

Duke Energy CORP
Form DEF 14A
March 21, 2019

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

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- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

DUKE ENERGY CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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 - (1) Title of each class of securities to which transaction applies:

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(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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Welcome to the Duke Energy

Annual Meeting of Shareholders

March 21, 2019

Dear Fellow Shareholders:

I am pleased to invite you to Duke Energy's Annual Meeting to be held on Thursday, May 2, 2019, at 12:30 p.m. Eastern time. We look forward to updating you on our plans for the future of Duke Energy and the progress we have made since our last Annual Meeting. We are excited to once again hold this year's Annual Meeting exclusively via live webcast. This is our third year using the online format. It has been well-received by shareholders and enabled us to use technology to open our Annual Meeting to shareholders all over the world and improve our communications with them while still providing them the same opportunities to vote and ask questions that they have had at previous in-person meetings. As a result of the online format, we are able to connect with more participants and answer more questions than we were able to do at previous in-person meetings.

Once again, you will be able to submit questions in writing in advance of the Annual Meeting on our pre-meeting forum at *proxyvote.com*. An audio broadcast of the Annual Meeting will also be available by phone toll-free at 1.888.254.3590, confirmation code 1907885. Details regarding how to participate in the Annual Meeting via live webcast, as well as the items to be voted on, are more fully described in the accompanying Notice of Annual Meeting of Shareholders and in the Frequently Asked Questions and Answers About the Annual Meeting on page 75 of this proxy statement.

This proxy statement contains details about our strong governance and executive compensation practices and the oversight of Duke Energy's strategy and risks by our Board. The Board has implemented numerous positive changes to our governance practices in recent years, many of which were influenced by the feedback we received from you, our shareholders. These changes are in addition to the progress made on implementing Duke Energy's long-term strategy in 2018, which is further detailed in the 2018 Annual Report that accompanies this proxy statement.

Your participation in the Annual Meeting is important to us. Please review this proxy statement prior to casting your vote as it contains important information relating to the business of the Annual Meeting. Page 1 contains instructions on how you can vote your shares online, by phone, or by mail. It is important that all of our shareholders, regardless of the number of shares owned, participate in the affairs of the Corporation.

Thank you for your continued investment in Duke Energy.

Sincerely,

Lynn J. Good

Chairman, President and CEO

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Letter from the Independent Lead Director

Dear Fellow Shareholders:

It is a great honor to serve as Duke Energy's Independent Lead Director. The Board is deeply committed to sound corporate governance, executive compensation, and risk management policies and practices to ensure that Duke Energy operates responsibly, efficiently, and in the best interests of shareholders. In 2018, we continued our annual shareholder engagement program, reaching out to holders of approximately one-third of our outstanding shares. These conversations were in addition to the numerous conversations we have every year with shareholders and stakeholders outside our shareholder engagement program. The feedback we have gathered both in 2018 and in previous years from this program has been instrumental in the Board's deliberations and adoption of our policies, practices, and disclosures.

The focus of our conversations in 2018 involved our corporate strategy and purpose; board oversight of key risk areas, including human capital management and climate change; the composition of our Board; and Duke Energy's environmental and sustainability goals and practices. Members of the Board were present in many of these conversations and feedback from shareholders was discussed by the Board.

I am fortunate to have the privilege of working with a diverse, engaged, and experienced group of directors at Duke Energy. This Board's diversity, not only of race, gender, and ethnicity, but also of experience, background, and skills, provides the Board with the varied opinions and perspectives that are necessary to allow us to actively oversee the most important issues facing Duke Energy. The Board strikes the right balance between fresh perspectives and established experience. Since the 2018 Annual Meeting, we have appointed two new directors, Annette K. Clayton and Marya M. Rose, to the Board. Our directors' diverse mix of ideas and experiences has resulted in a dynamic Board uniquely equipped to lead Duke Energy as it navigates the rapid changes occurring in the utility industry. I have been honored to lead this Board as Independent Lead Director, and to work closely with our Chairman, President and CEO, Lynn Good, who has skillfully positioned Duke Energy as a leader in the industry during this time of change.

We look forward to continuing our dialogue with you at the 2019 Annual Meeting and beyond. On behalf of the entire Board, thank you for your continued support.

Sincerely,

Michael G. Browning
Independent Lead Director

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Notice of Annual Meeting of Shareholders

May 2, 2019

12:30 p.m. Eastern time

Via live webcast at duke-energy.onlineshareholdermeeting.com

We will convene Duke Energy's Annual Meeting on Thursday, May 2, 2019, at 12:30 p.m. Eastern time via live webcast at duke-energy.onlineshareholdermeeting.com.

The purpose of the Annual Meeting is to consider and take action on the following:

1. Election of directors;
2. Ratification of Deloitte & Touche LLP as Duke Energy's independent registered public accounting firm for 2019;
3. Advisory vote to approve Duke Energy's named executive officer compensation;
4. Four shareholder proposals; and
5. Any other business that may properly come before the meeting (or any adjournment or postponement of the meeting).

Shareholders of record as of the close of business on March 4, 2019, are entitled to vote at the Annual Meeting by visiting duke-energy.onlineshareholdermeeting.com. To participate in the Annual Meeting via live webcast, you will need the 16-digit control number, which can be found on your Notice, on your proxy card, and on the instructions that accompany your proxy materials. The Annual Meeting will begin promptly at 12:30 p.m. Eastern time. Online check-in will begin at 12:00 p.m. Eastern time. Please allow ample time for the online check-in process. An audio broadcast of the Annual Meeting will be available by phone toll-free at 1.888.254.3590, confirmation code 1907885.

Holding the Annual Meeting via live webcast allows us to communicate more effectively with more of our shareholders. On our pre-meeting forum at proxymote.com, you can submit questions in writing in advance of the Annual Meeting, access copies of proxy materials, and vote.

This year we again plan to provide our proxy materials to our shareholders electronically. By doing so, most of our shareholders will only receive the Notice containing instructions on how to access the proxy materials electronically and vote online, by phone, or by mail. If you would like to request paper copies of the proxy materials, you may follow the instructions on the Notice. If you receive paper copies of the proxy materials, we ask you to consider signing up to receive these materials electronically in the future by following the instructions contained in this proxy statement. By delivering proxy materials electronically, we can reduce the consumption of natural resources and the cost of printing and mailing our proxy materials.

Please take time to vote now. If you choose to vote by mail, you may do so by marking, dating, and signing the proxy card, and returning it to us. Please follow the voting instructions which can be found on your proxy card. Regardless of the manner in which you vote, we urge and greatly appreciate your prompt response.

Dated: March 21, 2019

By order of the Board of Directors,

David B. Fountain

Senior Vice President, Legal, Chief Ethics and Compliance Officer and Corporate Secretary

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GLOSSARY OF TERMS

To enhance the readability of this year's proxy statement, we have added a Glossary of Terms beginning on page 80, which includes all defined terms in this proxy statement.

PARTICIPATE IN THE FUTURE OF DUKE ENERGY; CAST YOUR VOTE NOW

Vote Now

It is very important that you vote to participate in the future of Duke Energy. NYSE rules state that if your shares are held through a broker, bank, or other nominee, they cannot vote on nondiscretionary matters without your instruction. Even if you plan to participate in this year's Annual Meeting, it is a good idea to vote your shares before the Annual Meeting in the event your plans change. Whether you vote online, by phone, or by mail, please have your Notice, proxy card, or instructions that accompanied your proxy materials available and follow the instructions.

Eligibility to Vote

You can vote if you were a shareholder of record at the close of business on March 4, 2019.

By internet

Visit 24/7
proxyvote.com

By phone

Call toll-free 24/7 1.800.690.6903
or by calling the number provided
by your broker, bank, or other
nominee if your shares are not
registered in your name

By mailing your proxy card

Cast your vote,
sign your proxy card,
and send free of postage

Participate in the Annual Meeting

This year's Annual Meeting will be held exclusively via live webcast enabling shareholders from around the world to participate, submit questions in writing, and vote. Shareholders of record as of the close of business on March 4, 2019, are entitled to participate in and vote at the Annual Meeting by visiting *duke-energy.onlineshareholdermeeting.com*. To participate in the Annual Meeting via live webcast, you will need the 16-digit control number, which can be found on your Notice, on your proxy card, and on the instructions that accompanied your proxy materials. The Annual Meeting will begin promptly at 12:30 p.m. Eastern time. Online check-in will begin at 12:00 p.m. Eastern time. Please allow ample time for the online check-in process. Shareholders may also listen to an audio broadcast of the Annual Meeting by phone toll-free at 1.888.254.3590, confirmation code 1907885.

Rules of Conduct for the Annual Meeting

Duke Energy has strived to ensure that shareholders at the online only Annual Meeting will have the same rights that they would have had at an in-person meeting and an enhanced opportunity for participation and discourse.

Shareholders who have submitted proposals for the Annual Meeting are given the choice of recording the presentation of their proposal in advance or presenting their proposal live via a third-party operated conference line.

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A representative of Broadridge Financial Solutions has been appointed as the independent inspector of elections.

Shareholders who would like to submit questions in writing in advance of the Annual Meeting can do so by visiting our pre-meeting forum at *proxyvote.com* using your 16-digit control number.

Shareholders participating in the Annual Meeting live via webcast may also submit questions in writing during the Annual Meeting.

Questions submitted by shareholders will be read during the Annual Meeting unedited; provided, however, that questions that are of an inappropriate personal nature or that use offensive language will not be read at the Annual Meeting or answered and posted to our website after the Annual Meeting. Questions regarding technical issues related to the Annual Meeting will be referred to technical support personnel to respond separately.

We will post answers to all questions received in advance of or during the Annual Meeting, including those questions that we do not have time to answer during the Annual Meeting, to our website at *duke-energy.com/our-company/investors/financial-news* under "05/02/2019 2019 Annual Meeting of Shareholders." All unedited questions and the answers to those questions, as well as a video replay of the Annual Meeting, will be available on our website until the release of the proxy statement for the 2020 Annual Meeting.

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This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all the information that you should consider. You should read the entire proxy statement carefully before voting. Page references are supplied to help you find further information in this proxy statement.

Voting Matters

		More information	Board recommendation	Broker non-votes	Abstentions	Votes required for approval
PROPOSAL 1	Election of directors	Page 8	FOR each nominee	Do not count	Do not count	Majority of votes cast, with a resignation policy
PROPOSAL 2	Ratification of Deloitte & Touche LLP as Duke Energy's independent registered public accounting firm for 2019	Page 33	FOR	Vote for	Vote against	Majority of shares represented
PROPOSAL 3	Advisory vote to approve Duke Energy's named executive officer compensation	Page 35	FOR	Do not count	Vote against	Majority of shares represented
PROPOSALS 4-7	Shareholder proposals	Page 67	AGAINST	Do not count	Vote against	Majority of shares represented

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Duke Energy Overview

Headquartered in Charlotte, North Carolina, Duke Energy is one of the largest energy holding companies in the United States. Our Electric Utilities and Infrastructure business serves approximately 7.7 million customers located in six states in the Southeast and Midwest. Our Gas Utilities and Infrastructure business distributes natural gas to approximately 1.6 million customers in the Carolinas, Ohio, Kentucky, and Tennessee. Our Commercial Renewables business operates a growing renewable energy portfolio across the United States. More information about Duke Energy is available at *duke-energy.com*.

2018 Business Highlights

2018 was an outstanding year for Duke Energy as we met our near-term financial commitments and positioned the Corporation for sustainable long-term growth. We exceeded our 2018 earnings target and took proactive steps to strengthen our balance sheet. We advanced capital projects and regulatory initiatives that support our 4% to 6% EPS growth trajectory, and addressed key uncertainties, including federal tax reform treatment and North Carolina rate case outcomes. We also continued to advance a growth strategy focused on investments to modernize our energy grid, generate cleaner energy, and expand our natural gas infrastructure—all built on a foundation of customer service, operational excellence, and stakeholder engagement. In 2018:

Safety remained our top priority. Our employees delivered strong safety results in 2018, consistent with our industry-leading performance levels from 2016 and 2017. However, we fell short of our target for TCR. We will continue to learn from and use each incident as an opportunity to review and improve enterprise safety practices.

We demonstrated progress on our commitment to generate cleaner energy, including the completion of highly efficient combined cycle natural gas plants in Florida and South Carolina, and the advancement of renewable energy in both our regulated and commercial businesses.

We achieved constructive regulatory outcomes during the year, including the completion of two rate cases in North Carolina. Importantly, the cases addressed cost recovery of coal ash basin closure costs, providing certainty to customers and investors. Across our jurisdictions we made significant progress in addressing tax reform, targeting solutions that provide benefits to customers, and supporting the long-term credit quality of our utilities.

2018 was a year of intense storm activity with Hurricane Florence and Hurricane Michael impacting our service territories. Our employees and utility partners worked tirelessly to restore three million outages during the hurricane season. Consistent with our customer service culture, all employees within our corporate offices assisted 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.

We outperformed our target for reportable environmental events in 2018 and continued to advance our efforts to permanently close coal ash basins in ways that protect people and the environment.

Our 2018 TSR of 7.4% exceeded the TSR of the S&P 500 and the UTY, which was 4.4% and 3.5% respectively in 2018.

During 2018, we increased the dividend payment to our shareholders by approximately 4%, reflecting our confidence in the strength of our businesses. This is the 12th consecutive year of annual dividend growth. 2018 also marked the 92nd consecutive year that Duke Energy has paid a quarterly cash dividend on our common stock, a record we expect to continue for shareholders, who rely on a steady and growing dividend.

Shareholder Engagement (pages 20 and 36)

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As part of our commitment to corporate governance, we have a track record of engaging with shareholders to discuss and obtain their feedback on our corporate governance practices as well as executive compensation, environmental, and social matters of interest to shareholders. During the fall of 2018, we reached out to holders of approximately one-third of our outstanding shares and held meetings with the holders of approximately 20% of our outstanding shares, many of which included participation by members of the Board. The agenda for these conversations spanned a variety of topics including corporate strategy, sustainability, governance, 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, as well as the re-inclusion of the management proposal regarding the amendment to Duke Energy's Amended and Restated Certificate of Incorporation to eliminate its supermajority voting provisions, which failed to receive the necessary shareholder support at both the 2017 and 2018 Annual Meetings.

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Name	Age	Gender, Racial or Ethnically Diverse	Director since	Occupation	Independent	Committee Memberships	Other Public Company Boards
Michael G. Browning Independent Lead Director	72		2006	Chairman, Browning Consolidated, LLC	ü	Compensation Corporate Governance (C) Finance and Risk Management	None
Annette K. Clayton	55	ü	2019	President and CEO, North America Operations, Schneider Electric SA	ü	Audit Nuclear Oversight	Polaris Industries Incorporated
Theodore F. Craver, Jr.	67		2017	Retired Chairman, President and CEO, Edison International	ü	Audit (C) Finance and Risk Management	Wells Fargo & Company
Robert M. Davis	52		2018	CFO and Executive Vice President, Global Services, Merck & Co., Inc.	ü	Audit	None

						Finance and Risk Management	
Daniel R. DiMicco	68		2007	Chairman Emeritus, Retired President and CEO, Nucor Corporation	ü	Corporate Governance	Hennessy Capital Acquisition Corp. III
						Nuclear Oversight	
Lynn J. Good Chairman	59	ü	2013	Chairman, President and CEO, Duke Energy Corporation		None	The Boeing Company
John T. Herron	65		2013	Retired President, CEO and Chief Nuclear Officer, Entergy Nuclear	ü	Nuclear Oversight (C)	None
						Regulatory Policy and Operations	
William E. Kennard	62	ü	2014	Co-Founder and Non-Executive Chairman, Velocitas Partners, LLC	ü	Corporate Governance	AT&T Inc.
						Finance and Risk Management	Ford Motor Company
							MetLife, Inc.
E. Marie McKee	68	ü	2012	Retired Senior Vice President, Corning Incorporated	ü	Compensation (C)	None

						Corporate Governance	
Charles W. Moorman IV	67		2016	Senior Advisor, Amtrak	ü		
						Nuclear Oversight	Chevron Corporation
						Regulatory Policy and Operations	Oracle Corporation
Marya M. Rose	56	ü	2019	Vice President and Chief Administrative Officer, Cummins Inc.	ü	Compensation	None
						Regulatory Policy and Operations	
Carlos A. Saladrigas	70	ü	2012	Chairman, Regis HR Group	ü	Audit	None
						Compensation	
Thomas E. Skains	62		2016	Retired Chairman, President and CEO, Piedmont Natural Gas Company, Inc.	ü	Nuclear Oversight	BB&T Corporation
						Regulatory Policy and Operations	National Fuel Gas Company
William E. Webster, Jr.	65		2016	Retired Executive Vice President, Institute of Nuclear Power Operations	ü	Nuclear Oversight	None

(C)
Committee Chair

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Information provided for director nominees

Corporate Governance Highlights (page 25)

- ü Ability for shareholders to nominate directors through proxy access
- ü Independent Lead Director with clearly defined role and responsibilities
- ü Majority voting for directors with mandatory resignation policy and plurality carve-out for contested elections
- ü Robust shareholder engagement program
- ü Annual Board, committee, and director assessments
- ü Ability for shareholders to take action by less than unanimous written consent
- ü Ability for shareholders to call a special shareholder meeting
- ü Clearly defined environmental and social initiatives and goals
- ü Annual election of directors
- ü Independent Board committees
- ü Policy to prohibit all hedging and pledging of corporate securities

Executive Compensation Highlights (page 36)

Principles and Objectives

Our executive compensation program is designed to:

Link pay to performance

Attract and retain talented executive officers and key employees

Emphasize performance-based compensation to motivate executives and key employees

Reward individual performance

Encourage long-term commitment to Duke Energy and align the interests of executives with shareholders

We meet these objectives through the appropriate mix of compensation, including:

Base salary

Short-term incentives

Long-term incentives, consisting of performance shares and RSUs

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Key Executive Compensation Features (page 40)

- ii Significant stock ownership requirements (6x base salary for the CEO)
- ii Stock holding policy
- ii Incentive compensation tied to a clawback policy
- ii Consistent level of severance protection
- ii Shareholder approval policy for severance agreements
- ii Equity award granting policy
- ii Independent compensation consultant

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- ii Annual tally sheets for executive officers

- ii Review and consideration of prior year's "say-on-pay" vote

- ii Do not encourage excessive or inappropriate risk-taking

- ii No tax gross-ups

- ii No "single trigger" severance upon a change in control

- ii No employment agreements except for the CEO

- ii No excessive perquisites

- ii Enhanced disclosure of performance goals, along with continued reporting of actual performance results

- ii Minimum vesting requirement of one year for stock awards, subject to limited exceptions

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PROPOSAL 1: ELECTION OF DIRECTORS

The Board of Directors

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 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.

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" 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.

PROPOSAL 1: ELECTION OF DIRECTORS

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:

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.

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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.

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PROPOSAL 1: ELECTION OF DIRECTORS

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.

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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.

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PROPOSAL 1: ELECTION OF DIRECTORS

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.

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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.

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PROPOSAL 1: ELECTION OF DIRECTORS

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.

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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.

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.

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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. 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

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INFORMATION ON THE BOARD OF DIRECTORS

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.

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INFORMATION ON THE BOARD OF DIRECTORS

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.

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INFORMATION ON THE BOARD OF DIRECTORS

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.

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INFORMATION ON THE BOARD OF DIRECTORS

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(1)				C		
Lynn J. Good						
John T. Herron					C	
James B. Hyler, Jr.(1)						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.

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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.

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INFORMATION ON THE BOARD OF DIRECTORS

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

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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.

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Nuclear Oversight Committee

Four meetings held in 2018

Committee Members

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

John T. Herron

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