Our Board Leadership Structure

The Board regularly evaluates the leadership structure of Duke Energy and may consider alternative approaches, as appropriate, over time. The Board believes that Duke Energy and our shareholders are best served by the Board retaining discretion to determine the appropriate leadership structure based on what it believes is best for Duke Energy at a particular point in time, including whether the same individual should serve as both Chair and CEO, or whether the roles should be separate.

Lynn J. Good serves as Duke Energy’s Chair, President and CEO. Our Board believes that combining the Chair and CEO roles fosters clear accountability, effective decision-making, and execution of corporate strategy.

Michael G. Browning serves as our Independent Lead Director and has served in that role since January 2016. Mr. Browning’s responsibilities, which meet the latest corporate governance standards set by the National Association of Corporate Directors, include:

- serving as liaison between the Chair and the CEO and the independent directors;
- leading, in conjunction with the Corporate Governance Committee, the process for the review of the CEO;
- leading, in conjunction with the Corporate Governance Committee, the Board, committee, and individual director self-assessment review process;
- presiding at the executive sessions of the independent members of the Board;
- assisting the Chair and the CEO in setting, reviewing, and approving agendas and schedules of Board meetings;
- approving meeting schedules to assure there is sufficient time for discussion of all agenda items;
- reviewing and approving information sent to the Board and advising on quality, quantity, and timeliness of information;
- calling meetings of the independent members of the Board when necessary and appropriate;
- developing topics for discussion during executive sessions of the Board;
- assisting the Chair and the CEO to promote the efficient and effective performance and functioning of the Board; and
- being available for consultation and direct communication with our major shareholders.

Our Independent Lead Director is elected by the independent members of the Board.

A complete list of the responsibilities of our Independent Lead Director is included in our Principles for Corporate Governance, a copy of which is posted on our website at duke-energy.com/our-company/investors/corporate-governance/principles-corp-governance.

Independence of Directors

The Board has determined that none of the directors, other than Ms. Good, has a material relationship with Duke Energy or any of our subsidiaries, and all are, therefore, independent under the listing standards of the NYSE and the rules and regulations of the SEC.

In making the determination regarding each director’s independence, the Board considered all transactions and the materiality of any relationship with Duke Energy and any of our subsidiaries in light of all facts and circumstances.

The Board may determine a director to be independent if it has affirmatively determined that the director has no material relationship with Duke Energy or our subsidiaries, either directly or as a shareholder, director, officer, or employee of an organization that has a relationship with Duke Energy or our subsidiaries. Independence determinations are generally made when a director joins the Board and on an annual basis at the time the Board approves director-nominees for inclusion in the proxy statement.

The Board also considers its Standards for Assessing Director Independence, which set forth certain relationships between Duke Energy and our directors and their immediate family members, or affiliated entities, that the Board, in its judgment, has deemed to be immaterial for purposes of assessing a director’s independence. Duke Energy’s Standards for Assessing Director Independence are on our website at duke-energy.com/our-company/investors/corporate-governance/board. In the event a director has a relationship with Duke Energy that is not addressed in the Standards for Assessing Director Independence, the Corporate Governance Committee, which is composed entirely of independent members of the Board, reviews the relationship and makes a recommendation to the nonconflicted, independent members of the Board who determine whether such relationship is material.
INFORMATION ON THE BOARD OF DIRECTORS

Director Attendance

The Board met nine times during 2019 and has met once so far in 2020. During 2019 Board meetings, our Board held five executive sessions with independent directors only.

Directors are expected to attend at least 75% of Board meetings and the meetings of the committees upon which he or she serves. The overall attendance percentage for our directors was approximately 97% in 2019, and all directors attended more than 75% of the Board meetings and the meetings of the committees upon which he or she served in 2019. Directors are also encouraged to attend the Annual Meeting. All directors who were directors at the time of last year’s Annual Meeting on May 2, 2019, attended the 2019 Annual Meeting.

Board and Committee Assessments

Each year the Board, with the assistance of the Corporate Governance Committee, conducts an assessment of the Board, each of its committees, and the directors. The assessment process is facilitated by a third-party advisor, which allows directors to provide anonymous feedback and promotes candidness among the directors. The results of the feedback are presented to the Board and committees and discussed.

In addition to the written assessments, the Independent Lead Director annually takes the opportunity to meet with each of the directors separately to discuss the performance of the Board and to obtain advice on areas of improvement for the Board and the individual directors. Our Board is committed to effective board succession planning and refreshment, including having honest and difficult conversations, as may be deemed necessary, with individual directors.

Management and the Board then incorporate the feedback received in both the written assessments and the discussions throughout the year. For example, over the course of 2019, we incorporated feedback to make changes to the presentation of the materials provided to our directors in advance of their meetings. We also increased Board education opportunities and provided special information sessions on topics of interest to our Board members.

This annual review process and discussion provides continuous improvement in the overall effectiveness of the directors, committees, and Board, and provides an opportunity for directors to express any concerns they may have. This process also allows the Board to identify opportunities for Board succession and skills.
Board Role in Management Succession

The independent directors of the Board are actively involved in our management succession planning process. Among the Corporate Governance Committee’s responsibilities described in its charter is to oversee continuity and succession planning. At least annually, the Corporate Governance Committee or full Board reviews the CEO succession plan and makes recommendations to the Board for the successor to the CEO. The Corporate Governance Committee also reports to the Board any concerns or issues that might indicate that organizational strengths are not equal to the requirements of long-range goals and oversees the evaluation of the CEO.

Board Oversight of Risk

As is true with other large public companies, Duke Energy faces a myriad of risks, including operational, financial, strategic, and reputational risks that affect every segment of our business. The Board is actively involved in the oversight of these risks in several ways. This oversight is conducted primarily through the Finance and Risk Management Committee of the Board but also through the other committees of the Board, as appropriate. The Finance and Risk Management Committee reviews Duke Energy’s enterprise risk program with management, including the Chief Risk Officer, on a regular basis at its committee meetings. The enterprise risk program includes the identification of a broad range of risks that affect Duke Energy, their probabilities and severity, and incorporates a review of our approach to managing and prioritizing those risks based on input from the officers responsible for the management of those risks.

Each committee of the Board is responsible for the oversight of certain areas of risk that pertain to that committee’s area of focus. Throughout the year, each committee chair reports to the full Board regarding the committee’s considerations and actions related to the risks within its area of focus. Each committee regularly receives updates from the business units in that committee’s area of focus to review the risks in those areas.

Risk Management Oversight Structure

<table>
<thead>
<tr>
<th>BOARD OF DIRECTORS</th>
<th>AUDIT COMMITTEE</th>
<th>COMPENSATION COMMITTEE</th>
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<tbody>
<tr>
<td></td>
<td>Oversees risks related to financial reporting</td>
<td>Oversees risks related to our workforce and compensation practices, including diversity and inclusion</td>
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<tr>
<td></td>
<td>Oversees risks related to internal controls, compliance, and legal matters</td>
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<td></td>
<td>Oversees risks related to cybersecurity and technology</td>
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<tr>
<th>CORPORATE GOVERNANCE COMMITTEE</th>
<th>FINANCE &amp; RISK MANAGEMENT COMMITTEE</th>
<th>OPERATIONS &amp; NUCLEAR OVERSIGHT COMMITTEE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Oversees risks related to sustainability</td>
<td>Oversees process to assess and manage enterprise risk</td>
<td>Oversees risks related to nuclear operations, regulations, and safety</td>
</tr>
<tr>
<td>Oversees risks related to management succession</td>
<td>Oversees financial risks, including market, liquidity, and credit risks</td>
<td>Oversees risks related to operations and environmental, health, and safety matters</td>
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<tr>
<td>Oversees risks related to director independence and related person transactions</td>
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<td>Oversees risks related to our non-nuclear regulated operations</td>
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<td>Oversees risks related to political activities</td>
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INFORMATION ON THE BOARD OF DIRECTORS

Board Oversight of Key Risks

Environmental, Climate Change, and Sustainability

The Board places an emphasis on its oversight of environmental matters, climate change risks, and sustainability issues because it understands the importance of those issues to the long-term success and vitality of Duke Energy, our customers, and our communities. In 2019, the Board focused extensively on these issues. For example, in 2019:

- The Board brought in external experts to discuss climate change issues and the mitigation of climate risks.
- The Corporate Governance Committee, which is responsible for the oversight of sustainability, spent considerable time discussing stakeholder feedback and the possibility of a new goal to reduce carbon emissions from electricity generation.
- After review and discussion by the Board, in September of 2019, Duke Energy announced an updated goal to reduce carbon emissions from electricity generation by at least 50% by 2030 and a new goal to reach net-zero emissions from electricity generation by 2050.
- The Board also approved a settlement with the NC DEQ and community groups to permanently close all remaining ash basins in North Carolina, primarily by excavating to lined landfills.

Also, in 2020, in recognition of the growing importance of the SASB reporting framework to our shareholders, we intend to use SASB standards to help inform and align our sustainability reporting.

Cybersecurity and Technology

The Board recognizes the vital role that Duke Energy’s generation facilities and electric grid play in the infrastructure and economic development of the communities we serve and believes its oversight of cybersecurity and the health of Duke Energy’s physical and operational technical systems is one of its most critical responsibilities. The Audit Committee has primary responsibility for these risk areas. In 2019:

- The Audit Committee received updates on cybersecurity and grid security issues and compliance with regulations at every regularly scheduled Audit Committee meeting.
- The Audit Committee also focused on our digital transformation and the operation of, and enhancements to, our financial systems and business and operational technical systems that affect customer experience, a key component of our corporate strategy.
- In addition to the review of these issues, the Audit Committee also visited our Cybersecurity Operations Center and received special cybersecurity training, which was available to all directors.

Human Capital Management and Corporate Culture

Oversight of Duke Energy’s human capital management and corporate culture is an important element of our Board’s oversight of risk because our people are critical to the success of our corporate strategy. The key areas of focus have been to foster a high-performance and inclusive culture built on strong leadership and highly engaged and diverse employees; investment in education and workforce development to build a pipeline of skilled workers; and knowledge transfer as our baby boomers retire. Our Board sets the “tone at the top,” and holds senior management accountable for embodying, maintaining, and communicating that culture to employees. In 2019:

- The Compensation Committee received updates on employee engagement surveys and action plans.
- The Compensation Committee included key safety and environmental metrics in NEO incentive plans to emphasize the importance of these goals.
- The Audit Committee reviewed the third-party assessment of Duke Energy’s ethics and compliance program by Ethisphere, which recognized our ethics and compliance program as a “Compliance Leader.”
- Board members met with both management and employees below senior management on a regular basis, including interactions at Board dinners and tours of our cybersecurity and generation facilities.
- All employees whose role does not directly involve storm response volunteered for a role in responding to the needs of customers during major winter storms and hurricanes, whether it is in our Customer Call Center or helping to assist linemen in the field with logistical issues.
- Duke Energy is the first energy company to sign up for the Historically Black Colleges and Universities Partnership Challenge, through which partnering companies commit to develop and follow best practices to build and deepen strategic relationships with historically black colleges through such things as recruitment, internships, and scholarships.
Shareholder Engagement

We conduct extensive governance reviews and investor outreach so that management and the Board understand and consider the issues that matter most to our shareholders and address them effectively. In 2019, we reached out to holders of approximately one-third of Duke Energy’s outstanding common shares, and members of our Board and management met with holders of approximately 25% of Duke Energy’s outstanding common shares. We engaged with every shareholder who accepted our offer to meet as well as every shareholder who requested to meet with us.

During 2019, Duke Energy engaged with shareholders on numerous topics, including sustainability, governance, and executive compensation matters. Shareholder feedback has been invaluable to us in enhancing our practices, policies, and related disclosures. During 2019, we focused our engagements with shareholders on the following topics:

- management and shareholder proposals at the 2019 Annual Meeting;
- our strategic vision to build a smarter, cleaner energy future for our customers;
- our operational priorities, including investments in the energy grid, the retirement of coal facilities and replacement with lower-carbon alternatives such as natural gas and renewables, and expanding natural gas infrastructure;
- the strength of our Board and its oversight of key areas of risk for Duke Energy such as sustainability and the environment, cybersecurity, and corporate culture;
- our commitment to ESG issues;
- our human capital management, diversity and inclusion matters, and workforce innovation; and
- our executive compensation program.

In the fall, we also extensively discussed our goal to reduce carbon emissions from electricity generation by at least 50% from 2005 levels by 2030 and our new goal to reach net-zero emissions from electricity generation by 2050, as well as the steps Duke Energy is taking to mitigate the risks of climate change on our operations, which was well-received by shareholders. The Corporate Governance Committee reviewed the feedback from all discussions and the feedback informed the decisions discussed herein, including updates to our political expenditures disclosures, updates to the ash management section of our website, and our intention to begin using SASB standards in 2020 to help inform and align our sustainability reporting. Additional information on our discussions with shareholders regarding executive compensation matters is provided on page 36 of this proxy statement.

Our Year-Round Approach to Shareholder Engagement

**SUMMER**
The Corporate Governance Committee reviews shareholder votes at our most recent Annual Meeting as well as the results at other annual meetings across the nation in order to stay in touch with current governance practices.

**FALL**
We meet with shareholders to discuss our corporate governance practices and to listen to the concerns and priorities of our shareholders relating to Duke Energy’s corporate governance and executive compensation practices.

**WINTER**
The Corporate Governance Committee reviews the feedback from the fall shareholder meetings and discusses Duke Energy’s corporate governance practices in light of those discussions.

**SPRING**
We meet again with our shareholders to discuss the matters being voted on at the upcoming Annual Meeting and the Corporate Governance Committee reviews the feedback from the spring shareholder meetings.
The Board has the six standing, permanent committees described below. Each committee operates under a written charter adopted by the Board. The charters are posted on our website at duke-energy.com/our-company/investors/corporate-governance/board-committee-charters.

Audit Committee

Eight meetings held in 2019

Committee Members
Theodore F. Craver, Jr., Chair*
Annette K. Clayton*
Nicholas C. Fanandakis*
Carlos A. Saladrigas*
William E. Webster, Jr.*

* Designated as an Audit Committee Financial Expert by the Board

Theodore F. Craver, Jr.

- The Audit Committee considers risks and matters related to financial reporting, internal controls, compliance, legal matters, and cybersecurity and technology matters.
- As part of its responsibilities, the Audit Committee selects and retains an independent registered public accounting firm to conduct audits of the accounts of Duke Energy and our subsidiaries. It also reviews with the independent registered public accounting firm the scope and results of their audits, as well as the accounting procedures, internal controls, and accounting and financial reporting policies and practices of Duke Energy and our subsidiaries, and makes reports and recommendations to the Board as it deems appropriate.
- The Audit Committee is responsible for approving all audit and permissible non-audit services provided to Duke Energy by our independent registered public accounting firm. Pursuant to this responsibility, the Audit Committee adopted the policy on Engaging the Independent Auditor for Services, which provides that the Audit Committee will establish detailed services and related fee levels that may be provided by the independent registered public accounting firm. See page 33 for additional information on the Audit Committee’s preapproval policy.
The Audit Committee also receives, reviews, and acts on complaints and concerns regarding material accounting, internal controls, and auditing matters, including complaints regarding material misconduct on the part of our executive officers that could lead to significant reputational damage to the Company. Information regarding how to report concerns to the Audit Committee is posted on our website at duke-energy.com/our-company/investors/corporate-governance/report-concerns-to-the-audit-committee.

The Board has determined that each of the members are “Audit Committee Financial Experts” as such term is defined in Item 407(d)(5)(ii) of Regulation S-K. See pages 10, 11, 13, and 16 for a description of the business experience for Ms. Clayton, Mr. Craver, Mr. Fanandakis, and Mr. Webster, all of whom are nominated for election at the Annual Meeting. Mr. Saladrigas, who is retiring at the Annual Meeting, was also determined to be an “Audit Committee Financial Expert” by the Board.

Each of the members has also been determined to be “independent” within the meaning of the NYSE’s listing standards, Rule 10A-3 of the Exchange Act and Duke Energy’s Standards for Assessing Director Independence. In addition, each of the members meets the financial literacy requirements for audit committee membership under the NYSE’s rules and the rules and regulations of the SEC.

**Compensation Committee**

Six meetings held in 2019

**Committee Members**

E. Marie McKee, Chair
Michael G. Browning
Robert M. Davis
Marya M. Rose
Carlos A. Saladrigas

The **Compensation Committee** establishes and reviews our overall compensation philosophy, confirms that our policies and philosophy do not encourage excessive or inappropriate risk-taking by our employees, reviews and approves the salaries and other compensation of certain employees, including all executive officers of Duke Energy, reviews and approves compensatory agreements with executive officers, approves certain equity grants and delegates authority to approve others, and reviews the effectiveness of, and approves changes to, compensation programs. The Compensation Committee also makes recommendations to the Board on compensation for independent directors, and oversees human capital management as well as diversity and inclusion.

Management’s role in the compensation-setting process is to recommend compensation programs and assemble information as required by the committee. When establishing the compensation program for our NEOs, the committee considers input and recommendations from management, including Ms. Good, who attends the Compensation Committee meetings.

The Compensation Committee has engaged FW Cook as its independent compensation consultant. The compensation consultant generally attends each committee meeting and provides advice to the committee at the meetings, including reviewing and commenting on market compensation data used to establish the compensation of the executive officers and directors. The consultant has been instructed that it shall provide completely independent advice to the Compensation Committee and is not permitted to provide any services to Duke Energy other than at the direction of the Compensation Committee.

Each of the members of the Compensation Committee has been determined to be “independent” within the meaning of the NYSE's listing standards, Rule 10C-1(b) of the Exchange Act, and Duke Energy's Standards for Assessing Director Independence.

**Compensation Committee Interlocks and Insider Participation.** During 2019, Ms. McKee, Ms. Rose, Mr. Browning, Mr. Davis, and Mr. Saladrigas served as members of the Compensation Committee and none of the Compensation Committee members were officers or employees of Duke Energy, a former officer of Duke Energy, or had any business relationships requiring review and disclosure under our Related Person Transactions Policy. Furthermore, none of our executive officers served as a director or member of the Compensation Committee (or other committee of the Board performing equivalent functions) of another entity where an executive officer of such entity served as a director of Duke Energy or on our Compensation Committee.
INFORMATION ON THE BOARD OF DIRECTORS

Corporate Governance Committee

Six meetings held in 2019

Committee Members
Michael G. Browning, Chair
Daniel R. DiMicco
William E. Kennard
E. Marie McKee

Michael G. Browning

• The Corporate Governance Committee considers risks and matters related to corporate governance and our policies and practices with respect to political activities, community affairs, and sustainability.

• It recommends the size and composition of the Board and its committees and recommends potential CEO successors to the Board.

• The Corporate Governance Committee also recommends to the Board the slate of nominees, including any nominees recommended by shareholders, for director at each year’s Annual Meeting and, when vacancies occur, names of individuals who would make suitable directors of Duke Energy. This committee may engage an external search firm or a third party to identify, evaluate, or to assist in identifying or evaluating, a potential nominee.

• The Corporate Governance Committee performs an annual evaluation of the performance of the CEO with input from the full Board. The Corporate Governance Committee assists the Board in its annual determination of director independence and review of any related person transactions as well as the Board’s annual assessment of the Board and each of its committees.

• Each of the members of the Corporate Governance Committee has been determined to be “independent” within the meaning of the NYSE’s listing standards and Duke Energy’s Standards for Assessing Director Independence.

Finance and Risk Management Committee

Eight meetings held in 2019

Committee Members
William E. Kennard, Chair
Robert M. Davis
Nicholas C. Fanandakis
John T. Herron
Thomas E. Skains

William E. Kennard

• The Finance and Risk Management Committee is primarily responsible for the oversight of financial risk and enterprise risk at Duke Energy. This oversight function includes reviews of our financial and fiscal affairs and recommendations to the Board regarding dividends, financing and fiscal policies, and significant transactions.

• The Finance and Risk Management Committee reviews the financial exposure of Duke Energy, as well as mitigation strategies, reviews Duke Energy’s enterprise risk exposures and provides oversight for the process to assess and manage enterprise risk, and reviews the financial impacts of major projects as well as capital expenditures.
Operations and Nuclear Oversight Committee

Four meetings held in 2019

Committee Members
John T. Herron, Chair
Annette K. Clayton
Charles W. Moorman IV
William E. Webster, Jr.

• The Operations and Nuclear Oversight Committee provides oversight of the nuclear safety, operational and financial performance as well as operational risks, long-term plans, and strategies of Duke Energy’s nuclear power program. The oversight role is one of review, observation, and comment and in no way alters management’s authority, responsibility, or accountability.

• In 2019, in order for the Board to better align its structure with the oversight of certain key operational risks, such as nuclear and environmental operations, the oversight of Duke Energy’s environmental, health, and safety goals and policies, including ash management, and the operational performance of Duke Energy’s utilities with regard to energy supply, delivery, fuel procurement, and transportation, was moved from the Regulatory Policy and Operations Committee to the Nuclear Oversight Committee, which was subsequently renamed the Operations and Nuclear Oversight Committee.

• The Operations and Nuclear Oversight Committee visits each of Duke Energy’s operating nuclear power stations over a two-year period and reviews the station’s nuclear safety, operational, and financial performance.

Regulatory Policy Committee

Five meetings held in 2019

Committee Members
Thomas E. Skains, Chair
Michael G. Browning
Theodore F. Craver, Jr.
Daniel R. DiMicco
Charles W. Moorman IV
Marya M. Rose

• The Regulatory Policy Committee provides oversight of Duke Energy’s regulatory and legislative strategy impacting utility operations in each jurisdiction. This includes oversight of the regulatory objectives and public policies initiatives and practices of Duke Energy’s utility operations.

• The Regulatory Policy Committee also has oversight of Duke Energy’s principal regulatory compliance risks and related risk mitigation plans.
The following is the report of the Corporate Governance Committee with respect to its philosophy, responsibilities, and initiatives.

Philosophy and Responsibilities

We believe that sound corporate governance has three components: (i) Board independence; (ii) processes and practices that foster sound decision-making by both management and the Board; and (iii) balancing the interests of all of our stakeholders – our investors, customers, employees, the communities we serve, and the environment. The Corporate Governance Committee’s charter is available on our website at duke-energy.com/our-company/investors/corporate-governance/board-committee-charters/corporate-governance and is summarized below. Additional information about the Corporate Governance Committee and its members is detailed on page 24 of this proxy statement.

Membership. The committee must be comprised of three or more members, all of whom must qualify as independent directors under the listing standards of the NYSE and other applicable rules and regulations.

Responsibilities. The committee’s responsibilities include, among other things: (i) implementing policies regarding corporate governance matters; (ii) assessing the Board’s membership needs and recommending nominees; (iii) recommending to the Board those directors to be selected for membership on, or removal from, the various Board committees and those directors to be designated as chairs of Board committees; (iv) sponsoring and overseeing annual performance evaluations for the various Board committees, including the Corporate Governance Committee, the Board and the CEO; (v) overseeing Duke Energy’s political expenditures and activities pursuant to the Political Expenditures Policy; (vi) reviewing our charitable contributions and community service policies and practices; and (vii) reviewing Duke Energy’s policies, programs, and practices with regard to sustainability. The committee may also conduct or authorize investigations into or studies of matters within the scope of the committee’s duties and responsibilities, and may retain, at Duke Energy's expense, and in the committee's sole discretion, consultants to assist in such work as the committee deems necessary.

Governance Policies

All of the Board committee charters, as well as our Principles for Corporate Governance, Code of Business Ethics for Employees, and Code of Business Conduct & Ethics for Directors, are available on our website at duke-energy.com/our-company/investors/corporate-governance.

Any amendments to or waivers from our Code of Business Ethics for Employees with respect to executive officers or Code of Business Conduct & Ethics for Directors must be approved by the Board and will be posted on our website. In addition, information regarding how to report actual or suspected violations of our Code of Business Ethics, either through our anonymous EthicsLine or otherwise, is provided on the Ethics section of our website at duke-energy.com/about-us/ethics in the Code of Business Ethics.

Board Composition

Director Qualifications and Diversity. The Board recognizes that a diverse Board, management, and workforce is key to Duke Energy’s success and believes that diversity of background, skill sets, experience, thought, ethnicity, race, gender, age, and nationality, are important considerations in selecting candidates. This commitment to diversity is evidenced in the backgrounds, skills, and qualifications of the directors who have been nominated, as well as the diversity of Duke Energy’s executives and workforce, starting with our Chair, President and CEO, Lynn J. Good, who was selected by the Board to lead Duke Energy in 2013, and the diverse senior management team that reports to her.

The Board strives to have a diverse Board representing a range of experiences and qualifications in areas that are relevant to Duke Energy’s business and strategy. As part of the search process, the committee looks for the most qualified candidates, including women and minorities, with the following characteristics:

- fundamental qualities of intelligence, perceptiveness, good judgment, maturity, high ethics and standards, integrity, and fairness;
- a genuine interest in Duke Energy and a recognition that, as a member of the Board, one is accountable to the shareholders of Duke Energy, not to any particular interest group;
- a background that includes broad business experience or demonstrates an understanding of business and financial affairs and the complexities of a large, multifaceted, global business organization;
• diversity among the existing Board members, including racial and ethnic background, gender, experiences, skills, and qualifications;
• present or former CEO, chief operating officer or substantially equivalent level executive officer of a highly complex organization such as a corporation, university, or major unit of government, or a professional who regularly advises such organizations;
• no conflict of interest or legal impediment, which would interfere with the duty of loyalty owed to Duke Energy and our shareholders;
• the ability and willingness to spend the time required to function effectively as a director;
• compatibility and ability to work well with other directors and executives in a team effort with a view to a long-term relationship with Duke Energy as a director;
• independent opinions and willingness to state them in a constructive manner; and
• willingness to become a shareholder of Duke Energy (within a reasonable time of election to the Board).

**Director Candidate Recommendations.** The committee may engage a third party from time to time to assist it in identifying and evaluating director-nominee candidates, in addition to current members of the Board standing for re-election. The committee will provide the third party, based on the profile described above, the characteristics, skills, and experiences that may complement those of our existing members. The third party will then provide recommendations for nominees with such attributes. The committee considers nominees recommended by shareholders on a similar basis, taking into account, among other things, the profile criteria described above and the nominee’s experiences and skills. In addition, the committee considers the shareholder-nominee’s independence with respect to both Duke Energy and the recommending shareholder. All of the nominees on the proxy card are current members of our Board and were recommended by the committee.

Shareholders interested in submitting nominees as candidates for election as directors must provide timely written notice to the Corporate Governance Committee, c/o 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. The written notice must be provided no earlier than October 27, 2020, and no later than November 25, 2020, and must provide the information set forth above, as well as the other detailed requirements set forth in Section 3.04 of the Company’s By-Laws, which can be located on our website at duke-energy.com/our-company/investors/corporate-governance.

**Director Candidate Nominations through Proxy Access.** In order to nominate a director pursuant to our proxy access provision for the 2021 Annual Meeting, shareholders who meet the eligibility and other requirements set forth in Section 3.04 of the Company’s By-Laws must send a written notice to the Corporate Governance Committee, c/o 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. The written notice must be provided no earlier than October 27, 2020, and no later than November 25, 2020, and must provide the information set forth above, as well as the other detailed requirements set forth in Section 3.04 of the Company’s By-Laws, which can be located on our website at duke-energy.com/our-company/investors/corporate-governance.
New Director Since the 2019 Annual Meeting

Following the 2019 Annual Meeting, and in consideration of the retirement of several members of the Board with extensive expertise in finance, the Corporate Governance Committee sought to recruit an additional Board member. The committee worked extensively in 2019 on identifying a candidate with a deep background in finance and whose qualifications align with the desired qualifications discussed earlier and the needs of the Board considering the priorities and issues facing Duke Energy, our long-term strategy, and our Board refreshment goals. As a result, after working with an independent search firm, the committee identified a candidate with the desired experience, diversity, skills, and other qualifications, to make for a well-balanced Board. In June 2019, the committee recommended that Nicholas C. Fanandakis be appointed to the Board effective June 26, 2019. Mr. Fanandakis brings extensive management experience and expertise in finance, tax, banking, and risk management gained during his tenure as an executive officer at DuPont de Nemours, Inc. and its predecessors. For more information on Mr. Fanandakis’ skills and expertise, see page 13.

Director Onboarding. Over half of our Board members have joined the Board in the last five years. In order to help those new directors quickly transition into their roles on the Board, the director onboarding process has become increasingly important. Immediately following their appointment, each new director meets individually with the senior executives responsible for our major lines of business and operations so that they may better understand the issues involved in all aspects of Duke Energy’s business. In addition to discussing Duke Energy’s businesses and operations, the new directors learn about our corporate governance practices and policies; the financial and technical aspects of our electric utility, natural gas, and commercial renewables businesses; the enterprise’s significant risks; our long-term strategy; and Duke Energy’s long-standing mission to provide clean, reliable, and affordable energy for our customers. Finally, new members to our Audit and Compensation Committees have a separate orientation to learn more about each committee’s responsibilities, policies, and practices, and the matters regularly coming before the committee.

Communications and Engagements with Directors

Interested parties can communicate with any of our directors by writing to our Corporate Secretary at the following address:

Corporate Secretary
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

Interested parties can communicate with our Independent Lead Director by writing to the following address:

Independent Lead Director
c/o 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

Our Corporate Secretary will distribute communications to the Board, or to any individual director or directors as appropriate, depending on the facts and circumstances outlined in the communication. In that regard, the Board has requested that certain items that are unrelated to the duties and responsibilities of the Board be excluded, such as spam, junk mail and mass mailings, service complaints, resumes, and other forms of job inquiries, surveys, and business solicitations or advertisements. In addition, material that is unduly hostile, threatening, obscene or similarly unsuitable will be excluded. However, any communication that is so excluded remains available to any director upon request.

Engagements with Directors

Our Board believes that engagement with shareholders is critical to the good governance of Duke Energy. As such, it is committed to responding to shareholder requests for engagement with a member of the Board. Interested parties can seek an engagement with any of our directors by writing to our Corporate Secretary. A member of management will contact interested shareholders upon any such request to learn more information about the nature of the request and arrange a meeting with an appropriate director.

Corporate Governance Committee
Michael G. Browning, Chair
Daniel R. DiMicco
William E. Kennard
E. Marie McKee
Our director compensation program is designed to attract and retain highly qualified directors and align their interests with those of our shareholders. We compensate directors who are not employed by Duke Energy with a combination of cash and equity awards, along with certain other benefits as described below. Ms. Good receives no compensation for her service on the Board.

The Compensation Committee annually reviews the director compensation program and recommends proposed changes for approval by the Board. As part of this review, the Compensation Committee considers the significant amount of time expended, and the skill level required, by each director not employed by Duke Energy in fulfilling his or her duties on the Board, each director's role and involvement on the Board and its committees, and the market compensation practices and levels of our peer companies.

During its annual review of the director compensation program in 2019, the Compensation Committee considered an analysis prepared by its independent consultant, FW Cook, which summarized director compensation trends for independent directors and pay levels at the same peer companies used to evaluate the compensation of our NEOs. Following this review, and after considering the advice of FW Cook about market practices and pay levels, the Compensation Committee did not recommend any changes to our director compensation program.

For 2019, our director compensation program consisted of the following:

<table>
<thead>
<tr>
<th>Type of Fee</th>
<th>Amount ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual Board Retainer (cash)</td>
<td>125,000</td>
</tr>
<tr>
<td>Annual Board Retainer (stock)</td>
<td>160,000</td>
</tr>
<tr>
<td>Annual Board Chair Retainer (if applicable)</td>
<td>100,000</td>
</tr>
<tr>
<td>Annual Lead Director Retainer (if applicable)</td>
<td>40,000</td>
</tr>
<tr>
<td>Annual Audit Committee Chair Retainer</td>
<td>25,000</td>
</tr>
<tr>
<td>Annual Compensation Committee and Operations and Nuclear Oversight Committee Chair Retainers</td>
<td>20,000</td>
</tr>
<tr>
<td>Annual Chair Retainer (other committees)</td>
<td>15,000</td>
</tr>
<tr>
<td>Additional Cash Retainer Opportunity*</td>
<td>10,000</td>
</tr>
<tr>
<td>Board Meeting Fees</td>
<td>n/a</td>
</tr>
</tbody>
</table>

* An additional $10,000 cash retainer will be provided to any director who completes one or more of the following during the calendar year: (i) participation on a special committee; (ii) attendance at more than 30 meetings of the Board and/or regular standing committee meetings during the calendar year; or (iii) in person attendance at more than two off-site committee meetings during the calendar year.

**Annual Board Stock Retainer for 2019.** In 2019, each eligible director received the portion of his or her annual retainer that was payable in stock in the form of fully vested shares. The stock retainer was granted under the Duke Energy Corporation 2015 Long-Term Incentive Plan that was approved by our shareholders and contains an annual limit on equity awards of $400,000 to any director not employed by Duke Energy.

**Deferral Plan and Stock Purchases.** Directors may elect to receive all or a portion of their annual cash compensation on a current basis or defer such compensation under the Directors’ Savings Plan. Deferred amounts are credited to an unfunded account, the balance of which is adjusted for the performance of phantom investment options, including the Duke Energy common stock fund, as elected by the director, and generally are paid when the director terminates his or her service from the Board.

**Charitable Giving Program.** The Duke Energy Foundation, independent of Duke Energy, maintains the Duke Energy Foundation Matching Gifts Program under which directors and employees generally are eligible to request matching contributions of up to $5,000 per director or employee per calendar year to qualifying institutions. In addition, Duke Energy made a $2,500 donation to designated charities on behalf of the independent directors who retired from the Board of Directors during 2019, as well as a $1,000 donation to the American Red Cross in November 2019 on behalf of each of the directors not employed by Duke Energy who were actively serving at that time.

**Expense Reimbursement and Insurance.** Duke Energy provides travel insurance to directors and reimburses directors for expenses reasonably incurred in connection with attendance and participation at Board and committee meetings and special functions.

**Stock Ownership Guidelines.** Directors are subject to stock ownership guidelines, which establish a minimum level of ownership of Duke Energy common stock (or common stock equivalents). Currently, each director not employed by Duke Energy is required to own shares with a value equal to at least five times the annual Board cash retainer (i.e., an ownership level of $625,000) or retain 50% of his or her vested annual equity retainer. All directors were in compliance with the guidelines as of December 31, 2019.
The following table describes the compensation earned during 2019 by each individual, other than Ms. Good, who served as a director during 2019.

<table>
<thead>
<tr>
<th>Name</th>
<th>Fees Earned or Paid in Cash ($)(2)</th>
<th>Stock Awards ($)(3)</th>
<th>All Other Compensation ($)(4)</th>
<th>Total ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael G. Browning</td>
<td>180,000</td>
<td>160,000</td>
<td>19,349</td>
<td>359,349</td>
</tr>
<tr>
<td>Annette K. Clayton</td>
<td>122,893</td>
<td>210,549</td>
<td>1,795</td>
<td>335,237</td>
</tr>
<tr>
<td>Theodore F. Craver, Jr.</td>
<td>150,000</td>
<td>160,000</td>
<td>6,240</td>
<td>316,240</td>
</tr>
<tr>
<td>Robert M. Davis</td>
<td>135,000</td>
<td>160,000</td>
<td>1,240</td>
<td>296,240</td>
</tr>
<tr>
<td>Daniel R. DiMicco</td>
<td>125,000</td>
<td>160,000</td>
<td>6,240</td>
<td>291,240</td>
</tr>
<tr>
<td>Nicholas C. Fanandakis</td>
<td>64,217</td>
<td>136,280</td>
<td>1,795</td>
<td>201,621</td>
</tr>
<tr>
<td>John H. Forsgren</td>
<td>47,308</td>
<td>0</td>
<td>7,733</td>
<td>55,041</td>
</tr>
<tr>
<td>John T. Herron</td>
<td>145,000</td>
<td>160,000</td>
<td>6,240</td>
<td>311,240</td>
</tr>
<tr>
<td>James B. Hyler, Jr.</td>
<td>47,308</td>
<td>0</td>
<td>2,733</td>
<td>50,041</td>
</tr>
<tr>
<td>William E. Kennard</td>
<td>134,931</td>
<td>160,000</td>
<td>6,240</td>
<td>301,171</td>
</tr>
<tr>
<td>E. Marie McKee</td>
<td>145,000</td>
<td>160,000</td>
<td>6,240</td>
<td>311,240</td>
</tr>
<tr>
<td>Charles W. Moorman IV</td>
<td>125,000</td>
<td>160,000</td>
<td>6,240</td>
<td>291,240</td>
</tr>
<tr>
<td>Marya M. Rose</td>
<td>104,284</td>
<td>187,253</td>
<td>6,202</td>
<td>297,739</td>
</tr>
<tr>
<td>Carlos A. Saladrigas</td>
<td>125,000</td>
<td>160,000</td>
<td>6,240</td>
<td>291,240</td>
</tr>
<tr>
<td>Thomas E. Skains</td>
<td>154,862</td>
<td>160,000</td>
<td>6,240</td>
<td>321,102</td>
</tr>
<tr>
<td>William E. Webster, Jr.</td>
<td>135,000</td>
<td>160,000</td>
<td>6,475</td>
<td>301,475</td>
</tr>
</tbody>
</table>

(1) Ms. Clayton, Mr. Fanandakis, and Ms. Rose were appointed to the Board on January 7, 2019, June 26, 2019, and March 1, 2019, respectively. Effective May 2, 2019, Mr. Forsgren and Mr. Hyler retired from the Board.

(2) Mr. Browning, Ms. Clayton, Mr. Hyler, Mr. Moorman, and Mr. Saladrigas elected to defer $180,000; $122,893; $23,654; $125,000; and $125,000 respectively, of their 2019 cash compensation under the Directors’ Savings Plan.

(3) This column reflects the grant date fair value of the stock awards granted to each eligible director during 2019. The grant date fair value was determined in accordance with the accounting guidance for stock-based compensation. See Note 22 of the Consolidated Financial Statements contained in our 2019 Form 10-K for an explanation of the assumptions made in valuing these awards. Upon joining the Board in early 2019, Ms. Clayton and Ms. Rose received a prorated portion of the 2018 - 2019 annual stock retainer, amounting to 595 and 304 shares of Duke Energy common stock, respectively. In May 2019, each sitting director on the Board received an annual stock retainer in the form of 1,782 shares of Duke Energy common stock. Mr. Browning, Ms. Clayton, Mr. Craver, Mr. Kennard, Mr. Moorman, Ms. Rose, Mr. Saladrigas, and Mr. Webster elected to defer their 2019 - 2020 stock retainer of Duke Energy shares under the Directors’ Savings Plan. In addition, Mr. Fanandakis received a prorated portion of the 2019 - 2020 annual stock retainer in the form of 1,549 shares of Duke Energy common stock, upon joining the Board in June 2019.

(4) The All Other Compensation column includes the following for 2019:

<table>
<thead>
<tr>
<th>Name</th>
<th>Business Travel Accident Insurance ($)</th>
<th>Charitable Contributions ($)</th>
<th>Other* ($)</th>
<th>Total ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Michael G. Browning</td>
<td>240</td>
<td>6,000</td>
<td>0</td>
<td>19,349</td>
</tr>
<tr>
<td>Annette K. Clayton</td>
<td>236</td>
<td>1,559</td>
<td>0</td>
<td>1,795</td>
</tr>
<tr>
<td>Theodore F. Craver, Jr.</td>
<td>240</td>
<td>6,000</td>
<td>0</td>
<td>6,240</td>
</tr>
<tr>
<td>Robert M. Davis</td>
<td>240</td>
<td>1,000</td>
<td>0</td>
<td>1,240</td>
</tr>
<tr>
<td>Daniel R. DiMicco</td>
<td>240</td>
<td>6,000</td>
<td>0</td>
<td>6,240</td>
</tr>
<tr>
<td>Nicholas C. Fanandakis</td>
<td>124</td>
<td>1,000</td>
<td>0</td>
<td>1,124</td>
</tr>
<tr>
<td>John H. Forsgren</td>
<td>80</td>
<td>7,500</td>
<td>153</td>
<td>7,733</td>
</tr>
<tr>
<td>John T. Herron</td>
<td>240</td>
<td>6,000</td>
<td>0</td>
<td>6,240</td>
</tr>
<tr>
<td>James B. Hyler, Jr.</td>
<td>80</td>
<td>2,500</td>
<td>153</td>
<td>2,733</td>
</tr>
<tr>
<td>William E. Kennard</td>
<td>240</td>
<td>6,000</td>
<td>0</td>
<td>6,240</td>
</tr>
<tr>
<td>E. Marie McKee</td>
<td>240</td>
<td>6,000</td>
<td>0</td>
<td>6,240</td>
</tr>
<tr>
<td>Charles W. Moorman IV</td>
<td>240</td>
<td>6,000</td>
<td>0</td>
<td>6,240</td>
</tr>
<tr>
<td>Marya M. Rose</td>
<td>202</td>
<td>6,000</td>
<td>0</td>
<td>6,202</td>
</tr>
<tr>
<td>Carlos A. Saladrigas</td>
<td>240</td>
<td>6,000</td>
<td>0</td>
<td>6,240</td>
</tr>
<tr>
<td>Thomas E. Skains</td>
<td>240</td>
<td>6,000</td>
<td>0</td>
<td>6,240</td>
</tr>
<tr>
<td>William E. Webster, Jr.</td>
<td>240</td>
<td>6,000</td>
<td>235</td>
<td>6,475</td>
</tr>
</tbody>
</table>

* Includes the cost of a gift for the directors who retired during 2019 and occasional personal use of tickets to athletic and cultural events.