject to regulatory requirements related to the security of our network and assets. Duke Energy and its suppliers must ensure compliance with these codes and standards, including regulations enforced by the Federal Energy Regulatory Commission (FERC), the North American Electric Reliability Corporation (NERC) and all public utility commissions with oversight of our operations.

BUSINESS RECORDS

Accurate, reliable information and records are critical to meeting Duke Energy's financial, legal and management obligations. Suppliers must comply with generally accepted accounting principles (GAAP), including a system of internal controls to promptly, completely and accurately prepare required reports, vouchers, reimbursement requests and invoices. Suppliers must follow all applicable laws and contractual requirements in creating, maintaining and disposing of records created during and reflecting their business dealings with Duke Energy. Suppliers are expected to create business records for Duke Energy in an honest and accurate manner.

TRADE LAWS

We are fully committed to ensuring we do our part to protect our national security. If a supplier relationship involves international trade, we expect our suppliers to be knowledgeable of and abide by all applicable laws. Suppliers must cooperate with all U.S. Treasury Department's Office of Foreign Assets Control embargo sanctions prohibiting business with certain countries, agencies and individuals. All export control restrictions established to prevent sensitive goods, technology and software from falling into the wrong hands must be obeyed. In addition, our suppliers are prohibited from participating in or supporting economic boycotts not sanctioned by the U.S. government.

CONCLUSION

Suppliers are expected to ensure that any of the employees they assign to perform work for Duke Energy comply with this Code. Duke Energy values its supplier relationships as a vital part of our business operations and appreciates all efforts to meet these important responsibilities. In the event of questions or concerns regarding this Code and Duke Energy's expectations, please contact the Ethics Office, EthicsLine or your Supply Chain representative.

EXHIBIT I

Duke Energy 2019 Annual Report, Letter to Shareholders

DUKE ENERGY®

2019 ANNUAL REPORT
AND FORM 10-K

Ready for what's

WE'RE WRITING THE NEXT CHAPTER IN OUR COMPANY'S 116-YEAR HISTORY – AND I'M CONFIDENT THE STORY WILL BE ONE OF THE BEST YET.

Lynn J. Good

Chair, President and
Chief Executive Officer

Ready for what's NEXT

LYNN J. GOOD

Chair, President and Chief Executive Officer

Dear Shareholder:

Today, the speed and depth of transformation in our industry are inspiring. In this environment, our ability to develop new solutions provides great opportunities to bring more value to our customers and the communities we serve.

While the pace can feel unrelenting at times – not only for us, but for those we serve – we're embracing this shift with conviction and optimism as we reimagine our business.

In 2019, we met our financial targets through our focus on execution, made important progress on our long-term strategy and demonstrated agility in how we operate. We also announced our new, bold vision for net-zero carbon emissions by 2050 – built on a diverse mix of resources, including carbon-free nuclear and the expansion of our natural gas and renewables portfolios.

Since our founding, Duke Energy has maintained a proud legacy of meeting the changing needs of our customers and communities. So as we – the 29,000 employees of Duke Energy – work together to write the next chapter in our history, I'm confident in our ability to deliver the right results. 2019 is clear proof that Duke Energy is stronger and better prepared to shape our future.

Delivering Results the Right Way

Consistent financial results earn the trust of our investors – and in 2019, we delivered on our commitments.

Our adjusted earnings per share (EPS) were $5.06 for the year – above the midpoint of our original guidance range. Strong growth in our electric, natural gas and commercial renewables businesses remained the financial engine for our company. Our cost discipline and flexibility supported our strategy as we focused on long-term growth. And 2020 will be the 94th consecutive year we will pay quarterly cash dividends on our common stock, which we increased by 2 percent in 2019.

However, uncertainty in the regulatory environment in the Carolinas and the impact of the permitting and litigation delays for the Atlantic Coast Pipeline (ACP) weighed on our stock in 2019. Our total shareholder return of 10.3 percent underperformed both the Philadelphia Utility Index and the average for our regulated peers.

In response, we took aggressive actions.

This February, we announced our new 2020 adjusted EPS target of $5.25 and guidance range of $5.05 to $5.45. It solidifies and extends our commitment to deliver a long-term growth rate at 4 to 6 percent through 2024.

In the Carolinas, we reached a settlement with the North Carolina Department of Environmental Quality and several community groups on a plan to permanently close ash basins in the state. The settlement lowers the previously estimated closure costs by approximately $1.5 billion, resolves environmental litigation, and ensures that people, communities and the environment are well-protected.

With respect to ACP, we continued to advance this project despite legal challenges that halted major construction. The U.S. solicitor general, along with 18 state attorneys general and other stakeholders, joined our appeal to the U.S. Supreme Court on the project's ability to cross the Appalachian Trail. The Supreme Court heard oral arguments this past February and is expected to issue its ruling in second quarter of 2020. We believe the law and facts remain on our side as we move toward a final resolution to restart construction later in the year.

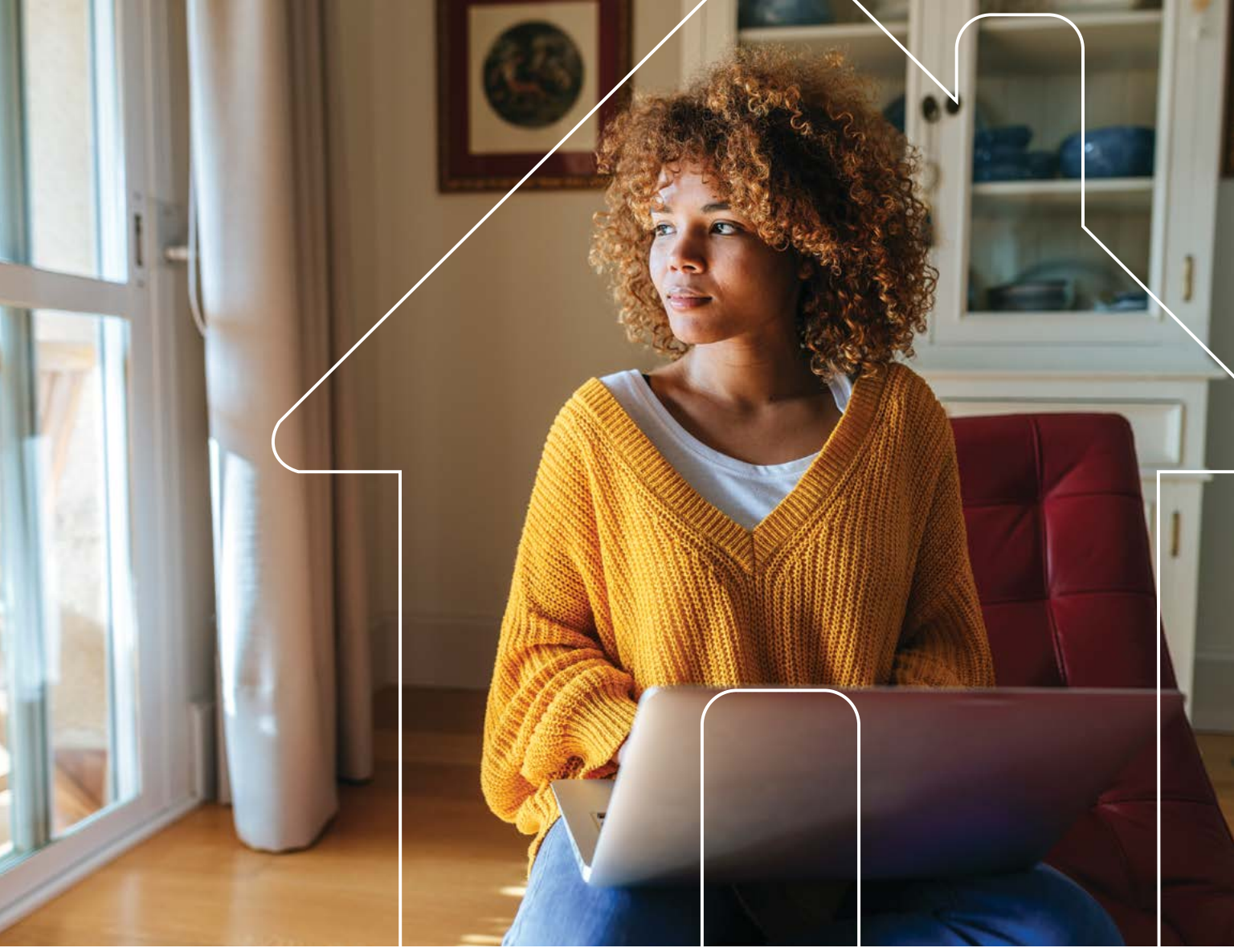
We also took steps to strengthen our balance sheet – which is vital to financing our growth strategy while providing flexibility to maintain our credit profile. In November, we priced $2.5 billion in incremental common equity that will settle in December 2020. We also issued $2 billion in preferred stock in 2019.

In addition, we closed our minority stake sale of our Commercial Renewables portfolio to John Hancock and issued additional green bonds in North Carolina and Florida – bringing our total clean energy offerings to $2.3 billion since 2018.

Importantly, ratings agencies acknowledged our efforts. In November, S&P resolved its negative outlook following the $2.5 billion common equity offering.

This February, we announced our new 2020 adjusted EPS target of $5.25 and guidance range of $5.05 to $5.45. It solidifies and extends our commitment to deliver a long-term growth rate at 4 to 6 percent through 2024. And because of growing demand for infrastructure investments, we increased our capital plan by 12 percent to $56 billion – with more than 90 percent to be spent in our regulated electric and gas businesses, driving strong earnings base growth.

Our results in 2019 show that the foundation of our business is strong. With important legal and regulatory decisions approaching in 2020, we are committed to producing outstanding operating results for our customers and investors while delivering growth in earnings and dividends in a low-risk, predictable and transparent way. That's our promise to you.



Executing Our Strategy

Our industry is in a period of transformation, and our strategy will continue to guide how we invest to meet the changing needs of our customers and communities while maintaining flexibility and creating shareholder value. Our commitment to deliver outstanding customer service and value by investing in our grid, cleaner energy and natural gas infrastructure is moving us forward.

Transforming the Customer Experience

Our strategy begins and ends with the customer. This past year, we continued to direct our investments to meet the needs of our customers, striving to provide the personalized service they expect today.

We improved how we communicate with customers on their terms, including proactive payment confirmation, energy usage alerts, and timely safety and outage information during storms. In addition, we launched an interactive outage map. Now, customers can get updates in real time and better understand restoration efforts.

We made it easier for customers to access their payment history and usage data, and pay their bill

We saw improvement across almost all our territories as measured by J.D. Power's Customer Service Index for residential service customers. We also earned a 25 percent increase on our internal customer satisfaction metrics.

online – including the launch of our new mobile app. And we made progress upgrading our customer information system. This platform, called Customer Connect, will give us the ability to provide enhanced communications and solutions. This includes an improved bill format for customers in the first half of 2020. Customer Connect remains on track to be fully implemented by 2022.

Yet, we are not relying solely on technology to create better relationships. We look for every opportunity to engage face to face with customers through community events, town halls and pop-up office locations. In addition, our employees review customer feedback each month to identify improvement opportunities and develop local plans for our communities.

Our focus on customers shows in our customer satisfaction metrics. In 2019, we saw improvement across almost all our territories as measured by J.D. Power's Customer Service Index for residential service customers. We also earned a 25 percent increase on our internal customer satisfaction metrics.

In 2020 and beyond, we'll build on this progress as we work to delight customers, deepening our relationships and giving them a best-in-class experience.

Generating Cleaner Energy

Around the world, countries, companies and communities are adding their voice to the conversation on how to achieve a lower-carbon future.

I'm proud to say we have long been an important contributor to that discussion. Since 2005, we have reduced our carbon emissions 39 percent, which exceeds the goals of the former Clean Power Plan and the 2025 U.S. commitment to the Paris Agreement.

Over the past year, we took that commitment even further.

In 2019, we refreshed our climate strategy and accelerated our goals as we now plan to reduce our carbon emissions from electricity generation by at least 50 percent from 2005 levels by 2030 and to achieve net-zero emissions by 2050.

It will take a thoughtful, disciplined approach to attain these ambitious goals. We need a diverse set of resources – including increased investments in renewables, storage, natural gas and energy efficiency, in addition to the retirement of coal plants – to achieve our 2030 goal.

To reach our 2050 target, we are advocates for investments in research and development and new technologies – such as enhanced storage, carbon capture, advanced nuclear and new, carbon-free solutions that don't exist yet at scale.

And we cannot overstate the importance of nuclear. In the Carolinas, our nuclear plants account for nearly half of our generation. Currently, we're pursuing subsequent license renewal for our entire nuclear fleet. This will enable us to operate our plants for an additional 20 years.

We recognize the importance of accelerating the path to net-zero carbon emissions and look forward to working with stakeholders in each of our states to turn these goals into reality.

As we do, our current investments to generate cleaner energy align with our goal for 2030 and beyond.

We achieved substantial completion of our 560-megawatt Asheville combined-cycle natural gas plant and retired two coal-fired units at the site – all part of our Western Carolinas Modernization project. The Asheville plant is our third combined-cycle plant to come online in the past two years. Natural gas plays an important role in lowering our carbon emissions and effectively integrating renewable energy resources.

Renewables remain a critical part of our strategy. We added more than 2,500 megawatts of solar capacity to our grid over the past four years, including significant growth in North Carolina that helped keep the state second in the nation for solar capacity.

In 2019, we were awarded approximately 190 megawatts of utility-scale solar under North Carolina House Bill 589. Most of the projects will come online by mid-2021. The number of customers who installed or received a rebate under our $62 million, multiyear rebate program in North Carolina increased by nearly 1,700 – bringing the total to 3,600 rebates. We also launched our Green Source Advantage program, helping large customers meet their sustainability goals.

In Florida, our Lake Placid and Trenton solar power plants came online, bringing nearly 120 megawatts to customers. In addition, we announced other solar and battery projects, continuing our progress to add 700 megawatts of solar generation through 2022 while projecting to more than double our solar investments in the state by 2028.

Our Commercial Renewables business continues to grow as we announced approximately 1,500 megawatts in new projects, which will be placed into service by the end of 2020. This included our largest solar facility to date, the 150-megawatt North Rosamond solar project in California, which began operation in June. As well, our 200-megawatt Mesteño Windpower project in Texas began commercial operations in December, producing enough energy to power about 60,000 average homes.

We have been on a successful mission for more than a decade to lower our carbon emissions. For the 14th consecutive year, our company was included in the Dow Jones Sustainability Index, and in 2020, we plan to release our second climate report. Our work in 2019 continues our momentum to ensure a cleaner energy future for those we have the privilege to serve.

Modernizing the Power Grid

With more than 300,000 line miles, our transmission and distribution network is the largest in the nation. It connects

We prevented more than 610,000 extended power outages and saved customers approximately 62 million outage minutes.

commerce and communities to affordable, reliable and increasingly clean power. With the rising demand for new technologies, services and capabilities, we continued to modernize our grid to enhance resiliency and support the future needs of our customers.

Smart meters remain a critical link to give customers more access to information that helps them save energy and money. This past year, we installed more than 2 million smart meters, with more than 80 percent of our customers currently having the benefit of this technology. We completed deployments in Indiana and the western Carolinas and made significant progress in the eastern Carolinas and Florida. We are on track to be fully deployed in all our jurisdictions by year-end 2021.

We expanded our self-optimizing grid capabilities – allowing the grid to automatically detect outages and reroute power to restore customers faster. As a result, in 2019 we prevented more than 610,000 extended power outages and saved customers approximately 62 million outage minutes.

Electrification is an important part of our strategy and contributor to a lower-carbon future. We are investing in this infrastructure to spur electric vehicle (EV) adoption. In Florida, we're installing 530 EV charging stations, and in North Carolina, we've proposed a pilot that would support the installation of 2,000 EV chargers. Across our service territories, we plan to support the deployment of nearly 7,500 EV chargers including residential, fleet, public transit and highway fast charging.

The security of our grid remains paramount. In 2019, we continued to upgrade equipment and install protective devices to meet higher standards and increase protection against physical and cyber security threats. This work also helps to enable new technologies and support renewable solutions. We continued our targeted undergrounding effort, identifying the most outage-prone power lines on our system and moving those lines underground.

Evolving customer expectations demand a modernized grid, and our investments are designed to meet their changing needs in 2020 and beyond.

Expanding Natural Gas Infrastructure

Natural gas remains central to our transition to a lower-carbon future. But delivering the benefits to customers will take an extensive, resilient natural gas transmission and distribution network. That's why we're making significant investments in this critical infrastructure.

To help Piedmont Natural Gas better serve its growing customer base, we are moving ahead with several projects, including the construction of our $300 million Robeson liquid natural gas (LNG) facility in North Carolina. This will provide natural gas during peak usage days, protecting customers against price spikes and volatility.

In the Midwest, we received approval from the Ohio Power Siting Board to construct the 14-mile Ohio Central Corridor Pipeline project. This is the result of a multiyear stakeholder process and is a milestone for Cincinnati and the region as we invest in critical infrastructure improvements to better serve customers. We will begin construction in late 2020.

In addition, we continue pursuing innovative technologies, such as renewable natural gas and compressed natural gas initiatives. We've also invested $300 million in pipeline integrity projects, demonstrating leadership in emissions reductions and safety improvements.

As I discussed earlier, the ACP project is a necessary infrastructure investment, bringing low-cost natural gas to eastern North Carolina. In addition to the appeal to the U.S. Supreme Court, we continue to work diligently with the U.S. Fish and Wildlife Service on the Biological Opinion and Incidental Take Statement – two of the project's federal permits held up by the Fourth Circuit. We expect the permits to be reissued by midyear. Taking these timelines into account, we are planning for mechanical completion of the project in late 2021, with full in-service in the first half of 2022.

We remain committed to this project and the benefits the expansion of natural gas infrastructure brings to our customers and the Carolinas region.

Engaging Stakeholders

To deliver results for our customers, we need constructive regulatory policy, which requires collaboration and strong stakeholder support.

We made progress in 2019 as we brought people together – through forums, local advisory councils and one-on-one meetings – to find public policy solutions that allow us to better serve customers and build the cleaner energy future they deserve. We continually seek common ground and continue to approach these conversations with an open mind.

You can see the results of our engagement across our service areas.

In North Carolina, the passage of Senate Bill (SB) 559 enables the North Carolina Utilities Commission (NCUC) to approve storm cost securitization, allowing utilities to issue bonds to finance storm recovery. This tool could save customers on storm costs and support our balance sheet. While we were disappointed the bill did not include proposed regulatory reforms, we're encouraged they will be a part of the broader dialogue in the state's Clean Energy Plan stakeholder process in 2020.

Florida SB 796 also passed last year, authorizing grid resiliency investments to protect against extreme weather events. The bill provides timely rider recovery, and we plan to file our first storm protection plan in 2020.

We established an Innovation Center at Optimist Hall in Charlotte. We have nearly 400 people at this facility dedicated to developing new products and services. In less than a year, the team has more than 20 applications in the field, supporting our customers and enabling our workforce.

In 2019, we filed several rate cases. Piedmont Natural Gas submitted its first base rate case in North Carolina since 2013. In October, the NCUC approved our settlement with the Public Staff and industry groups, maintaining timely cost recovery mechanisms and demonstrating constructive regulatory environments.

In North Carolina, both our electric utilities are seeking recovery for investments in cleaner generation and improvements to our infrastructure. And in Indiana, we filed our first rate case in 16 years for investments to support that state's growing customer base.

The right outcomes come from collaboration, and we'll continue to engage stakeholders to meet our customers' energy needs.

Turning Change into Opportunity

Our strategy of providing outstanding service that our customers value rests on a foundation of operational excellence, stakeholder engagement and business transformation.

In 2018, we launched our Lighthouse initiative – an enterprisewide program to find new ways to use digital capabilities and transform how we operate our business while delivering cost savings for customers. In early 2019, we established an Innovation Center at Optimist Hall in Charlotte. We have nearly 400 people at this facility dedicated to developing new products and services. In less than a year, the team has more than 20 applications in the field, supporting our customers and enabling our workforce.

Early results like these are very encouraging. The desire to reap the benefits of changing how we work is being embraced by people throughout our business, from frontline supervisors to senior leadership. I look forward to reporting on our progress in the years ahead as we continue transforming how we operate our business and serve our customers.

Results Built on Operational Excellence

Our commitment to operational excellence remains foundational to our success.

This focus always starts with safety – of our assets, our people, our communities and the environment. Once again, our employees delivered industry-leading results in 2019. We reduced the number of injuries and environmental events last year – and remain focused on making improvements that move us toward event-free operations.

Building on our success, our generation fleet produced another solid year. Our nuclear fleet – the largest regulated fleet in the United States – continued providing safe, reliable and carbon-free power to our customers in the Carolinas. The fleet's capacity factor was 95.3 percent in 2019 – the 21st consecutive year our fleet's capacity factor was above 90 percent.

Our Edwardsport integrated gasification combined-cycle facility set records for generation and gasifier availability. We also made progress on dual-fuel projects at our Belews Creek and Marshall steam plants, which will allow the plants to use either natural gas or coal.

Our electric distribution system performed well – with grid reliability metrics improving 15 percent year over year.

And our electric distribution system performed well in 2019 – with grid reliability metrics improving 15 percent year over year.

We also continued our legacy of delivering for customers when they needed us most. The 2019 Atlantic hurricane season was the fourth consecutive year that we have seen above-average storm activity. In response to Hurricane Dorian – a Category 5 storm with an unpredictable path – we mobilized nearly 8,000 resources in Florida and more than 10,000 resources in the Carolinas as we braced for the storm. While we avoided the worst of Dorian, it still caused nearly 300,000 outages in our service territories.

Our team's preparation enabled us to restore more than 95 percent of the outages within 24 hours.

Our ability to effectively manage all facets of storm response is a testament to our team's extensive preparation, coordination and on-the-ground leadership. Notably in 2019, Duke Energy earned EEI's Emergency Recovery Award for our power restoration efforts after Winter Storm Diego hit in December 2018. This recognition was our 22nd EEI award since 1998.

Duke Energy has a tradition of safe, reliable operations, and 2019 proved that our focus on operational excellence remains strong.

Supporting Our Communities

The health of our company is intrinsically linked to the communities we serve, and it is imperative that we give back – creating jobs, fostering innovation and providing support.

Economic development is one of the ways we do that – recruiting new companies to invest and create jobs in collaboration with state and local economic development agencies. In 2019, Duke Energy helped attract $7.1 billion in capital investment and create over 15,000 jobs. And I'm proud to say that for the 15th consecutive year, we were named to Site Selection magazine's annual list of "Top Utilities in Economic Development."

Duke Energy employees remain ambassadors for our company and continue our proud tradition of giving. In 2019, our employees and retirees volunteered over 136,000 hours. They also pledged more than $5.2 million to 4,400 organizations through the Power of Giving. Now in its second year, this campaign gives our employees a powerful platform to contribute to the nonprofit of their choice and receive a company match from the Duke Energy

Our Foundation remained active in supporting causes and organizations across our service territories, donating more than $30 million.

Foundation. With the Foundation match, our employees invested nearly $10 million into our communities.

In addition, our Foundation remained active in supporting causes and organizations across our service territories, donating more than $30 million in 2019.

We provided funding to help communities in Florida prepare for future weather events and to equip Ohio students with the skills needed for careers in the energy sector. In Indiana and North Carolina, we provided grant funding to help the fight against the opioid epidemic. And we're working with local organizations on affordable housing and access to medical care in the Carolinas.

It is important for us to help address the needs of the communities where our customers and employees live and work.

Our success in supporting our communities requires a more agile and diverse workforce. This past year, we continued our efforts to attract employees who embody these tenets. We also invested in education and workforce development programs – including reskilling, upskilling and redeployment of existing workers – to build a pipeline of skilled workers to meet our evolving business needs.

Duke Energy is not alone in feeling the impact of change. Our communities are feeling the same effects – from a changing economy to workforce demands – and we stand ready to support them.

Our journey continues but I'm proud of our progress. We were once again listed by Forbes as one of America's Best Employers and as one of Fortune's Most Admired Companies, now for the third consecutive year. In addition, we earned top marks in the 2020 Corporate Equality Index – highlighting our focus on diversity and inclusion.

Ready for What's Next

As we look ahead to the energy landscape of the future, it's clear that markets and technologies will continue to change. Laws and regulations will evolve. And the expectations of our customers and communities will only increase in the years ahead.

We are confident in our ability to shape that future because we have adapted and changed for more than a century.

Every era has its challenges and, once again, our workforce continues to rise to the occasion. In 2019, we made significant progress executing our strategy and transforming our business. Our employees' dedication to our customers and continuous improvement is what produced the results we are so proud of as a company.

As we look to the next decade, our focus remains on execution – because that is what will distinguish us over the long term. The strategy is clear: We're transforming for our customers and investing in cleaner energy, the grid and the natural gas infrastructure needed to bring more value to them. We're adapting our business, becoming more efficient, more competitive and better prepared to meet tomorrow's energy needs.

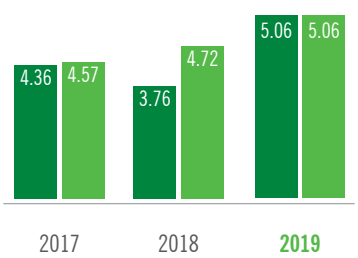
To our shareholders, thank you for your continued investment in Duke Energy. We're writing the next chapter in our company's 116-year history – and I'm confident the story will be one of the best yet.

Lynn J. Good
Chair, President and Chief Executive Officer

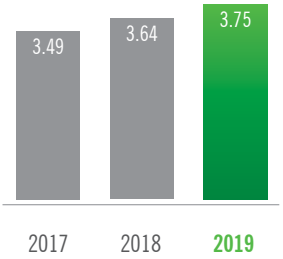
Our Financial Highlights[a]

(In millions, except per share amounts)	2019	2018	2017
Operating Results			
Total operating revenues	$25,079	$24,521	$23,565
Income from continuing operations	$3,578	$2,625	$3,070
Net income	$3,571	$2,644	$3,064
Net income available to Duke Energy Corporation common stockholders	$3,707	$2,666	$3,059
Cash Flow Data[b]			
Net cash provided by operating activities	$8,209	$7,186	$6,624
Common Stock Data			
Shares of common stock outstanding			
Year-end	733	727	700
Weighted average – basic and diluted	729	708	700
Reported basic and diluted earnings per share (GAAP)	$5.06	$3.76	$4.36
Adjusted basic and diluted earnings per share (non-GAAP)	$5.06	$4.72	$4.57
Dividends declared per share	$3.75	$3.64	$3.49
Dividends declared on Series A preferred stock per depositary share	$1.03	—	—
Balance Sheet Data			
Total assets	$158,838	$145,392	$137,914
Long-term debt including capital leases, less current maturities	$54,985	$51,123	$49,035
Total Duke Energy Corporation stockholders' equity	$46,822	$43,817	$41,739

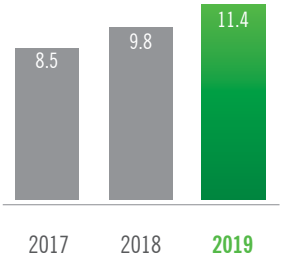
Earnings per share
(in dollars) ■ Reported Diluted ■ Adjusted Diluted



Dividends declared per share (in dollars)



Capital and investment expenditures (dollars in billions)



[a]Significant transactions reflected in the results above include: (i) growth in Commercial Renewables from new tax equity solar projects placed in service in 2019 (see Note 1 to the Consolidated Financial Statements, "Summary of Significant Accounting Policies") and (ii) regulatory and legislative charges related to Duke Energy Progress and Duke Energy Carolinas North Carolina rate case orders and impairment charges in 2018 (see Notes 4, 12 and 13 to the Consolidated Financial Statements, "Regulatory Matters," "Goodwill and Intangible Assets" and "Investments in Unconsolidated Affiliates").

[b]The 2017 cash flow data has been recast to reflect the impact of adopting a new accounting standard effective January 1, 2018.

Duke Energy at a Glance

Electric Utilities and Infrastructure

Generation Diversity (percent owned capacity)[1]

42% Natural Gas/Fuel Oil
33% Coal
18% Nuclear
7% Hydro and Solar

Generated (net output gigawatt-hours (GWh))[2]

36% Natural Gas/Fuel Oil
35% Nuclear
27% Coal
2% Hydro and Solar

Customer Diversity (in billed GWh sales)[2]

34% Residential
30% General Services
20% Industrial
16% Wholesale/Other

Electric Utilities and Infrastructure conducts operations primarily through the regulated public utilities of Duke Energy Carolinas, Duke Energy Progress, Duke Energy Florida, Duke Energy Indiana and Duke Energy Ohio.

Electric Operations

- Owns approximately 51,144 megawatts (MW) of generating capacity
- Service area covers about 91,459 square miles with an estimated population of 25 million
- Service to approximately 7.8 million residential, commercial and industrial customers
- 280,024 miles of distribution lines and a 31,312-mile transmission system

[1] As of December 31, 2019. | [2] For the year ended December 31, 2019.
[3] Contains projects included in tax equity structures where investors have differing interests in the projects' economic attributes (100 percent of the tax equity projects' capacity is included).

Natural Gas Customer Diversity

Gas Utilities and Infrastructure conducts natural gas distribution operations primarily through the regulated public utilities of Piedmont Natural Gas and Duke Energy Ohio.

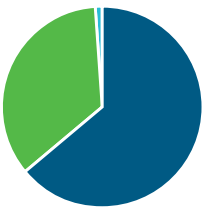
Natural Gas Operations (throughput)[2]

51% Power Gen
18% General Services
15% Residential
9% Industrial
7% Other

- Regulated natural gas transmission and distribution services to approximately 1.6 million customers in the Carolinas, Tennessee, southwestern Ohio and Northern Kentucky
- Maintains more than 33,700 miles of natural gas transmission and distribution pipelines and 27,200 miles of natural gas service pipelines

Commercial Renewables

Generation Diversity (percent owned capacity)[1,3]



64% Wind
35% Solar
1% Storage/Fuel Cell

Commercial Renewables primarily acquires, develops, builds and operates wind and solar renewable generation throughout the continental U.S. The portfolio includes nonregulated renewable energy and energy storage businesses.

Commercial Renewables' renewable energy includes utility-scale wind and solar generation assets, distributed solar generation assets, distributed fuel cell assets and a battery storage project, which total 2,282 MW across 19 states from 22 wind facilities, 126 solar projects, 11 fuel cell locations and one battery storage facility. The power produced from renewable generation is primarily sold through long-term contracts to utilities, electric cooperatives, municipalities and corporate customers.

As part of its growth strategy, Commercial Renewables has expanded its investment portfolio through the addition of distributed solar companies and projects, energy storage systems and energy management solutions specifically tailored to commercial businesses.

EXHIBIT J

Duke Energy Stock Ownership Guidelines Policy

Stock Ownership Guidelines Policy

Duke Energy Corporation

Stock Ownership Guidelines Policy

(Amended and Restated as of May 4, 2016)

Purpose

The Board of Directors ("Board") of Duke Energy Corporation ("Duke Energy" or the "Corporation") believes that it is in the best interest of Duke Energy and its shareholders to align the financial interests of Duke Energy executives and non-employee members of the Board ("Directors") with those of the Corporation's shareholders. In this regard, the Corporate Governance Committee of the Board has adopted minimum stock ownership guidelines.

The Corporate Governance Committee may modify this Policy in its discretion.

Applicability

The Policy is applicable to all non-employee Directors and members of the Executive Leadership Team ("ELT" and together with the non-employee Directors, "Participants"). Questions regarding this Policy should be directed to the Corporation's Chief Legal Officer.

Minimum Ownership Requirements

Participants must own shares of common stock of the Corporation in accordance with the following schedule:

Leadership Position	Value of Shares
Non-Employee Member of the Board of Directors	5x annual cash retainer
CEO	6x base salary
Senior Management Committee (SMC) Members	3x base salary
Other ELT Members	1x base salary

Satisfaction of Guidelines

Participants may satisfy their ownership guidelines with common stock in these categories:

- Shares owned indirectly (e.g., by a spouse or a trust)
- Shares represented by amounts invested in a 401(k) plan or deferred compensation plan maintained by Duke Energy or an affiliate
- Time-vested restricted stock, restricted stock units or phantom stock
- Shares held in the Duke Energy Corporation InvestorDirect Choice Plan

Unexercised options and unearned performance shares are not counted toward meeting the guidelines.

Valuation Methodology

The value of a Participant's stock ownership requirement is based on his or her then current retainer or salary and the value of the Participant's holdings is based on the average closing price of a share of the Corporation's stock for the previous calendar year.

Retention Ratio

Unless a Participant meets his or her ownership requirement, the Participant must retain 50% of his or her vested long-term incentive plan shares or annual equity retainer (after tax).

Holding Period

In addition, each Officer (as such term is defined pursuant to Section 16 of the Securities Exchange Act of 1934, as amended) of the Corporation is prohibited from selling Corporation stock acquired by exercising stock options until such Officer is in compliance with his or her ownership requirement. Notwithstanding the preceding sentence, Officers may immediately sell Corporation stock acquired by exercising stock options for the limited purposes of paying the exercise price of the stock option and any applicable tax liability.

Compliance

The Corporation has the discretion to enforce the stock ownership guidelines on a case-by-case basis. Violations of this Policy may result in the Participant receiving incentive compensation otherwise payable in cash in the form of stock awards or not receiving future grants of long-term incentive plan awards or annual equity retainers.

Administration

The Corporate Governance Committee of the Board shall be responsible for monitoring the application of these stock ownership guidelines. This Policy supersedes any previous policy of the Corporation concerning stock ownership guidelines. In the event of any conflict or inconsistency between this Policy and any other materials previously distributed by the Corporation, this Policy shall govern.

EXHIBIT K

Charter of the Corporate Governance Committee of the Board of Directors of Duke Energy Corporation

Corporate Governance Committee Charter

CHARTER OF THE CORPORATE GOVERNANCE COMMITTEE OF THE BOARD OF DIRECTORS OF DUKE ENERGY CORPORATION

(Amended and Restated as of December 17, 2020)

I. General Focus

The Corporate Governance Committee (the "Committee") shall provide assistance to the Board of Directors (the "Board") of Duke Energy Corporation (the "Corporation") in fulfilling its responsibilities with respect to its oversight of the composition of the Board and its committees, maintenance and shaping of a set of corporate governance principles applicable to the Corporation, and oversight of the performance evaluation of the Board, its members and its committees.

II. Structure and Operations

The Committee shall be comprised of three or more members of the Board, each of whom is determined by the Board to be "independent" in accordance with the rules of the New York Stock Exchange, Inc.

Each member of the Committee shall be appointed by the Board and shall serve until such member's successor is duly elected and qualified or until such member's earlier resignation or removal. The members of

the Committee may be removed, with or without cause, by majo
of the Board.

The Board shall elect the Chair of the Committee. The Chair will approve the agendas for Committee meetings.

In fulfilling its responsibilities, the Committee shall be entitled to delegate any or all of its responsibilities to a subcommittee of the Committee.

III. Meetings

The Committee shall meet as frequently as circumstances dictate. The Chair of the Committee or a majority of the members of the Committee may call a special meeting of the Committee.

All non-management directors who are not members of the Committee may attend meetings of the Committee, but may not vote. Additionally, the Committee may invite to its meetings any director, member(s) of management of the Corporation and such other persons as it deems appropriate in order to carry out its responsibilities. The Committee may also exclude from its meetings any person it deems appropriate in order to carry out its responsibilities.

A majority of the Committee members, but not less than two, will constitute a quorum. A majority of the Committee members present at any meeting at which a quorum is present may act on behalf of the Committee. The Committee may meet by telephone or videoconference and may take action by unanimous written consent.

The Committee shall appoint a person, who need not be a Committee member, to act as secretary, and minutes of the Committee’s proceedings shall be kept in minute books provided for that purpose. The agenda of each Committee meeting will be prepared by the secretary and, whenever reasonably practicable, circulated to each Committee member prior to each meeting.

IV. Responsibilities and Duties

The following functions shall be the common recurring activities of the Committee in carrying out its responsibilities outlined in Section I of this Charter. These functions should serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also carry out any other responsibilities and duties delegated to it by the Board from time to time related to the purposes of the Committee outlined in Section I of this Charter.

In discharging its oversight role, the Committee is empowered to study or investigate any matter of interest or concern that the Committee deems appropriate and shall have the sole authority to retain or terminate outside counsel or other experts for this purpose, including the authority to approve the fees payable to such counsel or experts and any other terms of retention.

Board Selection, Composition and Evaluation

1. Establish criteria for the selection of new directors to serve on the Board.

2. Identify individuals believed to be qualified as candidates to serve on the Board and nominate to the Board the candidates for all directorships. In identifying candidates for membership on the Board, the Committee shall take into account all factors it considers appropriate, which may include strength of character, mature judgment, career specialization, relevant technical skills, diversity and the extent to which the candidate would fill a present need on the Board.

3. Review and make recommendations to the Board, or determine, whether members of the Board should stand for re-election. Consider matters relating to the resignation or retirement of Board members.

4. Conduct all necessary and appropriate inquiries into the backgrounds and qualifications of possible candidates. The Committee shall have the sole authority to retain or terminate any search firm to be used to assist it in identifying candidates to serve as directors of the

Corporation, including the sole authority to approve the fees payable to such search firm and any other terms of retention.

5. Consider questions of independence and possible conflicts of interest of members of the Board and executive officers.

6. Review and make recommendations regarding the composition and size of the Board so that the Board has the requisite expertise and its membership consists of persons with sufficiently diverse and independent backgrounds.

7. Review and evaluate, at least annually, the performance of the Board as a whole and its committees.

8. Coordinate, at least annually, the self-assessments of the individual directors.

Committee Selection, Composition and Evaluation

9. Recommend members of the Board to serve on the committees of the Board, giving consideration to the criteria for service on each committee as set forth in the charter for such committee, as well as to any other factors the Committee deems relevant, and where appropriate, make recommendations regarding the removal of any member of a committee.

10. Establish, monitor and recommend the purpose, structure and operations of the various committees of the Board, the qualifications and criteria for membership on each committee of the Board and, as circumstances dictate, make recommendations regarding periodic rotation of directors among the committees.

11. Periodically review the charter and composition of each committee of the Board and make recommendations to the Board for the creation of additional committees or the elimination of Board committees.

Corporate Governance

12. At such times as the Committee deems appropriate, consider the adequacy of the Articles of Incorporation and By-Laws of the Corporation and recommend to the Board, as conditions dictate, that it propose amendments to the Articles of Incorporation and By-Laws.

13. Develop and recommend to the Board a set of corporate governance principles and keep abreast of developments with regard to corporate governance to enable the Committee to make recommendations to the Board in light of such developments as may be appropriate.

14. Periodically, review the Corporation's policies and practices with respect to political contributions, legislative lobbying and political activities on the local, state and federal level for consistency with the Corporation's best interests, goals and legal requirements.

15. Periodically, review the Corporation's contributions, financially or in-kind, to charitable and community service organizations and policies and practices with respect to community affairs and corporate citizenship for consistency with the Corporation's best interests, goals and legal requirements.

16. Annually review the Corporation's policies, programs and practices with respect to sustainability.

17. Periodically, review the Corporation's environmental, social, and governance strategies and goals and any trends that may impact the Corporation.

18. Review and assess shareholder proposals submitted to the Corporation for inclusion in the Corporation's proxy statement.

19. Review, on a semi-annual basis, the Corporation's engagements with shareholders and shareholder engagement program.

Continuity / Succession Planning Process

20. At least annually, review the Chief Executive Officer succession plan and make recommendations to the Board for the successor to the

Chief Executive Officer.

21. Report to the Board any concerns or issues that might indicate that organizational strengths are not equal to the requirements of long-range goals.

22. Oversee the annual evaluation of the Chief Executive Officer.

Reports

23. Report regularly to the Board (i) following meetings of the Committee and (ii) with respect to such other matters as are relevant to the Committee's discharge of its responsibilities, provide such recommendations as the Committee may deem appropriate. The report to the Board may take the form of an oral report by the Chair or any other member of the Committee designated by the Committee to make such report.

24. Maintain minutes or other records of meetings and activities of the Committee.

V. Annual Performance Evaluation

The Committee shall have oversight to perform a review and evaluation, at least annually, of the performance of the Committee and its members, including a review of the compliance of the Committee with this Charter. In addition, the Committee shall review and reassess, at least annually, the adequacy of this Charter and recommend to the Board any modifications to this Charter that the Committee considers necessary or valuable. The Committee shall conduct such evaluations and reviews in such manner as it deems appropriate.