

# PROPOSAL 1: ELECTION OF DIRECTORS

## The Board of Directors

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The Corporate Governance Committee, comprised of only independent directors, has recommended the following current directors as nominees for director, and the Board has approved their nomination for election to serve on the Board. We have a declassified Board which means all the directors are voted on every year at the Annual Meeting.

If any director is unable to stand for election, the Board may reduce the number of directors or designate a substitute. In that case, shares represented by proxies may be voted for a substitute director. We do not expect that any nominee will be unavailable or unable to serve.

In 2018, the Board amended our Principles for Corporate Governance to include a director tenure policy in addition to a retirement policy. The Board believes that it is very important to

### Majority Voting for the Election of Directors

Under Duke Energy's By-Laws, in an uncontested election at which a quorum is present, a director-nominee will be elected if the number of votes cast "FOR" the nominee's election exceeds the number of votes cast as "WITHHOLD" from that nominee's election. Abstentions and broker non-votes do not count. In addition, Duke Energy has a resignation policy in our Principles for Corporate Governance, which requires an incumbent director who has more votes cast as "WITHHOLD"

monitor the Board's composition, skills, and needs in the context of Duke Energy's overall strategy, and, therefore, has approved a range for the Board to consider retirement. Pursuant to this policy, the Board may determine not to nominate a director who has reached the age of 70 or 15 years of service on the Board if, after examining the Board composition and impending Board retirements in light of the Corporation's strategy, the Board determines it is in the best interest of Duke Energy and our shareholders. Similarly, the Board may determine that it is in the best interest of Duke Energy and our shareholders for a director to remain on the Board; however, the Board will not nominate a director for election at the annual meeting in the calendar year following the year of his or her 75th birthday.

from that nominee's election than votes cast "FOR" his or her election to tender his or her letter of resignation for consideration by the Corporate Governance Committee.

In contested elections, directors will be elected by plurality vote. For purposes of the By-Laws, a "contested election" is an election in which the number of nominees for director is greater than the number of directors to be elected.

## Board Biographical Information, Skills, and Qualifications

**Michael G. Browning**   

**Independent Director Nominee**  
**Independent Lead Director**



**Age:** 72  
**Director of Duke Energy since 2006**  
Chairman, Browning Consolidated, LLC

**Committees:**

- Compensation Committee
  - Corporate Governance Committee (Chair)
  - Finance and Risk Management Committee
- Other current public directorships:**
- None

Mr. Browning has been Chairman of Browning Consolidated, LLC (and its predecessor), a real estate development firm, since 1981 and served as President from 1981 until 2013. He also serves as owner, general partner, or managing member of various real estate entities. Mr. Browning is a former director of Standard Management Corporation, Conseco, Inc., and Indiana Financial Corporation. Mr. Browning has served as Independent Lead Director since January 1, 2016.

**Skills and qualifications:**

Mr. Browning’s qualifications for election include his management experience as well as his knowledge and understanding of customers’ needs in Duke Energy’s Midwest service territory gained during his long career as the Chairman of Browning Consolidated, a real estate development firm located in Indiana. Mr. Browning’s financial and investment expertise adds a valuable perspective to the Board and its committees.

**Annette K. Clayton**       

**Independent Director Nominee**



**Age:** 55  
**Director of Duke Energy since 2019**  
President and CEO,  
North America Operations,  
Schneider  
Electric SA

**Committees:**

- Audit Committee
  - Nuclear Oversight Committee
- Other current public directorships:**
- Polaris Industries Incorporated

Ms. Clayton has been President and CEO of the North America Operations of Schneider Electric, a global electrical equipment manufacturer, and a member of the Executive Committee since June 2016. She also served as Chief Supply Chain Officer from June 2016 until January 2019. From May 2011 to June 2016, she served as Executive Vice President of Schneider Electric and a Member of the Executive Committee, Hong Kong. Prior to her employment at Schneider Electric, Ms. Clayton served at Dell, Inc. as Vice President of Global Supply Chain Operations and Vice President of Dell Americas operations, and at General Motors as President of their Saturn subsidiary, Corporate Vice President of Global Quality and a member of their strategy board.

**Skills and qualifications:**

Ms. Clayton’s qualifications for election include her experience as senior management of Schneider Electric overseeing the strategic direction and financial accountability of the North America operations. In her role as President and CEO of Schneider Electric’s North America Operations, she has gained experience in customer service through her direct responsibility for the customer call centers, in cybersecurity and technology through Schneider Electric’s work with the government on cybersecurity infrastructure, and in environmental and regulatory matters through her oversight of Schneider Electric’s Safety and Environment function. These skills uniquely fit the skill sets that benefit Duke Energy in our corporate strategy.

**Director Experience:**  **Finance**  **Regulatory/Government**  **Legal**  **Industry**  
 **Environmental**  **Risk Management**  **Customer Service**  **Cybersecurity**

## PROPOSAL 1: ELECTION OF DIRECTORS

Theodore F. Craver, Jr.       

### Independent Director Nominee



**Age:** 67  
**Director of Duke Energy since 2017**  
 Retired Chairman, President and CEO,  
 Edison International

#### Committees:

- Audit Committee (Chair)
- Finance and Risk Management Committee

#### Other current public directorships:

- Wells Fargo & Company

Mr. Craver was Chairman, President and CEO of Edison International, the parent company of a large California utility and various competitive electric businesses, from 2008 until his retirement in 2016. From 2005 to 2007, Mr. Craver served as CEO of Edison Mission Energy, a subsidiary of Edison International. Prior to his appointment as CEO of Edison Mission Energy, Mr. Craver served as CFO of Edison International from 2000 to 2004. He started at Edison International in 1996 after leaving First Interstate Bancorp where he was Executive Vice President and Corporate Treasurer. Mr. Craver is a former member of the Electricity Subsector Coordinating Council (ESCC), the organization that is the principal liaison between the federal government and the electric power sector responsible for coordinating efforts to prepare for, and respond to, national-level disasters or threats to critical infrastructure. Mr. Craver currently serves as a Senior Advisor to Blackstone's Global Infrastructure Fund and as a Senior Advisor to Bain & Company. He is also a member of the Economic Advisory Council of the Federal Reserve Bank of San Francisco.

#### Skills and qualifications:

Mr. Craver's qualifications for election include his experience as CEO of Edison International, which gives him in-depth knowledge of the utility industry and the regulatory arena, including environmental regulations, as well as his financial and risk management experience obtained as a CFO. Mr. Craver's experience in the industry also gives him a keen awareness of the needs of utility customers during this time of industry change. In addition, Mr. Craver's experience with grid cybersecurity as a member of the Steering Committee of the ESCC gives him insight into this crucial area for Duke Energy. In 2018, he earned the CERT Certificate in Cybersecurity Oversight from the National Association of Corporate Directors.

Robert M. Davis     

### Independent Director Nominee



**Age:** 52  
**Director of Duke Energy since 2018**  
 CFO and Executive Vice President, Global Services,  
 Merck & Co., Inc.

#### Committees:

- Audit Committee
- Finance and Risk Management Committee

#### Other current public directorships:

- None

Mr. Davis has been CFO of Merck & Co., a global healthcare company that provides prescription medicines, vaccines, and other health solutions, since April 2014 and CFO and Executive Vice President, Global Services for Merck & Co. since 2016. Prior to Merck & Co., Mr. Davis worked for Baxter International, Inc. as Corporate Vice President and President of Medical Products from 2010 to 2014, Corporate Vice President and President of Baxter International's renal business in 2010, Corporate Vice President and CFO from 2006 to 2010, and Treasurer from 2004 to 2006. Mr. Davis previously served on the board of directors of C.R. Bard until its merger with Becton, Dickinson and Company in December 2017.

#### Skills and qualifications:

Mr. Davis' qualifications for election include his significant experience in regulatory matters, finance, and risk management obtained during his service as the CFO of Merck & Co., as well as his prior experience gained in a variety of management and finance roles at Baxter International. Mr. Davis' legal knowledge, obtained when he earned his Doctor of Jurisprudence, adds additional insight to the Board's discussions of corporate and risk matters. Mr. Davis also has significant experience with technology and cybersecurity obtained during his time as CFO of Merck & Co. and Baxter International where he had direct oversight over those areas. Mr. Davis' experience at Merck & Co. provides valuable insight into navigating an industry undergoing rapid transformation.

Director Experience:  Finance  Regulatory/Government  Legal  Industry

 Environmental  Risk Management  Customer Service  Cybersecurity

Daniel R. DiMicco



**Independent Director Nominee**



**Age:** 68  
**Director of Duke Energy since 2007**  
 Chairman Emeritus, Retired President and CEO,  
 Nucor Corporation

- Committees:**
- Corporate Governance Committee
  - Nuclear Oversight Committee
- Other current public directorships:**
- Hennessy Capital Acquisition Corp. III

Mr. DiMicco has served as Chairman Emeritus of Nucor, a steel company, since December 2013. He served as Executive Chairman of Nucor from January 2013 until December 2013 and as Chairman from May 2006 until December 2012. He served as CEO from September 2000 until December 2012 and President from September 2000 until December 2010. Mr. DiMicco was a member of the Nucor board of directors from 2000 until 2013 and is a former chairman of the American Iron and Steel Institute.

**Skills and qualifications:**

Mr. DiMicco's qualifications for election include his management, finance, and risk management experience gained during his time as CEO of a Fortune 500 company, which served many constituencies. In addition, his experience as CEO of Nucor, a large industrial corporation headquartered in North Carolina and with operations in the Midwest, provides a valuable perspective on Duke Energy's industrial customer class as well as extensive knowledge of regulatory issues and environmental regulations in Duke Energy's Carolinas and Midwest service territories.

Lynn J. Good



**Non-Independent Director Nominee  
 Chairman**



**Age:** 59  
**Director of Duke Energy since 2013**  
 Chairman, President and CEO,  
 Duke Energy Corporation

- Committees:**
- None
- Other current public directorships:**
- The Boeing Company

Ms. Good has served as Chairman, President and CEO of Duke Energy since January 1, 2016, and was Vice Chairman, President and CEO of Duke Energy from July 2013 through December 2015. She served as Executive Vice President and CFO of Duke Energy from July 2009 through June 2013. She is a former director of Hubbell Incorporated.

**Skills and qualifications:**

Ms. Good is our Chairman, President and CEO and was previously our CFO. Her extensive financial and risk management background as well as her knowledge of the affairs of Duke Energy and our business make her uniquely suited to lead our Board and Duke Energy. Her many years of experience in the utility industry, her knowledge of the associated regulatory issues, technologies, environmental regulations, and customer focus, provide valuable resources for the Board.

**Director Experience:**



## PROPOSAL 1: ELECTION OF DIRECTORS

John T. Herron



### Independent Director Nominee



**Age:** 65  
**Director of Duke Energy since 2013**  
Retired President, CEO and Chief Nuclear Officer, Entergy Nuclear

**Committees:**

- Nuclear Oversight Committee (Chair)
- Regulatory Policy and Operations Committee

**Other current public directorships:**

- None

Mr. Herron was President, CEO and Chief Nuclear Officer of Entergy Nuclear, the nuclear operations of Entergy Corporation, an electric utility, from 2009 until his retirement in 2013. Mr. Herron joined Entergy Nuclear in 2001 and held a variety of positions. He began his career in nuclear operations in 1979 and, through his career, held positions at a number of nuclear stations across the country. Mr. Herron is a director of Ontario Power Generation and also has served on the board of directors of INPO.

**Skills and qualifications:**

Mr. Herron's qualifications for election include his knowledge and extensive insight gained as a senior executive in the utility industry, including his three decades of experience in nuclear energy. In addition to his nuclear expertise, during Mr. Herron's career, and particularly during his time as CEO and Chief Nuclear Officer of Entergy Nuclear, he gained significant financial, regulatory, environmental, and risk management expertise as well as an understanding of utility customers. Mr. Herron also had direct responsibility for the management of cybersecurity as CEO and Chief Nuclear Officer of Entergy Nuclear.

William E. Kennard



### Independent Director Nominee



**Age:** 62  
**Director of Duke Energy since 2014**  
Co-Founder and Non-Executive Chairman, Velocitas Partners, LLC

**Committees:**

- Corporate Governance Committee
- Finance and Risk Management Committee

**Other current public directorships:**

- AT&T Inc.
- Ford Motor Company
- MetLife, Inc.

Mr. Kennard has been Co-Founder and Non-Executive Chairman of Velocitas Partners, an asset management firm, since November 2014. He also serves as an advisor to Staple Street Capital and Astra Capital Management, both private equity firms. Prior to joining Velocitas Partners, Mr. Kennard served as Senior Advisor to Grain Management from October 2013 until November 2014, United States Ambassador to the European Union from 2009 until August 2013, Managing Director of The Carlyle Group from 2001 until 2009, and Chairman of the Federal Communications Commission (FCC) from 1997 until 2001.

**Skills and qualifications:**

Mr. Kennard's qualifications for election include his considerable experience and knowledge of the regulatory arena from his service as Chairman of the FCC and United States Ambassador, as well as his financial, legal, and risk management knowledge obtained during his career as a lawyer and investor in the technology and telecommunications sector.

Director Experience:



Finance



Regulatory/Government



Legal



Industry



Environmental



Risk Management



Customer Service



Cybersecurity

E. Marie McKee    

**Independent Director Nominee**



**Age:** 68  
**Director of Duke Energy since 2012**  
 Retired Senior Vice President, Corning Incorporated

- Committees:**
- Compensation Committee (Chair)
  - Corporate Governance Committee
- Other current public directorships:**
- None

Ms. McKee is a retired Senior Vice President of Corning Incorporated, a manufacturer of components for high-technology systems for consumer electronics, mobile emissions controls, telecommunications, and life sciences. Ms. McKee has over 35 years of experience obtained at Corning, where she held a variety of management positions with increasing levels of responsibility, including Senior Vice President of Human Resources from 1996 until 2010, President of Steuben Glass from 1998 until 2008, and President of The Corning Museum of Glass and The Corning Foundation from 1998 until 2014.

**Skills and qualifications:**

Ms. McKee’s qualifications for election include her senior management experience in human resources, which provides her with a thorough knowledge of human capital management and compensation practices. Her prior experience as a senior executive of Corning Incorporated has also given her excellent operating skills and an understanding of environmental regulations and risk management with regard to the manufacturing process, which aids the Board in its oversight of environmental and health and safety matters.

Charles W. Moorman IV     

**Independent Director Nominee**



**Age:** 67  
**Director of Duke Energy since 2016**  
 Senior Advisor, Amtrak

- Committees:**
- Nuclear Oversight Committee
  - Regulatory Policy and Operations Committee
- Other current public directorships:**
- Chevron Corporation
  - Oracle

Mr. Moorman is Senior Advisor to Amtrak, a passenger rail provider. He has served in this position since January 2018. Prior to that date, Mr. Moorman served as President and CEO of Amtrak since August 2016. Previously, Mr. Moorman served as Chairman and CEO of Norfolk Southern Corporation and was Special Advisor to the CEO of Norfolk Southern from October 2015 until December 31, 2015. Prior to his retirement, he served as Chairman of Norfolk Southern from 2006 until 2015 and as CEO from 2005 until 2015.

**Skills and qualifications:**

Mr. Moorman’s qualifications for election include experience in business, regulatory issues, finance, technology, strategy, risk management, and environmental issues as a result of his long career at a large public company in the highly regulated freight and transportation industry, as well as former chair of the Virginia chapter of the Nature Conservancy and as a trustee of the Chesapeake Bay Foundation. His experience with Amtrak also gives him insight into customer needs which is a core focus for Duke Energy.

- Director Experience:**  Finance  Regulatory/Government  Legal  Industry
-  Environmental  Risk Management  Customer Service  Cybersecurity

## PROPOSAL 1: ELECTION OF DIRECTORS

Marya M. Rose



### Independent Director Nominee



**Age:** 56  
**Director of Duke Energy since 2019**  
Vice President and Chief Administrative Officer, Cummins Inc.

#### Committees:

- Compensation Committee
  - Regulatory Policy and Operations Committee
- Other current public directorships:**
- None

Ms. Rose has been the Vice President and Chief Administrative Officer of Cummins, a global manufacturer of engines, filtration, and power generation equipment, since August 2011, and is responsible for the communications, marketing, government relations, ethics and compliance, enterprise risk management, facilities, security, corporate responsibility, shared services organization and, until January 2018, the legal function. From 2001 until August 2011, Ms. Rose served as Vice President – General Counsel and Corporate Secretary of Cummins. Prior to her employment at Cummins, Ms. Rose was an attorney with Bose McKinney & Evans and a senior aide to two Indiana Governors.

#### Skills and qualifications:

Ms. Rose's qualifications for election include her experience in the role of Chief Administrative Officer, and previously as General Counsel of Cummins, which has given her a background in a number of key areas that are critical to the future success of Duke Energy. In her role as Chief Administrative Officer, she has had direct responsibility for regulatory, environmental, technology, risk management, and customer service areas. In addition, her legal background, including her time as General Counsel and Corporate Secretary of Cummins, will enable her to have unique insights, which she can lend to the Board on legal and corporate governance issues.

Carlos A. Saladrigas



### Independent Director Nominee



**Age:** 70  
**Director of Duke Energy since 2012**  
Chairman, Regis HR Group

#### Committees:

- Audit Committee
  - Compensation Committee
- Other current public directorships:**
- None

Mr. Saladrigas is Chairman of Regis HR Group, which offers a full suite of outsourced human resources services to small and mid-sized businesses. He has served in this position since July 2008. Mr. Saladrigas served as Chairman of Concordia Healthcare Holdings, LLC, which specializes in managed behavioral health, from 2011 until 2017. Prior to joining Regis HR Group and Concordia Healthcare Holdings, LLC, he served as Vice Chairman from 2007 until 2008, and as Chairman from 2002 until 2007 of Premier American Bank. Mr. Saladrigas served as CEO of ADP Total Source (previously the Vincam Group, Inc.) from 1984 until 2002.

#### Skills and qualifications:

Mr. Saladrigas' qualifications for election include his extensive expertise in human capital management, risk management, regulatory matters and finance obtained during his long management career in the human resources services field. His understanding of Duke Energy's Florida service territory gives the Board insight into customer needs in this important service territory for Duke Energy.

#### Director Experience:



Thomas E. Skains       

**Independent Director Nominee**



**Age:** 62  
**Director of Duke Energy since 2016**  
 Retired Chairman, President and CEO,  
 Piedmont Natural Gas Company, Inc.

- Committees:**
- Nuclear Oversight Committee
  - Regulatory Policy and Operations Committee
- Other current public directorships:**
- BB&T Corporation
  - National Fuel Gas Company

Mr. Skains was Chairman, President and CEO of Piedmont, a regional natural gas distributor, until his retirement in 2016. He served as Chairman of Piedmont from December 2003 until October 2016, CEO from February 2003 until October 2016, and as President from February 2002 until October 2016. Previously, he served as Chief Operating Officer of Piedmont from February 2002 until February 2003. From 1995 until 2002, he served as Senior Vice President, Marketing and Supply Services and directed Piedmont’s commercial natural gas activities.

**Skills and qualifications:**

Mr. Skains’ qualifications for election include his financial and risk management expertise and public company governance and strategy gained during his time as Chairman, President and CEO of Piedmont. His time at Piedmont also provided him with in-depth knowledge of the natural gas industry, the environmental regulations related to the industry, and the needs of natural gas customers, which is helpful to Duke Energy as it expands into the natural gas arena since the acquisition of Piedmont. His prior experience as a corporate energy attorney also gives Mr. Skains insight on legal and regulatory compliance matters.

William E. Webster, Jr.    

**Independent Director Nominee**



**Age:** 65  
**Director of Duke Energy since 2016**  
 Retired Executive Vice President, Institute of  
 Nuclear Power Operations

- Committees:**
- Nuclear Oversight Committee
  - Regulatory Policy and Operations Committee
- Other current public directorships:**
- None

Mr. Webster was Executive Vice President of Industry Strategy for INPO, a non-profit organization that promotes the highest levels of safety and reliability in the operation of commercial nuclear power plants, until his retirement in June 2016. Mr. Webster has 34 years of experience obtained at INPO where he held a variety of management positions in the Industry Evaluations, Plant Support, Engineering Support, and Plant Analysis and Emergency Preparedness divisions prior to his retirement. Mr. Webster currently serves as the Chairman of the Japan Nuclear Safety Institute.

**Skills and qualifications:**

Mr. Webster’s qualifications for election include the extensive knowledge he gained during his 34 years in the nuclear industry, including exposure to environmental laws, regulatory expertise as well as unique insight into best practices in engineering and risk management, which is an asset to the Board and its committees.

**The Board of Directors Recommends a Vote “FOR” Each Nominee.**

- Director Experience:**  Finance  Regulatory/Government  Legal  Industry
-  Environmental  Risk Management  Customer Service  Cybersecurity

# INFORMATION ON THE BOARD OF DIRECTORS

## Our Board Leadership Structure

The Board regularly evaluates the leadership structure of Duke Energy and may consider alternative approaches, as appropriate, over time. Though the Board is currently structured with a combined Chairman and CEO, 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 Chairman and CEO, or whether the roles should be separate.

Lynn J. Good serves as Duke Energy's Chairman, President and CEO. Our Board believes that combining the Chairman 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:

- 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 Chairman and the CEO in setting, reviewing, and approving agendas and schedules of Board meetings;
- 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 Chairman 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.

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](http://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 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 linked on our website at [duke-energy.com/our-company/investors/corporate-governance/board](http://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 independent members of the Board who determine whether such relationship is material.

For Ms. Clayton, the Board considered a relationship between Duke Energy and Schneider Electric, at which she is employed as an executive officer, for the purchase of goods and services by Duke Energy, which are not material to either Duke Energy or Schneider Electric. The Board determined that Ms. Clayton had no direct or indirect material interest in the transactions between Duke Energy and Schneider Electric and that such transactions were in the best interests of the shareholders of Duke Energy as they have been entered into in the ordinary course of business on terms that are negotiated on an arm's length basis. In addition, with respect to Ms. Rose, the Board considered a relationship between Duke Energy and Cummins, at which Ms. Rose serves as an executive officer. The Board

determined that Ms. Rose had no direct or indirect material interest in the transactions for the purchase of electrical equipment and other Cummins products by Duke Energy and

that such transactions were in the best interests of shareholders and entered into in the ordinary course of business on terms that are negotiated on an arm's length basis.

## Director Attendance

The Board met five times during 2018 and has met twice so far in 2019. The overall attendance percentage for our directors was approximately 98% in 2018, and all directors attended more than 75% of the Board meetings and the meetings of the

committees upon which he or she served in 2018. Directors are encouraged to attend the Annual Meeting. All directors who were directors at the time of last year's Annual Meeting on May 3, 2018, attended the 2018 Annual Meeting.

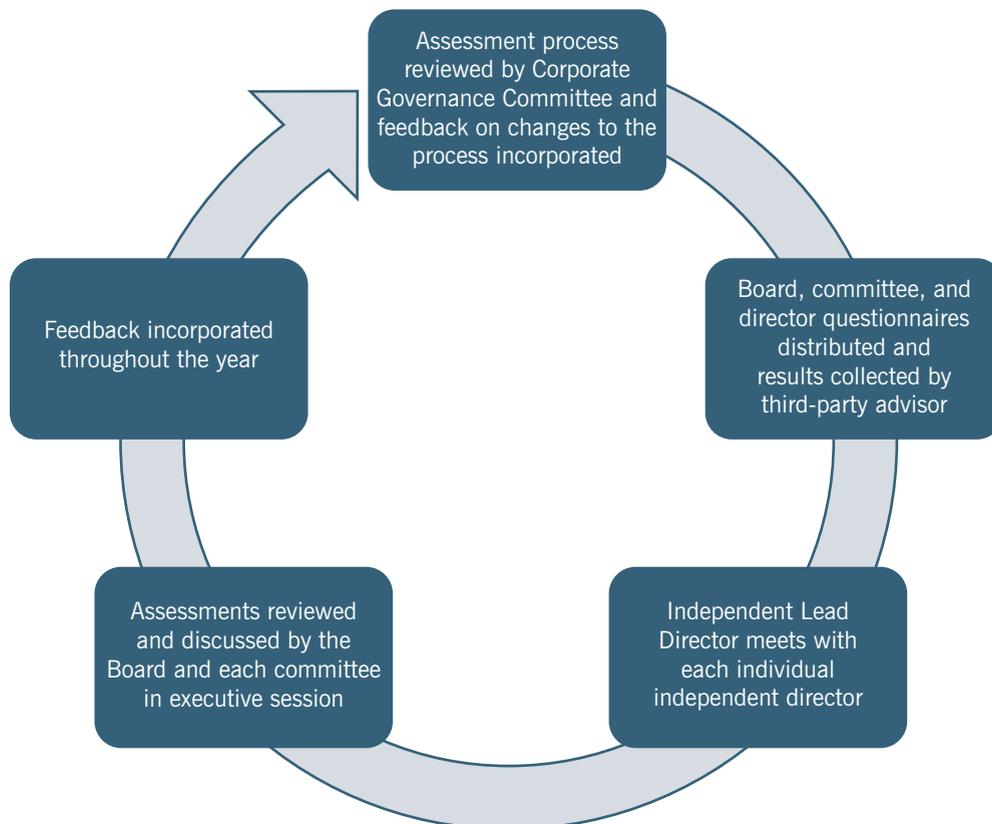
## Board and Committee Assessments

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. 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

BOARD OF DIRECTORS	
<ul style="list-style-type: none"> <li>The Board oversees all operational, financial, strategic, and reputational risk with oversight of specific risks undertaken within the committee structure.</li> </ul>	
<p><b>AUDIT COMMITTEE</b></p> <ul style="list-style-type: none"> <li>Oversees risks related to financial reporting</li> <li>Oversees risks related to internal controls, compliance, and legal matters</li> <li>Oversees risks related to cybersecurity and technology</li> </ul>	<p><b>COMPENSATION COMMITTEE</b></p> <ul style="list-style-type: none"> <li>Oversees risks related to our workforce and compensation practices</li> </ul>
<p><b>CORPORATE GOVERNANCE COMMITTEE</b></p> <ul style="list-style-type: none"> <li>Oversees risks related to management succession</li> <li>Oversees risks related to director independence and related person transactions</li> <li>Oversees risks related to public policy and political activities</li> <li>Oversees risks related to sustainability</li> </ul>	<p><b>FINANCE &amp; RISK MANAGEMENT COMMITTEE</b></p> <ul style="list-style-type: none"> <li>Oversees process to assess and manage enterprise risk</li> <li>Oversees financial risks including market, liquidity, and credit risks</li> <li>Oversees risks related to major projects</li> </ul>
<p><b>REGULATORY POLICY &amp; OPERATIONS COMMITTEE</b></p> <ul style="list-style-type: none"> <li>Oversees risks related to environmental, health and safety, and our non-nuclear regulated operations</li> </ul>	<p><b>NUCLEAR OVERSIGHT COMMITTEE</b></p> <ul style="list-style-type: none"> <li>Oversees risks related to nuclear operations, regulations, and safety</li> </ul>

## Board Oversight of Key Risks

### 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 both Duke Energy's physical and operational technical systems is one of its most critical responsibilities. The Audit Committee, which is comprised of directors with a great deal of expertise in both areas, is primarily responsible for the oversight of cybersecurity and technology risks. In 2018:

- 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 operation of, and enhancements to, our business and operational technical systems, including customer experience, financial systems, and internal and grid operations
- In addition to the review of these issues, the Audit Committee also participated in an in-depth table top exercise and cybersecurity event drill
- The Board also reviewed our cybersecurity systems and defenses with an outside expert

### Sustainability and Climate Change

The Board places an emphasis on its oversight over sustainability issues, environmental matters, and climate change because it understands the importance of those issues to the success and vitality to not only Duke Energy, but also to our customers and communities as a whole. In 2018, the Board formally assigned the review of sustainability to the Corporate Governance Committee. However, because of the nature of Duke Energy's business, and the wide range of environmental and climate change risks, many environmental and climate change risks are also overseen by other committees of the Board. For example, operational risks relating to the environment and climate change are primarily overseen by our Regulatory Policy and Operations Committee. Each of these committees, and the Board as a whole, is composed of a number of directors with experience and knowledge of environmental regulations and issues in our industry and across the nation. As a result of the Board's oversight of these matters, in 2018, Duke Energy:

- Published a comprehensive climate report to shareholders detailing the steps that Duke Energy, with oversight from the Board, is taking to mitigate risks from climate change
- Received a positive review of Duke Energy's 2017 Climate Report by the TCFD in its 2018 Status Report, citing its usefulness for investors and clear descriptions of our carbon dioxide emissions reduction strategies
- Decreased carbon dioxide emissions by 31%, sulfur dioxide emissions by 96%, and nitrogen oxides emissions by 74% since 2005. By 2030, Duke Energy plans to reduce carbon dioxide emissions by 40% from 2005 levels
- Named to the Dow Jones Sustainability Index for North America for the 13th consecutive year

### Corporate Culture

Oversight of Duke Energy's culture is an important element of our Board's oversight of risk because our people are critical to the success of our corporate strategy. As such, we emphasize safety, operational excellence, and a focus on the customer. Our Board sets the "tone at the top," and holds senior management accountable for embodying, maintaining, and communicating that culture to employees. For example, in 2018:

- The Compensation Committee received updates on employee engagement surveys and action plans
- Board members met with both management and employees below senior management on a regular basis, including interactions at Board dinners and tours of our facilities
- Approximately 300 of our enterprise leaders served in our call centers to increase management's understanding of customer issues
- All employees whose role did not directly involve storm response volunteered for a role in responding to the needs of customers during Hurricane Florence and Hurricane Michael, whether it was in our customer call center or helping assist linemen in the field with logistical issues
- Duke Energy was named by Forbes Magazine to its "America's Best Employers for Diversity" and "World's Best Employers" lists

## 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 2018, we reached out to holders of approximately one-third of Duke Energy’s outstanding shares, and members of our Board and management met with holders of approximately 20% of Duke Energy’s outstanding shares. We engaged with every shareholder who accepted our offer to meet as well as every shareholder who requested to meet with our Board.

During 2018, Duke Energy engaged with shareholders on numerous topics, including executive compensation matters, sustainability, and governance issues. Shareholder feedback has been invaluable to us in enhancing our governance and compensation policies and related disclosures. During the fall of 2018, we focused our engagements with shareholders on corporate strategy, sustainability, and governance such as director skills, diversity, and the Board’s oversight over key risk areas for Duke Energy, including human capital management and climate change. We also discussed Duke Energy’s Climate Report which was published in 2018 for which we received very positive feedback. In addition, we sought feedback from our shareholders regarding the proposed amendment to Duke Energy’s Amended and Restated Certificate of Incorporation to eliminate its supermajority voting provisions, which was recommended for approval by the Board at both the 2017 and 2018 Annual Meetings. 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



## Board of Directors Committees

### BOARD COMMITTEE MEMBERSHIP ROSTER

Name	Audit	Compensation	Corporate Governance	Finance and Risk Management	Nuclear Oversight	Regulatory Policy and Operations
Michael G. Browning	✓	✓	C	✓		
Annette K. Clayton					✓	
Theodore F. Craver, Jr.	C			✓		
Robert M. Davis	✓			✓		
Daniel R. DiMicco			✓		✓	
John H. Forsgren <sup>(1)</sup>		✓		C		
Lynn J. Good						
John T. Herron					C	✓
James B. Hyler, Jr. <sup>(1)</sup>	✓					C
William E. Kennard			✓	✓		
E. Marie McKee		C	✓			
Charles W. Moorman IV					✓	✓
Marya M. Rose		✓				✓
Carlos A. Saladrigas	✓	✓				
Thomas E. Skains					✓	✓
William E. Webster, Jr.					✓	✓

C Committee Chair

(1) Retiring at the Annual Meeting

The Board has the six standing, permanent committees described below:

### Audit Committee

Eight meetings held in 2018

#### Committee Members

Theodore F. Craver, Jr., Chair\*  
 Annette K. Clayton\*  
 Robert M. Davis\*  
 James B. Hyler, Jr.\*  
 Carlos A. Saladrigas\*

\* 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 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 9, 10, and 14 for a description of their business experience for Ms. Clayton, Mr. Craver, Mr. Davis, and Mr. Saladrigas, who are nominated for election at the Annual Meeting.
- 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

Five meetings held in 2018

### Committee Members



E. Marie McKee, Chair  
Michael G. Browning  
John H. Forsgren  
Marya M. Rose  
Carlos A. Saladrigas

E. Marie McKee

- 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.
- 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 2018, Ms. McKee, Mr. Browning, Mr. Forsgren, and Mr. Saladrigas served as members of the Compensation Committee. Ms. Rose joined the Compensation Committee in March 2019. During 2018, 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.

## Corporate Governance Committee

Five meetings held in 2018

### 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

Six meetings held in 2018

### Committee Members



John H. Forsgren, Chair  
Michael G. Browning  
Theodore F. Craver, Jr.  
Robert M. Davis  
William E. Kennard

John H. Forsgren

- 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.
- It 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.

## Nuclear Oversight Committee

Four meetings held in 2018



John T. Herron

### Committee Members

John T. Herron, Chair  
Annette K. Clayton  
Daniel R. DiMicco  
Charles W. Moorman IV  
Thomas E. Skains  
William E. Webster, Jr.

- The *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.
- The 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 and Operations Committee

Four meetings held in 2018



James B. Hyler, Jr.

### Committee Members

James B. Hyler, Jr., Chair  
John T. Herron  
Charles W. Moorman IV  
Marya M. Rose  
Thomas E. Skains  
William E. Webster, Jr.

- The *Regulatory Policy and Operations Committee* provides oversight of Duke Energy's regulatory and legislative strategy impacting utility operations in each jurisdiction.
- The Committee also has oversight over environmental, health, and safety matters, and the risks related to such matters, including our ash management strategy, as well as the public policies and practices of Duke Energy. This includes reviewing Duke Energy's regulatory approach to strategic initiatives, the operational performance of Duke Energy's utilities with regard to energy supply, delivery, fuel procurement, and transportation, and making visits to Duke Energy's generation facilities.
- The Regulatory Policy and Operations Committee is also responsible for the oversight of Duke Energy's environmental, health, and safety goals and policies.

**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](http://duke-energy.com/our-company/investors/corporate-governance/board-committee-charters).**

# REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

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](http://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 23 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](http://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. During 2018, our Board held executive sessions with only independent directors during each of the four regularly scheduled meetings.

## 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 Chairman, 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

## REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

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 set forth, as to each person whom the shareholder proposes to nominate for election as director:

- the name and address of the recommending shareholder(s), and the class and number of shares of common stock of Duke Energy that are beneficially owned by the recommending shareholder(s);
- a representation that the recommending shareholder(s) is a holder of record of common stock of Duke Energy entitled to

vote at the Annual Meeting and intends to attend the Annual Meeting remotely or by proxy to nominate the person(s) specified in the written notice;

- the name, age, business address, principal occupation, and employment of the recommended nominee;
- any information relevant to a determination of whether the recommended nominee meets the criteria for Board membership established by the Board and/or the Corporate Governance Committee;
- any information regarding the recommended nominee relevant to a determination of whether the recommended nominee would be considered independent under the applicable NYSE rules and SEC rules and regulations;
- a description of any business or personal relationship between the recommended nominee and the recommending shareholder(s), including all arrangements or understandings between the recommended nominee and the recommending shareholder(s) and any other person(s) (naming such person(s)) pursuant to which the nomination is to be made by the recommending shareholder(s);
- a statement, signed by the recommended nominee, (i) verifying the accuracy of the biographical and other information about the nominee that is submitted with the recommendation, (ii) affirming the recommended nominee's willingness to be a director, and (iii) consenting to serve as a director if so elected;
- if the recommending shareholder(s) has beneficially owned more than 5% of Duke Energy's common stock for at least one year as of the date the recommendation is made, evidence of such beneficial ownership as specified in the rules and regulations of the SEC;
- if the recommending shareholder(s) intends to solicit proxies in support of such recommended nominee, a representation to that effect; and
- all other information relating to the recommended nominee that is required to be disclosed in solicitations for proxies in an election of directors pursuant to Regulation 14A under the Exchange Act, including, without limitation, information regarding, (i) the recommended nominee's business experience, (ii) the class and number of shares of capital stock of Duke Energy, if any, that are beneficially owned by the recommended nominee, and (iii) material relationships or transactions, if any, between the recommended nominee and Duke Energy's management.

**Director Candidate Nominations through Proxy Access.** In order to nominate a director pursuant to our proxy access provision, shareholders who meet the eligibility and other requirements set forth in Section 3.04 of the Corporation'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 provide the information set forth above, as well as the

other detailed requirements set forth in Section 3.04 of the Corporation's By-Laws, which can be located on our *website* at

*duke-energy.com/our-company/investors/corporate-governance*.

## New Directors Since the 2018 Annual Meeting

Following the 2018 Annual Meeting, and in consideration of the anticipated retirements of members of the Board in 2019, the Corporate Governance Committee sought to recruit additional Board members. The committee worked extensively in 2018 on identifying candidates 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 number of candidates with the desired experience, diversity, skills, and other qualifications, to make for a well-balanced Board. In December 2018, the committee recommended that Annette K. Clayton be appointed to the Board effective January 7, 2019. Ms. Clayton brings extensive technology, environmental, and regulatory expertise, among other things, gained during her tenure as President and CEO of Schneider Electric's North America Operations and in her former role as Chief Supply Chain Officer. For more information on Ms. Clayton's skills and qualifications, see page 9. In February 2019, the committee also recommended to the Board that Marya M. Rose be appointed to the Board effective March 1, 2019. Ms. Rose's experience as Chief Administrative Officer and previously as General Counsel of Cummins has

given her a background in a number of key areas, which are critical to the future success of Duke Energy, including legal and regulatory, environmental, technology, risk management, and customer service matters. For more information on Ms. Rose's skills and experience, see page 14.

**Director Onboarding.** With the addition of a number of new directors to our Board over the past several years, the director onboarding process has become increasingly important to educating our new directors about Duke Energy. 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.

## 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

## REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

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

# DIRECTOR COMPENSATION

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 2018, 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 2018, our director compensation program consisted of the following:

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

\* 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 2018.** In 2018, 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, the Duke

Energy Foundation made a \$1,000 donation to the Foundation for the Carolinas for the Relief4Employees program in November 2018 on behalf of each of the directors not employed by Duke Energy who were actively serving at that time. The Relief4Employees program provides assistance to eligible employees facing financial hardship due to natural disaster, family emergency, or other unexpected events.

**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, 2018.

## DIRECTOR COMPENSATION

The following table describes the compensation earned during 2018 by each individual, other than Ms. Good, who served as a director during 2018. Because Ms. Clayton and Ms. Rose joined the Board in 2019, neither received compensation in 2018 and they are not listed below.

Name	Fees Earned or Paid in Cash (\$) <sup>(2)</sup>	Stock Awards (\$) <sup>(3)</sup>	All Other Compensation (\$) <sup>(4)</sup>	Total (\$)
Michael G. Browning	180,000	160,000	6,261	346,261
Theodore F. Craver, Jr.	150,000	160,000	6,261	316,261
Robert M. Davis <sup>(1)</sup>	122,542	210,549	6,256	339,347
Daniel R. DiMicco	125,000	160,000	6,261	291,261
John H. Forsgren	140,000	160,000	6,261	306,261
John T. Herron	155,000	160,000	6,261	321,261
James B. Hylar, Jr.	140,000	160,000	1,261	301,261
William E. Kennard	125,000	160,000	6,261	291,261
E. Marie McKee	145,000	160,000	6,261	311,261
Charles W. Moorman IV	125,000	160,000	8,114	293,114
Carlos A. Saladrigas	125,000	160,000	6,261	291,261
Thomas E. Skains	135,000	160,000	6,261	301,261
William E. Webster, Jr.	135,000	160,000	6,261	301,261

(1) Mr. Davis was appointed to the Board on January 8, 2018.

(2) Mr. Hylar, Mr. Moorman, and Mr. Saladrigas elected to defer \$70,000, \$125,000, and \$125,000, respectively, of their 2018 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 2018. The grant date fair value was determined in accordance with the accounting guidance for stock-based compensation. See Note 21 of the Consolidated Financial Statements contained in our Form 10-K for an explanation of the assumptions made in valuing these awards. In January 2018, Mr. Davis received a prorated portion of the 2017-2018 annual stock retainer, amounting to 615 shares of Duke Energy common stock. In May 2018, each sitting director on the Board received an annual stock retainer in the form of 2,006 shares of Duke Energy common stock. Mr. Craver, Mr. Davis, Mr. Hylar, Mr. Kennard, Mr. Moorman, Mr. Saladrigas, and Mr. Webster elected to defer their 2018-2019 stock retainer of Duke Energy shares under the Directors' Savings Plan.

(4) As described in the following table, All Other Compensation for 2018 includes cost associated with personal use of company aircraft, a business travel accident insurance premium that was prorated among the directors based on their service on the Board during 2018, and contributions made in the director's name to charitable organizations.

Name	Personal Use of Airplane (\$)	Business Travel Accident Insurance (\$)	Charitable Contributions (\$)	Total (\$)
Michael G. Browning	0	261	6,000	6,261
Theodore F. Craver, Jr.	0	261	6,000	6,261
Robert M. Davis	0	256	6,000	6,256
Daniel R. DiMicco	0	261	6,000	6,261
John H. Forsgren	0	261	6,000	6,261
John T. Herron	0	261	6,000	6,261
James B. Hylar, Jr.	0	261	1,000	1,261
William E. Kennard	0	261	6,000	6,261
E. Marie McKee	0	261	6,000	6,261
Charles W. Moorman IV	1,853	261	6,000	8,114
Carlos A. Saladrigas	0	261	6,000	6,261
Thomas E. Skains	0	261	6,000	6,261
William E. Webster, Jr.	0	261	6,000	6,261