

# Report of Organizational Actions Affecting Basis of Securities

OMB No. 1545-0123

► See separate instructions.

## Part I Reporting Issuer

|                                                                                                                  |                                                   |                                                                                            |                      |
|------------------------------------------------------------------------------------------------------------------|---------------------------------------------------|--------------------------------------------------------------------------------------------|----------------------|
| 1 Issuer's name<br><b>Duke Energy Corporation</b>                                                                |                                                   | 2 Issuer's employer identification number (EIN)<br><b>20-2777218</b>                       |                      |
| 3 Name of contact for additional information<br><b>Jordan Morgan</b>                                             | 4 Telephone No. of contact<br><b>800-488-3853</b> | 5 Email address of contact<br><b>InvestDUK@duke-energy.com</b>                             |                      |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact<br><b>P.O. Box 37994</b> |                                                   | 7 City, town, or post office, state, and ZIP code of contact<br><b>Charlotte, NC 28237</b> |                      |
| 8 Date of action<br><b>5/16/2024</b>                                                                             |                                                   | 9 Classification and description<br><b>4.125% Convertible Senior Notes due 2026</b>        |                      |
| 10 CUSIP number<br><b>26441CBY0</b>                                                                              | 11 Serial number(s)                               | 12 Ticker symbol                                                                           | 13 Account number(s) |

## Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

- 14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ► **SEE ATTACHED**
- 15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ► **SEE ATTACHED**
- 16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ► **SEE ATTACHED**

## Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ► SEE ATTACHED

**18** Can any resulting loss be recognized? ► SEE ATTACHED

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ► [SEE ATTACHED](#)

**Sign  
Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ►

Print your name ► **T. Cooper Monroe, III**

Date ►

Title ► **Vice President, Tax**

**Paid  
Preparer  
Use Only**

Print/Type preparer's name

Preparer's signature

Date \_\_\_\_\_

|                                                 |      |
|-------------------------------------------------|------|
| Check <input type="checkbox"/> if self-employed | PTIN |
|-------------------------------------------------|------|

Firm's name ▶

Firm's EIN ►

Firm's address ►

|           |  |
|-----------|--|
| Phone no. |  |
|-----------|--|

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

**Attachment to Form 8937**  
**Duke Energy Corporation**  
**Conversion Rate Adjustment for**  
**4.125% Convertible Senior Notes due 2026**  
**with Respect to Common Stock Dividend Paid June 17, 2024**

**Part II – Organizational Action**

**Line 14.**            **Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action.**

Duke Energy Corp. ("Issuer") has issued 4.125% Convertible Senior Notes due 2026 ("Notes"). The Notes are convertible into shares of the Issuer's common stock. Anti-dilution provisions in the Notes require that, when the Issuer pays a dividend on its common stock, the conversion ratio of the Notes must be adjusted so that more shares of common stock are issued to holders of the Notes on conversion.

On June 17, 2024, Issuer paid a cash dividend of \$1.0250 per share with respect to its Common Stock ("Cash Dividend"). The ex-dividend date of the cash dividend was May 16, 2024. Accordingly, the Issuer made an adjustment to the conversion rate of the Notes, effective May 16, 2024 ("Effective Date"), resulting in a deemed dividend to holders of the Notes under Section 305(c) of the Internal Revenue Code and an adjustment to those holders' basis in the Notes.

**Line 15.**            **Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.**

On the Effective Date, the conversion ratio on the Notes increased from 8.4187 shares of common stock per \$1,000 principal of Notes held to 8.4204 shares of common stock per \$1,000 principal of Notes held. The deemed dividend under Section 305(c) to holders of the Notes that resulted from the conversion ratio adjustment increased each holder's basis in its Notes by \$0.1684 per \$1,000 principal.

**Line 16.**            **Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates.**

The adjusted conversion ratio ("CR<sub>1</sub>") of 8.4204 shares of Common Stock per \$1,000 principal of Notes held was determined consistent with section 14.04(d) of the Notes' Indenture Dated as of April 6, 2023, as follows:

(d)            If any cash dividend or distribution is made to all or substantially all holders of the Common Stock, other than a regular, quarterly cash dividend that does not exceed \$1.005 per share (the "Initial Dividend Threshold"), the Conversion Rate shall be adjusted based on the following formula:

$$CR_1 = CR_0 \times \frac{SP_0 - T}{SP_0 - C}$$

where,

|                 |   |                                                                                                                                                                                                  |
|-----------------|---|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| CR <sub>0</sub> | = | the Conversion Rate in effect immediately prior to the open of business on the Ex-Dividend Date for such dividend or distribution (8.4187);                                                      |
| CR <sub>1</sub> | = | the Conversion Rate in effect immediately after the open of business on the Ex-Dividend Date for such dividend or distribution (8.4204);                                                         |
| SP <sub>0</sub> | = | the Last Reported Sale Price of the Common Stock on the Trading Day immediately preceding the Ex-Dividend Date for such dividend or distribution (\$103.35);                                     |
| T               | = | the Initial Dividend Threshold; provided that if the dividend or distribution is not a regular quarterly cash dividend, the Initial Dividend Threshold shall be deemed to be zero (\$1.005); and |
| C               | = | the amount in cash per share the Company distributes to all or substantially all holders of the Common Stock (\$1.0250).                                                                         |

The Initial Dividend Threshold shall be subject to adjustment in a manner inversely proportional to adjustments to the Conversion Rate; provided that no adjustment shall be made to the Initial Dividend Threshold for any adjustment to the Conversion Rate pursuant to this Section 14.04(d).

Any increase pursuant to this Section 14.04(d) shall become effective immediately after the open of business on the Ex-Dividend Date for such dividend or distribution....

The basis adjustment ("BA") of \$0.1684 per \$1,000 principal of Notes held was determined as:

$$BA = (SP_0 - C) \times (CR_1 - CR_0)$$

**Line 17. List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based.**

Sections 301, 305(b) and 305(c).

**Line 18. Can any resulting loss be recognized?**

No. There is no resulting loss.

**Line 19. Provide any other information necessary to implement the adjustment, such as the reportable tax year.**

The basis adjustment occurred as of the Effective Date.