Ambition / Action / Results

2022 IMPACT REPORT

DUKE ENERGY®

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

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Overview

A message from our CEO

Our value as a company has always rested on providing safe, reliable and affordable power, day in and day out. That commitment is unwavering, but how we deliver on it is changing.

Our clean energy transition continues to deliver consistent and lasting benefits to our customers, communities and investors. And the impact is significant. We'll invest $145 billion over the next decade to fund the critical energy infrastructure necessary to meet customers' needs and support our path to net-zero.

An EY study found this planned investment will lead to $250 billion in economic output throughout the U.S. economy. It will also generate approximately $5 billion in property taxes over the next 10 years to support schools, community programs and infrastructure, and support 20,000 direct and indirect jobs annually.

And despite this tumultuous time – rising interest rates and inflation, high commodity prices, supply chain disruptions, and a war abroad – value creation remains front and center for our company. It's the execution of our clean energy strategy and focus on our enduring purpose that will allow us to grow and create an even greater impact.

Ambition. Action. Results.

The following pages provide a snapshot of where we are on our path to net-zero.

We are maintaining a responsible pace of change as we undertake the nation's largest clean energy transition to preserve affordability and reliability.

The report details our targets and progress, as well as the generation transition underway and the emerging technologies we're pursuing.

It also outlines our corporate citizenship and the benefits to our employees, customers and communities we serve – from economic development to environmental justice to a just transition that includes reskilling and redeploying workers and helping ensure none of our communities are left behind.

Lynn Good – Chair, President and Chief Executive Officer

I also want to stress our commitment to affordability and energy equity.

We work hard to keep rates affordable and will continue to do so for all customers – from our industrial clients who are competing globally to residential customers who are struggling to pay their bills.

I'm proud that we've been able to connect customers to more than $300 million in energy assistance over the past two years. And we continue to work alongside stakeholders to introduce new programs and policies that will generate savings and lower the cost of the transition.

2022 Achievements

Over the last year, we made great progress advancing our strategy and delivering value, including:

- Expanded our net-zero goals to include Scope 2 and certain Scope 3 emissions, becoming one of the first in the industry to tie more than 95% of emissions to a net-zero commitment.
- Established a goal to exit coal by 2035 subject to regulatory approval, and plan to have less than 5% of generation from coal by 2030.
- Announced plans to add regulated renewables at a record rate – 30,000 megawatts by 2035, which is five times more than is on the system today.
- Advocated for policies that align with our focus to deliver affordable, reliable and increasingly clean energy, including the Inflation Reduction Act. We expect to qualify for a variety of nuclear, solar, and other renewable credits that will generate billions in savings over the next decade.
- Continued to pursue Infrastructure Investment and Jobs Act opportunities to help develop and deploy new zero-emitting load-following resources.
- Filed our first proposed Carbon Plan with the North Carolina Utilities Commission (NCUC), incorporating input from more than 500 stakeholders and outlining multiple portfolios designed to achieve some of the most ambitious goals in the nation while balancing affordability and reliability. In December, we received a constructive order from the NCUC, recognizing the value of an all-of-the-above approach.
- Continued to modernize the grid and increase reliability and resiliency, including the approval of a $2 billion, six-year Transmission, Distribution and Storage System Improvement Charge plan in Indiana and a $7 billion, 10-year storm protection plan in Florida.
- Donated more than $52 million to support our local communities, focusing on our core pillars of giving – creating vibrant communities, advancing climate resiliency and furthering justice, equity and inclusion.
- Introduced just transition principles around four key areas – workforce, communities, customers and economic development – to guide our clean energy transition and identify opportunities and needs that could arise.
- Provided more than 20 community college programs over $1.4 million in grants to deepen our pipeline of talent and meet our future workforce energy needs.

Our Commitment to You

As this report makes clear, the 27,000 employees at Duke Energy are aligned in our ambition to achieve our net-zero goals. We are taking collective action to transform and ready the system for a zero-carbon future and are producing the results you expect of us.

As we advance the transition, we'll continue to work across stakeholder groups, industries and sectors to deliver the best outcomes for our customers and communities and help decarbonize the nation in a responsible way.

A message from our CSPO

2022 was a year we made progress on our path to net-zero and can be summed up with three words, “ambition, action and results,” which makes it a fitting theme for this year’s flagship Impact Report.

Our business strategy is creating value for our employees, customers and communities while at the same time mitigating the risks associated with our business. We believe in a balanced pace of change and are committed to a future that offers reliable, accessible and affordable clean energy for all customers and areas we serve. Achieving this vision requires us to transition to low- and zero-emissions energy, invest in our communities, and develop and prepare a diverse workforce.

Affordability continues to be top of mind for us as we look for ways to continue to aid our customers and communities in need. In addition to the components Lynn laid out, we’re pursuing the opportunities provided by the Inflation Reduction Act (IRA), whose significant tax incentives for carbon-free resources will help enable a more affordable energy transition for our customers.

Customers will directly benefit from the IRA. And we’re excited about the opportunities to reduce costs affiliated with grid improvements and clean energy technologies available through the Infrastructure Investment and Jobs Act.

We continue to evolve forward and focus on the sustainability issues that are the most relevant to our business and stakeholders, and where we have the best opportunity to make the biggest impact. Our priorities center on the clean energy transition and fall into three priority areas:

- Climate and resiliency
- Social impact
- Governance and integrity

Key highlights in this year’s report include:

Our clean energy transition: For our part, we have retired 56 coal units since 2010 and reduced our carbon emissions from electricity generation by 44% from 2005 levels. And are on pace to achieve our goal of at least 50% reduction by 2030 and net-zero by 2050 from electricity generation and net-zero methane emissions from our natural gas business by

Katherine Neebe – Chief Sustainability and Philanthropy Officer
Senior Vice President, National Engagement and Strategy

2030. Last year, we took additional steps toward action on climate change by targeting energy generated by coal to represent less than 5% of total generation by 2030 and to fully exit coal by 2035[1] as part of the largest planned coal fleet retirement in the industry. Also, we set interim net-zero targets and expanded our goals to address upstream and downstream emissions for both our electric and natural gas business.

Economic development: The energy sector must transition for tomorrow in a way that also benefits society today. Our economic development team continues to be successful in attracting growing companies to the communities we serve. In 2022 alone, the team secured 89 projects resulting in more than 29,000 new jobs and over $23 billion in capital investments. In addition, our supply chain spend is also an important avenue to strengthening local economies. Last year we spent $14 billion overall on supplier goods and services, more than $5 billion with local suppliers and over $1.8 billion with diverse suppliers.

Human capital management: Our workforce strategy is centered around attracting the best talent, reflecting the communities we serve and helping workers thrive in a dynamic and constantly evolving industry. We are working to increase diversity across all workforce segments. For example, in 2022 we reached our workforce goal of 20% people of color and increased our aspirational goal to 23%. We are actively recruiting from historically Black colleges and universities, with a cross-function team dedicated to fostering engagement and partnerships. For our existing workforce, we provide multiskilling training, short-term development opportunities across the company and resources to help employees take charge of their career development.

Environmental justice and the just transition: Our long-term success is deeply intertwined with the health and well-being of the communities we serve. In 2022, we integrated our environmental justice principles into our due diligence process for siting to help us make informed decisions for both our business and communities. We do this through a systematic assessment process and dialogue with community leaders. Last year, we conducted initial environmental assessments on more than 55 sites and prioritized engagement accordingly. And, as we navigate the largest planned coal retirement in the industry, we are meaningfully addressing the impacts to workers and communities. In 2022, we engaged a third party to perform an assessment of our upcoming and near-term coal retirements, noting community demographics, plant specifics and adjacent employment opportunities. This work helped inform our just transition principles and framework.

Trust starts with transparency, and our Impact Report is one way we provide our stakeholders with insight into our practices so they can chart our progress and help hold us accountable. In this year's report, we included several voluntary disclosures including our Trade Association Climate Review as well as alignment to the Sustainable Accounting Standards Board, Global Reporting Initiative and the United Nations Sustainable Development Goals.

Stakeholder engagement is foundational to our business success, and we look forward to working together on a brighter and more equitable energy future!

1 Subject to regulatory approvals. Contemplates retiring Edwardsport coal gasifiers by 2035 or adding carbon capture utilization and storage to reduce carbon emissions.

About Our Impact Report

"Ambition. Action. Results." is Duke Energy's 17th annual report outlining our approach to sustainability topics. This Impact Report highlights our goals, performance and progress on strategic business matters to date. This report covers our enterprisewide activities from January 1 to December 31, 2022, unless otherwise stated, and references the 2021 Global Reporting Initiative (GRI) Standards and Sustainability Accounting Standards Board (SASB) Standard for Electric Utilities & Power Generation.

In addition to this Impact Report, we have prepared the following:

- 2022 Climate Report (aligned with the recommendations of the Task Force on Climate-related Financial Disclosures)
- Semiannual Corporate Political Expenditures Report
- Annual Trade Associations Climate Review (found at the end of this report)
- Edison Electric Institute (EEI) / American Gas Association (AGA) template disclosure
- 2022 CDP Climate and CDP Water responses
- Supplier Diversity Impact Report
- Voluntary Human Capital Management Reports
- SASB (at the end of this report)

See our full suite of corporate disclosures on our website.

Duke Energy at A Glance

One of the **LARGEST** energy holding companies in the U.S.

8.2 MILLION

Retail electric customers in **six** states

1.6 MILLION

Natural gas customers in **five** states

27k* EMPLOYEES

Headquarters: ***Charlotte, N.C.***

We own and operate diverse power generation assets in North America, including a portfolio of **natural gas, coal, renewable wind, solar, energy storage, nuclear, hydro and microgrid projects.**

11,900 megawatts (MW) including 6,651 MW regulated and 5,279 MW commercial wind and solar owned, operated or contracted with an updated goal of **30,000 MW** wind and solar by 2035.**

$145+ BILLION

CAPITAL PLAN

85% ($123 billion) funding investments in the grid and our clean energy transition.

* 27,859 employees as of December 31, 2022.
** Includes owned and contracted within our regulated jurisdictions.

About Duke Energy

Awards

Human Rights Campaign Foundation 2022 Corporate Equality Index

2022 Forbes Best Employers for Diversity and Women

Included in the Dow Jones Sustainability Index for North America

Peak Load Management Alliance Industry Thought Leader

Smart Electric Power Alliance's 2022 Utility Transformation Program of the Year

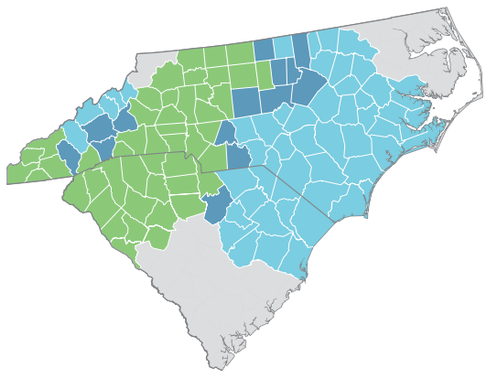
Ranked best company for the environment in our industry by JUST Capital

Ranked as a top U.S. utility for investor transparency by Labrador Advisory Services

2022 FORTUNE World's Most Admired Company

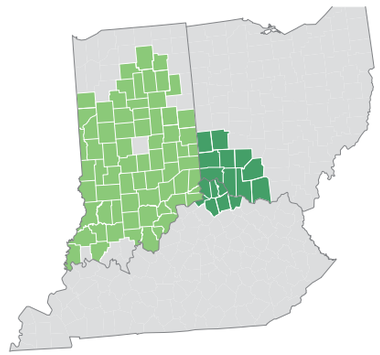
Ranked #1 in Customer Satisfaction with Residential Natural Gas Service in the South among Large Utilities

Duke Energy Electric Service Territories



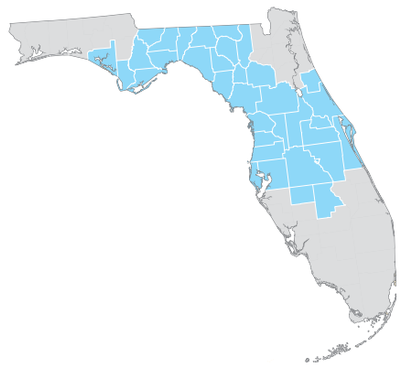
Carolinas

- Duke Energy Carolinas
- Duke Energy Progress
- Overlapping Territory



Midwest

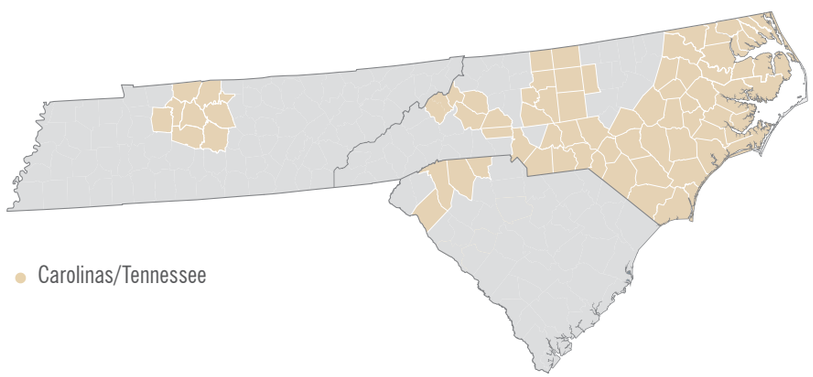
- Duke Energy Indiana
- Duke Energy Ohio/Kentucky



Florida

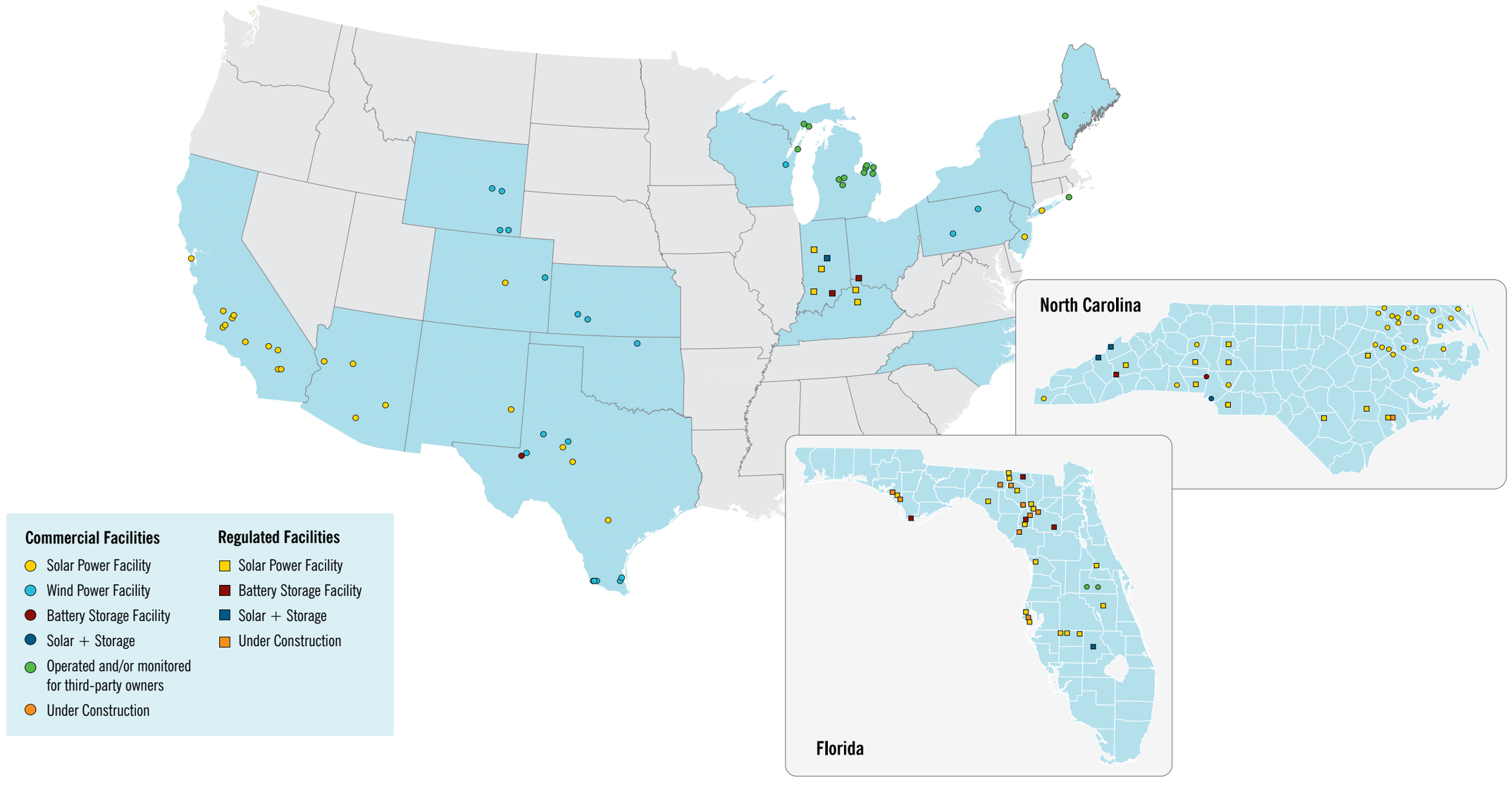
- Duke Energy Florida

Piedmont Natural Gas Territories



- Carolinas/Tennessee

Duke Energy Commercial and Regulated Renewable and Storage Facilities



Our Purpose

Duke Energy's purpose is to power the lives of our customers and the vitality of our communities. Our core values are focused on safety, integrity and service. We also have leadership imperatives that define our behavioral expectations and challenge us to become better. Together, our values and leadership imperatives influence how we make decisions and interact with each other, as well as with our customers and communities. Below are our leadership imperatives:

Live Our Purpose	Deliver excellence by putting customers first and living our purpose: "Power the lives of our customers and the vitality of our communities."
Transform for the Future	Establish a compelling vision and demonstrate agility in driving change while managing inherent risks to deliver innovative solutions and transform the business.
Deliver Results the Right Way	Drive results with the highest integrity by creating a safe and accountable environment that fosters sustainable business operations.
Work as One	Work across and remove boundaries by sharing and obtaining information, communicating openly, and building trust to achieve common goals.
Inspire Our People	Build and develop a diverse and inclusive workforce of capable, engaged, and enabled talent that sustains and celebrates company success.

Paul Kendall, Indiana

Value Creation Model

Major Resources

Duke Energy's value creation starts with the basics: A combination of natural resources, technology and talent creates an essential product that enhances the world.

Capital Investment | Employees | Natural Resources

Business Model Strategy

Our business model is to create value by powering the lives of our customers and the communities where we operate while reducing over 95% of our greenhouse gas emissions to net-zero by 2050.

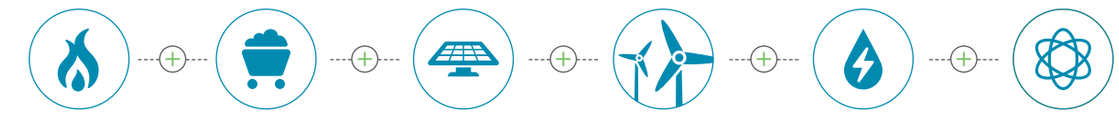
We plan to achieve our net-zero goals through an all-of-the-above strategy and diverse energy mix that adds more than 30,000 megawatts of renewables by 2035 and leverages our 11,000 megawatts of carbon-free nuclear and cleaner natural gas to help us ensure reliability and affordability while we retire our coal plants.

We plan to achieve net-zero emissions from our natural gas distribution business by applying innovative technologies and using lower-emitting fuels.

Business Model

GENERATION

Our diverse portfolio is one of Duke Energy's strong points.



Natural Gas/Oil | Coal/Oil | Solar | Wind | Hydroelectric | Nuclear

TRANSMISSION

Moving electricity from power generation to customers – a vital part of Duke Energy.

DISTRIBUTION

New technologies mean Duke Energy must adjust how it delivers to customers – it's not one-size-fits-all.

Distribution lines | Natural gas distribution, transmission and service lines | Electric meters | Natural gas meters

Lander Maness – Piedmont Natural Gas, North Carolina (top left)
Danny Collins – St. George Island, Florida (top right)
McGuire Nuclear Station, North Carolina (bottom)

Our ESG Approach

We provide reliable, affordable, increasingly clean energy today. We envision a future that continues to provide reliable, affordable energy to all customers while transitioning to low- and zero-emission technologies and fuel sources as we work toward our goals of net-zero methane emissions by 2030 and net-zero Scope 1, 2 and certain Scope 3 greenhouse gas emissions by 2050. At the same time, we are investing in the resilience of our operations and our communities and developing and preparing a diverse workforce that will thrive in a constantly evolving world. And we are doing this while working to ensure safety for our employees and customers. We recognize that we can't achieve our ambitious goals solely on our own – we will continue to work alongside policymakers, industry peers and others to achieve our vision and deliver long-term value for our customers, investors and other stakeholders.

Key Stakeholder Issues & ESG Priorities

The Importance of Our Stakeholders

Stakeholder engagement is foundational to our success. We are committed to a future that offers reliable, accessible and affordable clean energy for all customers and areas we serve and to making a positive impact on our communities. This requires that we consider the needs and concerns of a diverse stakeholder audience, which includes customers, shareholders, regulators, environmental organizations, social advocates, community agencies, elected officials, employees and many others. Doing so requires that we get their perspectives early and often and work together to develop and deliver smart energy solutions. We engage and interact (both virtually and in person). We hold open houses. We listen before we act.

- **Customers:** Access to affordable, reliable and increasingly clean energy
- **Communities:** Collaborative partners in creating stronger, more inclusive and vibrant economies
- **Suppliers:** Collaborators in the clean energy transition
- **Investors:** Delivering long-term returns and transparent disclosures through financial discipline and leadership
- **Employees and Alumni:** Creating opportunities and mission-driven work
- **Policymakers:** Critical to ensuring balanced public policy helps drive change for climate action in a way that maintains reliability and affordability for customers
- **NGOs (non-governmental organizations):** Provide feedback on sustainability-related issues and priorities and help hold us accountable
- **Thought Leaders:** Key to communicating the clean energy transition and different dimensions that matter to other relevant stakeholders

ESG Priority Assessment

Duke Energy's approach to ESG focuses on the issues that are most relevant to our business and stakeholders, and where we have the best opportunity to make the biggest impact. Our ESG priority assessment helps us determine these issues and we

update this assessment periodically. In 2022, in addition to our outreach as in the past to community members, investors and NGOs, we also used artificial intelligence technology to help us assess trends in external stakeholder interests. We then collected internal feedback through a variety of methods including surveys with company leaders to assess top business priorities. Topics ranking higher with our stakeholders generate greater outside engagement and more frequent communication.

We recognize the dynamic nature of ESG topics over time, and as part of our ongoing governance, we continuously monitor pressing and emerging relevant issues and current events. Our current ESG Priority Topics are listed below and organized into three primary areas; Climate & Resiliency, Social Impact and Governance & Integrity. Additionally, our ESG priorities are aligned with the United Nations Sustainable Development Goals.

Climate & Resiliency

- Air Emissions
- Clean Energy Transition
- Climate Change
- Energy Management
- Environmental Impacts
- GHG Emissions
- Service Efficiency & Circular Economy
- Materials Management
- Sourcing Efficiency & Management

Social Impact

- Corporate Culture
- Community Relations
- Employee Health & Safety
- Management of Local Impacts
- Talent Management
- Access, Affordability & Just Transition
- Innovation & Technology
- Employee Diversity & Inclusion
- Environmental Justice

Governance & Integrity

- Business Ethics
- Business Resilience
- Compliance
- Customer Practices & Protection
- Customer Privacy & Data Security
- Governance
- Labor Practices
- Human Rights
- Incident Management

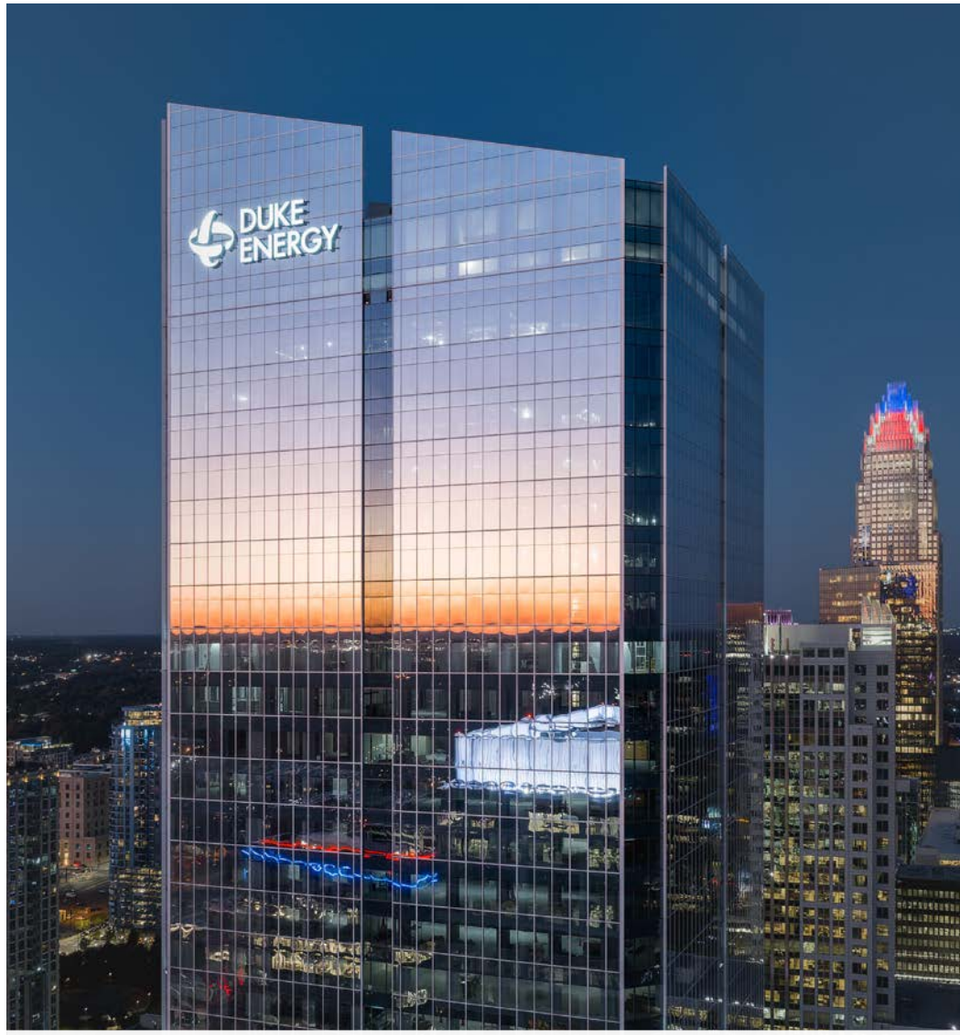
Mountain Island Hydro Station, North Carolina

Oversight and Management

Our ESG management approach involves all levels of the company, starting with our Chief Executive Officer (CEO), with oversight from the Board of Directors.

- The Board of Directors regularly reviews ESG-related issues.
- The CEO is responsible for the company's ESG performance and long-term success. The Chief Sustainability and Philanthropy Officer helps define the ESG strategy and partners with the business units to develop ESG goals.
- Senior business leaders are accountable for applicable ESG priorities and goals and for integrating those goals into respective areas.
- The ESG Strategy & Disclosure committee comprises leaders from across the business and provides additional oversight of how the ESG strategy is implemented across the company, including disclosure controls and processes.

For more information about ESG oversight and management, read the ESG Governance section.



Duke Energy Plaza – Charlotte, North Carolina

ESG Goals

ESG Priorities	Topic	Target Year	Goal	2022 Status
Climate Change Energy Management Environmental Impacts	Energy Efficiency – Consumption	2025	Achieve a 24,000 GWh reduction in cumulative customer energy consumption	Reduced energy consumption by over 22,100 GWh.
	Energy Efficiency – Peak Demand	2025	Maintain a cumulative reduction in summer peak demand of 7,000 MW	Summer peak demand was reduced by approximately 7,290 MW. We have reached our targeted goal and are on track to maintain stated peak demand reduction.
Community Relations	Economic Development	2026	Stimulate growth in our communities and help attract at least $50 billion in capital investments and 80,000 jobs	Duke Energy has helped our communities attract over $23 billion in capital investment to our service territories and more than 29,000 jobs.
	Charitable Giving	2027	Duke Energy Foundation anticipates investing more than $150 million in charitable donations to the communities we serve	Since 2022, Duke Energy has invested $31.6 million toward our goal of $150 million.
Sourcing Efficiency & Management	Supply Chain	2027	Aspire to increase Tier 1 diverse spend to $2 billion	Duke Energy spent nearly $1.1 billion in 2022.
GHG Emissions Climate Change Environmental Impacts	Electric Vehicles	2030	Convert 100% of our light-duty vehicles to electric	6% of our light-duty vehicle fleet has been converted to electric.
		2030	Convert 50% of our combined fleet of medium-duty, heavy-duty and off-road vehicles to EVs, plug-in hybrids (PHEVs) or other zero carbon alternatives	Medium- and heavy-duty off-road vehicle fleet are 27% EV, PHEV and other zero-carbon powered.

All goals are subject to regulatory approvals.

ESG Priorities	Topic	Target Year	Goal	2022 Status
Clean Energy Transition GHG Emissions Innovation & Technology Air Emissions	Carbon and Methane Emissions	2030	Reduce Scope 1 CO_2 emissions from electricity generation by 50% from 2005 by 2030	Our generation fleet emitted ~85 million short tons (77 million metric tons) of CO_2, a reduction of 44% from the 2005 level.
		2030	Achieve Scope 1 net-zero methane emissions from our natural gas distribution business by 2030	The 2022 methane emissions are flat as compared to 2021. Since the data is based on EPA/NGSI protocols, it is largely estimated based on emission factors and facility counts. Once direct measurement is adopted, status reporting will better reflect our emission reduction efforts.
		2035	Reduce Scope 2 and Scope 3 upstream and downstream emissions by 50%	As the reliance on fossil fuel declines, our Scope 2 and Scope 3 emissions will decrease.
		2035	Exit coal generation by 2035	Coal currently represents 17% of our generation mix.
Clean Energy Transition Climate Change	Renewables	2035	Own, operate or contract 30,000 MW of regulated wind and solar by 2035	Duke Energy-owned, operated or had under contract over 6,650 MW of regulated wind and solar.

All goals are subject to regulatory approvals.

ESG Priorities	Topic	Target Year	Goal	2022 Status
Clean Energy Transition GHG Emissions Innovation & Technology Air Emissions	Carbon and Methane Emissions	2040	Reduce Scope 1 CO_2 emissions from electricity generation by 80% from 2005 by 2040	In 2022, CO_2 emissions were marginally higher than in 2021 due to increased generation from fossil assets due to increased customer demand for electricity. We anticipate that in the future, remaining fossil units will run off of zero-emitting resources, such as hydrogen or biofuels, and have pilot programs currently underway.
		2050	Attain net-zero emissions from electricity generation by 2050	
		2050	Reduce Scope 2 emissions to net-zero by 2050	We decreased our Scope 2 emissions by 1,000 metric tons in 2022.
		2050	Reduce Scope 3 emissions from the procurement of fossil fuels used for generation to net-zero by 2050	Our Scope 3 emissions increased due to a rise in generation from fossil assets driven by increases in customer demand for electricity.
		2050	Reduce Scope 3 emissions from power purchased for resale to net-zero by 2050	The increase is driven by growth in purchased power to satisfy customer demand. As a leader in the clean energy transition, we continue to share best practices of our own emissions reduction efforts to help enable our peers to meet decarbonization goals.
		2050	Reduce Scope 3 upstream CO_2 and methane emissions from purchased natural gas to net-zero by 2050	Our Scope 3 upstream CO_2 and methane emissions from purchased gas decreased as a result of supplier improvements in methane reduction efforts and improved emissions reporting.
		2050	Reduce Scope 3 downstream emissions from customer use of natural gas to net-zero by 2050	Scope 3 emissions from customer use of natural gas increased due to expansion of our natural gas customer base.

All goals are subject to regulatory approvals.

ESG Priorities	Topic	Frequency	Goal	2022 Status
Access, Affordability & Just Transition	**Affordable Energy**	Annual	Maintain electric rates lower than the national average	Electric rates in five states we serve were lower than the national average in all three customer categories (residential, commercial and industrial). Indiana residential and industrial rates were higher than the national average in 2022.
Climate Change **Energy Management** **Environmental Impacts**	**Energy Efficiency**	Annual	Create significant incremental peak-demand reductions	We continue to reduce peak demand annually, both in summer and winter.
Access, Affordability & Just Transition **Customer Practices & Protection**	**Reliable Energy**	Annual	Maintain the high reliability of our electric and natural gas system, with a Reliability Index of 100	94.6%.
Materials Management **Service Efficiency & Circular Economy**	**Waste**	Annual	Recycle 80% of solid waste	75.6%.
Community Relations	**Charitable Giving**	Annual	Duke Energy Foundation will invest more than $30 million annually in charitable giving	$31.6 million.
Talent Management **Corporate Culture** **Employee Diversity & Inclusion**	**Diversity & Inclusion**	Annual	Develop a workforce made up of 25% women	23.9% in 2022. We updated our aspirational goal in 2023 to 28% and will continue to show progress in subsequent Impact Reports.
			Develop a workforce made up of 20% people of color	20.4% in 2022. We updated our aspirational goal in 2023 to 23% and will continue to show progress in subsequent Impact Reports.

All goals are subject to regulatory approvals.

ESG Priorities	Topic	Frequency	Goal	2022 Status
Employee Health & Safety	**Safety – Incident Rate**	Annual	Achieve an employee Total Incident Case Rate (TIC) of 0.36	0.40.
	Safety – Fatalities	Annual	Achieve zero work-related fatalities	One fatality. (We had one employee fatality and it is currently under investigation).
Corporate Culture **Talent Management**	**Employee Engagement**	Annual	Increase the likelihood of employees recommending Duke Energy as a place to work to a friend or colleague	With a survey response rate of 41%, our weighted eNPS (employee net promoter score) was 30 in 2022, consistent with our 2021 eNPS.
Business Resilience	**Total Shareholder Return (TSR)**	Annual	Outperform the TSR of other investor-owned utilities, annually and over a three-year period, as measured by the Philadelphia Utility Index (UTY)	2.0% in 2022, compared to UTY return of 0.6%. 27.3% over three years ended December 31, 2022, compared to 22% for UTY compared to the same three-year period.
	Transparency	Annual	Achieve top-quartile performance in disclosure as measured by Bloomberg Environmental, Social and Governance (ESG) Disclosure Scores for our industry	Scored 70.9%; inclusion in top quartile. Given the proliferation of ESG ratings and rankings, we will stop reporting on this metric moving forward.
Governance **Business Ethics** **Compliance** **Customer Privacy & Data Security** **Human Rights** **Labor Practices** **Incident Management**	**Operations**	Annual	Uphold responsible and ethical business practices throughout the organization	

All goals are subject to regulatory approvals.

Climate & Resiliency

The energy sector must transition for tomorrow in a way that also benefits society today. For our part, we are leading our industry by our net-zero goals that address 95% of our Scope 1, 2 and 3 calculated greenhouse gas footprint. Our net-zero goal for carbon emissions from electricity generation by 2050 and net-zero goal for methane emissions by 2030 serve as our North Stars, guiding our actions. And we have interim targets – 80% reduction in our Scope 1 carbon emissions from electricity generation by 2040 and 50% reduction for Scope 2 and certain Scope 3 by 2035. We will achieve these transformative goals by expanding new and existing energy technologies and by collaborating with policymakers, industry peers and external partners on how best to meet this challenge.

McGuire Nuclear Station, North Carolina

Climate & Resiliency

Clean Energy Transition

U.S. electric utilities have led the way in GHG emissions reductions. Since 2005, our sector has reduced carbon emissions by nearly 40% while emissions from most other economic sectors in the U.S. have remained generally flat or have increased with economic growth. The power sector plays a key role in helping adjacent sectors meet their own net-zero objectives. Duke Energy is ahead of the industry average, with a 44% reduction in carbon emissions from electricity generation since 2005.

We approach the clean energy transition in a balanced way that is attuned to reliability and customer affordability. We are making investments to lower fuel costs and reduce price volatility, taking advantage of clean energy tax provisions in the Inflation Reduction Act (IRA) and working to receive funding for innovative technologies through the Infrastructure Investment and Jobs Act (IIJA), and will continue to focus on near- and long-term cost management.

With our continued focus on customers, cost management and job creation, we engaged Ernst & Young (EY) to evaluate the economic benefits of our planned 10-year $145 billion capital investment. Their findings estimate that our investment will support 20,000 additional jobs nationwide annually during that period and produce $250 billion in economic output throughout the U.S. economy due to jobs, income paid to workers, and payments made to suppliers. In addition, it will generate over $5 billion in additional property tax revenue over the next 10 years to support schools, first responders, roads and other infrastructure and essential services in our local communities.

All of this amounts to one of the largest clean energy transitions in our industry. We intend to invest over $145 billion in capital between 2023 and 2032, of which approximately 85% will support the clean energy transition and our goal to become net-zero by 2050. Of this, we will invest approximately $75 billion to modernize and strengthen the nation's largest investor-owned electric grid. We are working to promote a just transition and to ensure our clean energy efforts promote economic growth through investments in our communities. We will invest another $40 billion in zero-carbon generation, including nuclear, solar, wind and battery storage resources, and will also invest in extending the life of our carbon-free nuclear fleet.

For our operational footprint, we are well positioned to exceed our Scope 1 2030 goal of a 50% reduction in carbon emissions from electricity generation from 2005 levels and in 2022 established a second interim target of an 80% reduction in 2040. We are leading our industry by addressing 95% of our Scope 1, 2 and 3 calculated greenhouse gas footprint. That means

Bad Creek Pumped-Storage Generating Station, South Carolina

we're reducing emissions across the full value chain of our business, all the way from raw material inputs through our own operations and downstream to customer use. That's over 100 million metric tons of GHG per year over the next 30 years that we plan to get to net-zero. For emissions beyond our direct control, or Scope 2 and Scope 3 emissions, we have analyzed the totality of our value chain and brought in a third party to validate our work. Based upon that analysis, we established a goal of a 50% reduction by 2035.

Maintaining reliability through this transition is critical. For example, over the past five years, infrastructure upgrades avoided more than 1.4 million extended customer outages, saving more than 7.2 million hours of total lost outage time for Duke Energy customers.

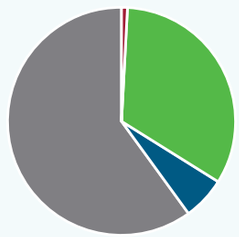
Governing the Clean Energy Transition

Our energy transition strategy is embedded across all areas of our business. Our Enterprise Strategy team oversees the implementation of our clean energy transition, working across our various jurisdictions in a way that shapes the landscape, transforms our systems and creates value for customers and shareholders.

The strategy team works closely with our finance and planning teams, policy teams and state presidents' organizations to develop and execute integrated resource plans. The Enterprise Strategy Execution Committee meets monthly and is comprised of business unit leaders, the corporate strategy team, Senior Management Committee and jurisdictional leadership. This committee reports progress annually during a strategy session with the Board of Directors.

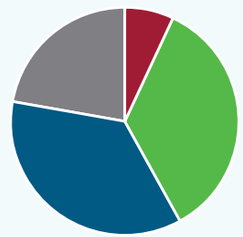
Moving Toward a Cleaner Generation Fleet and Increased Fuel Diversity (represents total company view)

Transforming the way we produce power (generation (MWh) by fuel type)



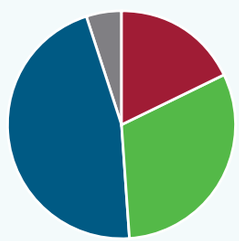
2005[1]

1% Renewables
33% Nuclear
6% Natural gas
60% Coal/oil



2022[1,2]

8% Renewables
33% Nuclear
42% Natural gas
17% Coal/oil



2030E[3]

18% Renewables
31% Nuclear
46% Natural gas
5% Coal/oil

1 Data in 2022 chart is based on December 31, 2022. 2005 and 2022 charts are based on Duke Energy's regulated and commercial ownership share of U.S. generation assets. 2030 chart does not include Commercial Renewables.

2 2022 data excludes 11,301 GWh of market purchases, equivalent to ~5% of Duke Energy's output.

3 2030 estimate excludes Commercial Renewables and will be influenced by customer demand for electricity, weather, fuel and purchased power prices, and other factors.

Walton Solar, Kentucky (top left)

Terrell Robinson, North Carolina (bottom)

Road to Net-Zero

2030: On track to exceed 50% CO_2 reduction target[1] from electricity generation and net-zero methane for LDC

7,500 MW coal retired

44% CO_2 reduction by 2022[1]

2040: Interim target 80% CO_2 reduction from electricity generation[1]

2050: Net-zero Scope 1, 2, 3 target[5]

Where we've been (2005-2022) | **Where we're going** (2023 and beyond)

6,000 MW regulated renewables[3]

2035: Out of coal[4] and 30,000 MW regulated renewables[3]

Interim target 50% Scope 2 & 3 reduction[2]

1 From 2005 levels.

2 From 2021 levels. Certain Scope 3 emissions include: upstream fossil fuel procurement, production of power purchased for resale, and downstream use of sold products in our natural gas LDCs.

3 Includes utility-owned and purchase power agreements.

4 Subject to regulatory approvals. Contemplates retiring Edwardsport coal gasifiers by 2035 or adding carbon capture utilization and storage to reduce carbon emissions.

5 Certain Scope 3.

Clean Energy Goals

Scope 2 & 3

Duke Energy is employing a number of strategies to reduce Scope 2 and certain Scope 3 emissions by 50% by 2035 including shifting our generation mix, including an exit from coal, to reduce the emissions affiliated with extraction, production and transportation of fossil fuels. We continue to share best practices of our own decarbonization in an effort to help enable our peers and suppliers to meet their own net-zero goals. In addition, we support the implementation of customer programs, such as energy efficiency and weatherization. To better address Scope 3 emissions from our customers' use of natural gas, we developed emission offset programs and plan to increase the utilization of renewable natural gas in our local distribution companies (LDCs). Lastly, we continue to work with our upstream natural gas suppliers through efforts like ONE Future to help reduce emissions across the natural gas value chain.

Additional goals include the following:

- In North Carolina, we are planning to fulfill the clean energy legislation targeting 70% carbon reduction by 2030 and net-zero emissions by 2050 goals outlined by North Carolina's clean energy legislation, which was signed into law in October 2021, balancing customer affordability and reliability.
- Subject to regulatory approval, we aim to reduce energy from coal to less than 5% of our total generation by 2030 and to fully exit coal by 2035.[1]

Diverse Energy Mix is Key to Progress

We believe a diverse generation energy mix is key to achieving reliability and rate stability as we complete our energy transition. Duke Energy is leading the largest planned retirement of coal in the nation, pending regulatory approval, and anticipates retiring 16 GW of coal by 2035.

Investing in Clean Technologies

We have a clear line of sight into how we can achieve approximately 70% of our carbon goal by using technologies that are available today. For the remaining portion, innovation is essential. We are pursuing innovative partnerships and technologies to help provide clean energy to customers.

Zero-emitting Load-following Resources

To meet our 2050 goal, we estimate that we need over 40,000 MW of new dispatchable zero-emitting load-following resources (ZELFRs). ZELFRs can include small new nuclear, including modular reactors, advanced energy storage and turbines that run on hydrogen or biogas.[2]

Hydrogen

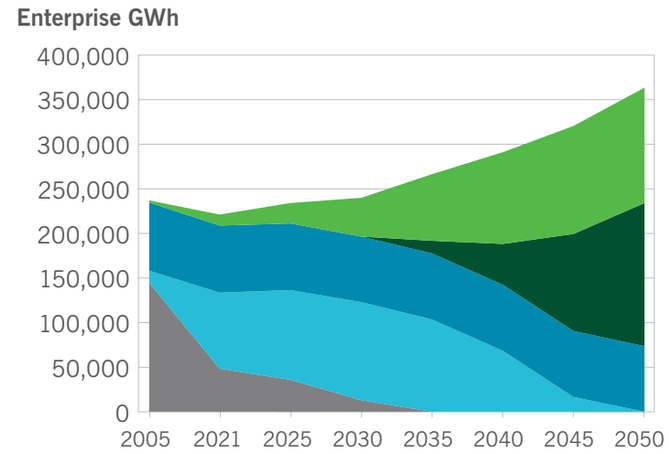
Carbon-free dispatchable resources – like hydrogen – are essential to achieving our ambitious emission reduction goals.[3] We are working to develop hydrogen- and biogas-capable gas turbines, and the first solar-to-hydrogen-fired turbine in Florida.[4] The first-of-its-kind U.S. pilot will produce up to 100% green hydrogen from an existing solar facility and we expect it to be operational in 2024.

We are supporting, along with other stakeholders, the Green Hydrogen Coalition's HyBuild™ Carolinas initiative, which will study and develop a road map for green hydrogen in North Carolina and South Carolina's environment and economy. Duke Energy is uniquely positioned in the Carolinas, with a strong base of carbon-free nuclear energy and fast-growing renewables that can contribute to hydrogen production.

In the Southeast, we are working with other utilities to support a hydrogen hub and pursuing federal funding from the U.S. Department of Energy (DOE). DOE expects to award six to 10 regional hydrogen hubs across the U.S. with $8 billion provided as part of the Infrastructure Investment and Jobs Act.

The chart on the right, based on analyses presented in our 2022 Climate Report, shows that we project maintaining generation diversity through our transition to net-zero carbon emissions by 2050, balancing customer affordability and reliability.

Diverse generation mix is key to reliability and rate stability for customers



1 Subject to regulatory approvals. Contemplates retiring Edwardsport coal gasifiers by 2035 or adding carbon capture utilization and storage to reduce carbon emissions.
2 Energy Transition Update.pdf, p. 67.
3 HyBuild Carolinas Launch Announcement.doc, pp. 1-2.
4 Energy Transition Update.pdf, p. 1.

We are proud to be part of Energy Pathways USA, in partnership with the global Energy Transitions Commission, housed at Duke University. This work brings together leaders across multiple industries to accelerate net-zero progress in the United States by analyzing quantitative and qualitative research on future climate scenarios, with the goal of strengthening our understanding of what it will take to achieve a net-zero future.[5]

In the Carolinas, where the average CO_2 intensity of Duke Energy's electricity is 36% below the national average, we filed our proposed Carolinas Carbon Plan with the North Carolina Utilities Commission (NCUC). The plan provides a foundation for upcoming state regulatory processes to consider. By 2035, the clean energy transition would include:

- More than three times the current level of solar
- Diversification of renewables with wind resources
- Significant growth in energy storage – 3,700 MW to 5,900 MW to support renewables
- Initial deployments of SMRs to help enable coal retirements and steps toward transitioning natural gas infrastructure to hydrogen or other emerging fuels

As part of this plan, more than 500 individuals representing over 300 organizations from both North Carolina and South Carolina participated in the stakeholder engagement process.[6]

In December 2022, the NCUC issued an order adopting its initial Carbon Plan, which included a set of near-term actions to support meeting the state's carbon reduction goals. This is a constructive outcome that advances our clean energy transition, supporting a diverse, all-of-the-above approach that is essential for long-term resource planning.

We continue to advance our work with stakeholders in other jurisdictions as well. In 2022 in Indiana, we held public stakeholder engagement sessions and ultimately presented an updated IRP analysis, including a new preferred portfolio. The updated IRP analysis will be used in 2023 to support certificate of public convenience and necessity (CPCN) requests at the Indiana Utility Regulatory Commission (IURC) for new generating resources.

5 https://nicholasinstitute.duke.edu/publications/pathways-net-zero-us-energy-transition.
6 Source: December 15 Press Release.

Mocksville Solar Facility, North Carolina

Phasing Out Coal

Our goal is to fully exit coal by 2035 and reduce energy from coal to less than 5% of our total generation by 2030, pending regulatory approval.

Coal Plant Retirements

Since 2010, we have retired 56 coal units, approximately 7,500 MW, and reduced carbon emissions by 44% (from 2005 levels), in part due to coal plant retirements.

Please read more about our just transition in the Environmental Justice and the Just Transition sections.

Expanding Renewables

Over the next decade, Duke Energy will make targeted investments in solar power plants, battery storage technology, community solar programs, wind energy and a modernized power grid to integrate renewables – all to help meet customers' needs for cleaner, diverse, reliable energy solutions.[7]

Decarbonization in the near term depends on the growth of renewable energy over the next decade.[8] Transitioning to renewables will also reduce future fuel requirements, increasing rate stability.[9] By 2035, we expect to have 30,000 megawatts (MW) of regulated renewables in our system, including utility-owned renewables and renewables procured under purchased power agreements:[10]

7 https://news.duke-energy.com/releases/duke-energy-celebrates-major-milestone-delivers-on-700-megawatt-solar-commitment-in-florida.
8 Energy Transition Update.pdf, p. 52.
9 Energy Transition Update.pdf, p. 14.
10 Climate Report 2022.pdf, p. 31.

Coal Plant Retirements

(Plans as of date of publication, subject to change due to regulatory actions.)

Retirements of Coal Capacity (2010-2023)

	Location	Unit Number(s)	Total Capacity (megawatts)	Coal Capacity Retirement Date
Edwardsport Station	IN	6, 7, 8	160	2010
Cliffside Steam Station	NC	1, 2, 3, 4	198	2011
Buck Steam Station	NC	3, 4	113	2011
Weatherspoon Plant	NC	1, 2, 3	170	2011
Gallagher Station	IN	1, 3	280	2012
Cape Fear Plant	NC	5, 6	316	2012
Beckjord Station	OH	1	94	2012
Dan River Plant	NC	1, 2, 3	276	2012
H.F. Lee Plant	NC	1, 2, 3	382	2012
Robinson Plant	SC	1	177	2012
Buck Steam Station	NC	5, 6	256	2013
Riverbend Steam Station	NC	4, 5, 6, 7	454	2013
Sutton Plant	NC	1, 2, 3	553	2013
Beckjord Station	OH	2, 3	222	2013
Beckjord Station	OH	4, 5, 6	543	2014
W.S. Lee Steam Station	SC	1, 2,3	370	2014
Miami Fort Station	OH	6	163	2015
Wabash River Station	IN	2, 3, 4, 5, 6	668	2016
Crystal River Energy Complex	FL	1, 2	766	2018
Asheville Plant	NC	1, 2	378	2020
Gallagher Station	IN	2, 4	280	2021
Allen Steam Station	NC	2, 3, 4	677	2021
Total		**56**	**7,496**	

Planned Coal Capacity Retirements (subject to regulatory approval) (2023-2035)

	Location	Unit Number(s)	Total Capacity (megawatts)	Planned Coal Capacity Retirement Date(s)
Allen Steam Station[1]	NC	1, 5	421	2024
Rogers Energy Complex (Cliffside Steam Station)[2]	NC	5	544	2025 - 2032
Gibson Station[3]	IN	5	310	2026
Roxboro Steam Plant	NC	3, 4	1,392	2028 - 2033
Cayuga Station	IN	1, 2	995	2028
Roxboro Steam Plant	NC	1, 2	1,047	2028
Mayo Plant	NC	1	704	2028 - 2035
Gibson Station	IN	3, 4	1,252	2029
Crystal River Station	FL	4, 5	1,410	2034
Marshall Steam Station[2]	NC	1, 2	740	2028 - 2034
Marshall Steam Station[2]	NC	3, 4	1,318	2032- 2034
Gibson Station	IN	1, 2	1,260	2035
Belews Creek Steam Station[2,4]	NC	1, 2	2,220	2035
East Bend Station	KY	2	600	2035
Edwardsport IGCC[4,5]	IN	1	595	2035
Rogers Energy Complex (Cliffside Steam Station)[2,4]	NC	6	844	2035
Total		**26**	**15,652**	

1 Allen unit 1 must retire by December 31, 2024, per a 2009 settlement agreement with the U.S. Environmental Protection Agency.
2 Coal units that have been or will be retrofitted to run fully or partially on natural gas.
3 Represents Duke Energy ownership share.
4 Unit expected to operate beyond listed date on natural gas only.
5 Contemplates retiring Edwardsport coal gasifiers by 2035 or adding carbon capture utilization and storage to reduce carbon emissions.
All capacity ratings (megawatts) are summer net.

- Duke Energy has completed 300 MW of solar installations in Florida in 2022, and it is on track to provide about 1,500 MW of emission-free solar generation in the state by the end of 2024.
- In the Carolinas, we continue to grow our solar portfolio with more than 4,500 MW of solar capacity connected to our grid, including company-owned and independent projects.
- Duke Energy Renewable Wind acquired the rights for the Carolina Long Bay area east of Wilmington, North Carolina, supporting the development of up to 1.6 gigawatts (GW) of offshore wind.
- Duke Energy also proposed programs to allow South Carolina customers the option of switching their energy usage to 100% renewable power.[11]

In 2022, Duke Energy began a strategic review of its Commercial Renewables business and came to the decision to pursue a sale allowing us to focus on significant investment opportunities within our regulated operations. We anticipate exiting the business in the second half of 2023.

Natural Gas Transition Plan

As we transition our power generation energy portfolio, natural gas helps ensure reliability and enables us to accelerate the retirement of our coal fleet, while adding more renewables. Natural gas helps provide flexibility and adaptability to quickly dispatch reliable, affordable energy under challenging circumstances, such as extreme weather events. Our planned transition to cleaner energy will be facilitated by continuously evaluating our generation mix and in the first stages, by, in part, replacing coal plants with hydrogen cofiring-capable natural gas combined-cycle plants. Over time, we expect to be able to transition our remaining natural gas generation to burn increasingly clean fuels, like green hydrogen and renewable natural gas.

In 2022, in conjunction with Purdue University, we advanced new ways to use natural gas with reduced carbon emissions. We worked together to develop a combined heat and power (CHP) turbine on the Purdue campus. The CHP turbine captures and uses steam created by Duke Energy's natural gas-powered plant, providing Purdue's heating and hot water, while our customers benefit from local power generation, improved grid stability and reliability. The system is projected to reduce carbon emissions by approximately 50,000 tons and was recognized as the 2022 CHP Project of the Year by the CHP Alliance.[12]

Modernizing the Grid

Our $75 billion investment in our grid – the nation's largest investor-owned grid – will modernize and strengthen it to connect renewables, improve reliability and resiliency and help protect it from cybersecurity and physical threats.

To prepare our grid for additional renewable capacity, we're transforming it to enable two-way electricity flow, which will support advancing technologies like electric vehicles (EVs), community and utility-scale solar, and battery storage. Our smart grid currently monitors thousands of sensors and automatically manages the dynamic ebbs and flows from these distributed energy sources. As adoption of these technologies expands, power will flow in the multiple directions necessary for advanced technologies.

In 2022, we announced a collaboration with Amazon Web Services (AWS) to deploy new smart grid services and software, and to expand intelligent grid services. This technology matches the anticipated future energy needs of specific sections of the grid against existing load capacity so we can make data-driven investments to support real-time grid operations with quality and reliability.[13]

During one of the most powerful and destructive storms in U.S. history, Hurricane Ian, Duke Energy mobilized 20,000 people working around the clock to restore power to over 2 million customers across Florida and the Carolinas. As a result of our strong preparation and our grid hardening investments, we were able to restore 99% of our customers within 72 hours.

Read more about our reliability and resiliency efforts in the Climate Risk Management and Grid & Cybersecurity sections of this report.

Energy Storage

Energy storage plays an important role in addressing the intermittency of renewable energy, especially during periods

11 https://news.duke-energy.com/releases/duke-energy-proposes-new-programs-to-help-grow-south-carolina-economy-by-helping-customers-use-100-renewable-energy.
12 https://chpalliance.org/duke-energy-chp-plant-at-purdue-university-wins-a-2022-chp-project-of-the-year-award-2/.
13 Duke Energy collaborates with AWS to develop smart grid solutions to better serve customers and drive its clean energy transition | Duke Energy | News Center (duke-energy.com).

Trenton Battery Storage, Florida (top)

Bryan Hoffman – Asheville Battery Storage, North Carolina (bottom)

of high demand.[14] Storage technology ranges from traditional hydroelectric pumped storage to new technologies for battery storage. Our focus continues to be on long-duration energy storage that includes evaluating the potential for increased pumped-storage capacity and facilitating the advancement of battery storage.

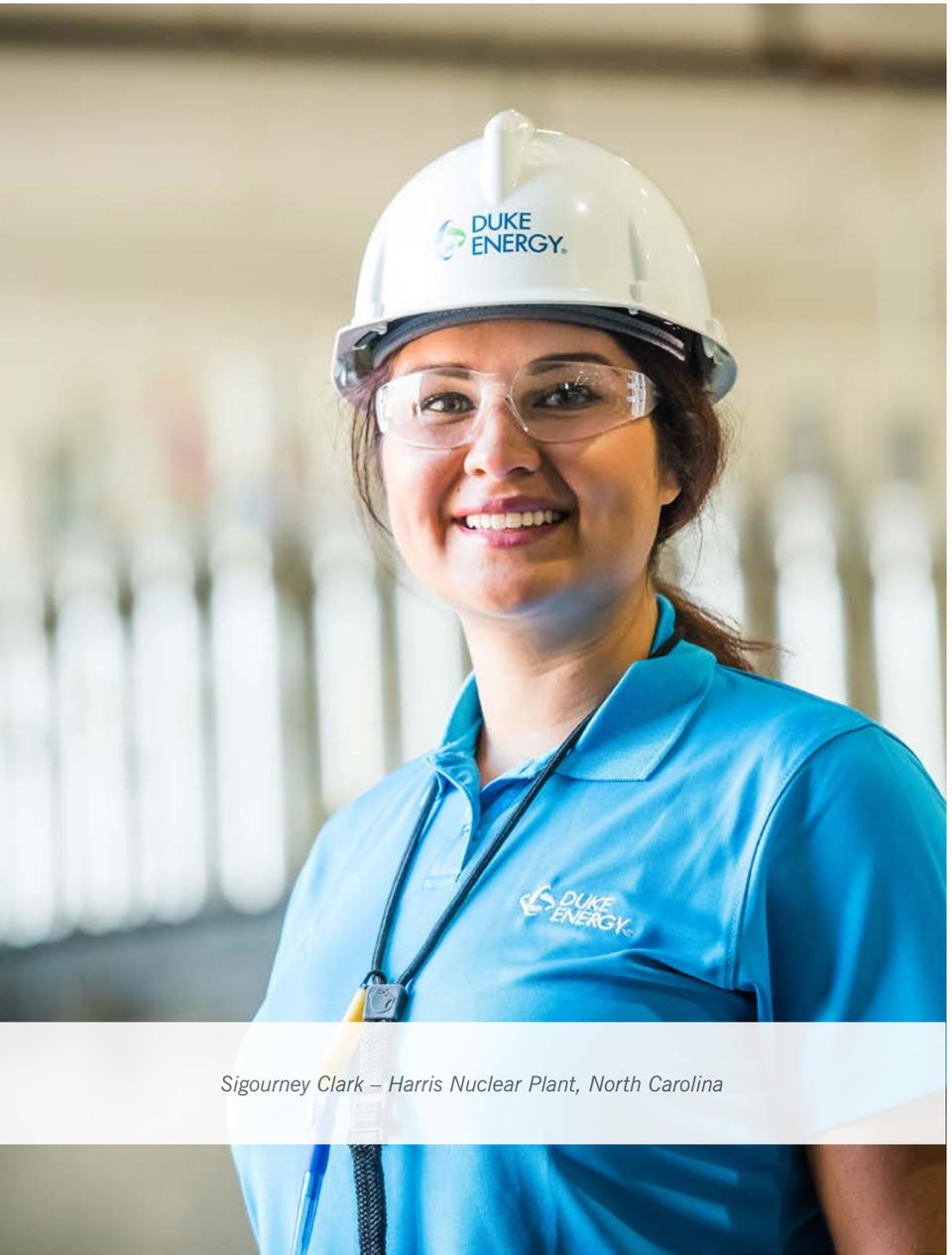
Current existing pumped storage located at Bad Creek is able to produce enough energy to power nearly 1 million homes. Bad Creek Project provides emissions-free hydroelectric power to Duke Energy customers across its Carolinas service area. One of the largest generating facilities on Duke Energy's system, it operates like a massive battery – quickly generating or storing power in response to electricity supply and demand.

In addition, today we have approximately 100 MW of battery storage in service or under construction. As we look to the future, we are planning for over 10,000 MW of energy storage capacity by 2035 and projecting nearly 30,000 MW of energy storage by 2050. Our approach is to enhance our long-serving hydroelectric assets, actively deploy battery energy storage technologies available today and support the development of advanced energy storage options so they can be utilized in the future. In 2022, we worked on a variety of pilots and projects to advance energy and battery storage technology including:

- Completed two new lithium-ion battery sites in Florida to enhance grid operations, including 18 MW of battery storage capacity and an additional 50 MW pilot approved by the Florida Public Service Commission, increasing efficiencies and improving overall reliability for surrounding communities.[15]
- Tested the Eos Zynth Gen 3.0 zinc-bromine battery after successfully testing the Gen 2.0 battery in 2021. This chemistry can handle multiple charges and discharges per day and can operate 24/7.
- Currently installing the GKN Hydrogen generation, storage, and electricity production unit. This project, which will begin testing in 2023, consists of an electrolyzer, H2 storage, and fuel cell in one containerized solution.
- Testing the Honeywell flow battery at the Battery Innovation Center, which will extend battery storage from four hours up to 12 hours for lithium-ion batteries.
- Began testing the EnerVenue, Inc. long duration battery at our McAlpine Creek Substation to determine capacity and gain an understanding of how to use nickel-hydrogen chemistry, which has been used with batteries in space for years and has been shown to operate in extreme temperatures, while boasting the longest life of any battery system.

14 Energy Transition Update.pdf, p. 4.

15 https://news.duke-energy.com/releases/duke-energy-supports-reliability-grid-operations-with-two-new-lithium-ion-battery-sites-in-florida-687713.



Sigourney Clark – Harris Nuclear Plant, North Carolina

- We also completed construction on an 11-MW battery in Jacksonville, North Carolina, to support grid flexibility and reliability.
- Also in the Carolinas, the NCUC approved near-term actions to develop and procure 1,000 MW of stand-alone storage by 2030 with 600 MW of storage co-located with solar. We will be conducting the following actions to advance this battery storage:
  - submit interconnect requests;
  - test and study non-lithium technologies at R&D scale; and
  - design controls, dispatch and software tools for a fleet of battery energy storage systems, and finalize the procurement strategy and initiate procurement activities relative to procurement strategy.

Advanced Nuclear & Small Modular Reactors

Advanced nuclear describes the next generation of reactor technologies that have significant potential to perform as zero-emitting load-following resources. The new generation of advanced nuclear provides many safety features inherent in their design. Duke Energy continues to closely monitor leading reactor technologies and partner with TerraPower and GE Hitachi on development of an advanced reactor integrating energy storage via a molten salt system in a first-of-its-kind project.

Another nuclear technology we are evaluating is light-water cooled small modular reactors (SMRs) that are similar to the nuclear fleet operating today. We anticipate that SMRs will play an important role in decarbonization in the Carolinas and across the U.S. The Department of Energy's approval of one of these, the NuScale design, is yet another positive trend. We are evaluating all available SMR designs and will choose the option most complementary to our system and that best aligns with our goal to reach net-zero carbon emissions from electricity generation.

Consistent with the NCUC's Carbon Plan Order, we will seek Nuclear Regulatory Commission approval for the first SMR in the Carolinas and are working with multiple SMR vendors to support technology selection.

Existing Nuclear

Duke Energy operates the largest regulated nuclear fleet in the nation, and carbon-free nuclear already provides approximately 50% of our energy in the Carolinas. We believe that the continued safe operation of our existing nuclear generation and adding new SMRs, combined with other advanced nuclear technologies, are essential to our emissions reduction progress and to achieving net-zero carbon emissions from electricity generation.[16]

The 11 existing Duke Energy-operated nuclear units provide dependable capacity and are the company's largest source of carbon-free generation.

- Our nuclear fleet reached a capacity factor of 93.7% in 2022, marking the 24th consecutive year with a fleet capacity factor greater than 90%.

16 Climate Report 2022.pdf, p. 28.

- In 2022, approximately 81% of Duke Energy's carbon-free generation was from nuclear energy, and about 33% of our total generation was from nuclear energy.
- The Duke Energy nuclear fleet generated more than 73 billion hours of electricity and avoided the release of 49 million tons of carbon dioxide, which equates to the removal of approximately 7 million cars from the road.

In 2021, we applied to the Nuclear Regulatory Commission for a license renewal for the Oconee Nuclear Station, to keep this carbon-free energy source running for an additional 20 years. We plan to pursue similar license renewals for each of our remaining eight nuclear units.[17]

Natural Gas Utility

Decarbonizing the Natural Gas System

Our goals for our natural gas local distribution companies (LDC) are to achieve net-zero Scope 1 methane emissions by 2030, as well as, by 2050, net-zero CO_2 and methane emissions for Scope 3 emissions from upstream purchased gas and from downstream customer use of sold gas.

To achieve our environmental goals for our natural gas business, we're reducing methane leaks on our LDC systems, working with upstream suppliers on their efforts to reduce and eliminate emissions and working to increase the amount of fuels associated with lower emissions available to our natural gas utility customers.

17 Climate Report 2022, p. 65.

Methane Detection and Reduction

We are improving how we identify and remediate methane leaks as well as instituting operational practices to reduce valve maintenance and flaring during certain operational activities. We also work with other industry stakeholders to reduce and eliminate methane and carbon emissions through direct measurement and best practices. Key efforts include:

- Scaling our satellite methane emissions data capture platform beyond the pilot phase, including expansion of satellite methane data captures to all of North Carolina in 2023.
- Undertaking an academic study to determine the probability of detecting a leak with advanced satellite- and vehicle-based methane leak detection.
- Deploying cross-compression technology to avoid releases or flaring during certain maintenance and operational activities.
- Piloting the deployment of Gas Cloud Imaging technology at various facilities such as, an LNG facility and a compressor station to detect and measure methane leaks in real time.
- Voluntarily increasing the frequency of our methane leak detection surveys, which has reduced the backlog of leaks by more than 85% from 2021 through 2022.

Catawba Nuclear Station, South Carolina (top)

Matthew Avant – Piedmont Natural Gas, South Carolina (bottom)

Reducing Upstream and Downstream Emissions

We are working to minimize upstream emissions related to the gas we purchase for our customers and the downstream CO_2 emissions related to our customers' consumption of gas we sell. We are also investing in RNG as an important tool to tackle GHG emissions. RNG is considered carbon-neutral because it displaces geological gas and reduces the release of methane to the atmosphere. Key efforts include:

- Ongoing work with upstream suppliers and industry groups such as ONE Future and the Gas Technology Institute's Veritas protocol to reduce upstream methane emissions and establish standards and protocols to quantify and report emissions.
- Sponsoring the Low-Carbon Resources Initiative, which is focused on the future development and deployment of hydrogen technologies at scale.
- Creating GreenEdge℠, a voluntary offset program, for residential and small commercial customers, which allows them to purchase carbon offsets and RNG environmental attributes to offset emissions from their use of natural gas.[18]
- Expanding energy efficiency programs for commercial and residential customers to reduce energy usage.[19]
- Incorporating RNG as a substitute for geologic natural gas for utility customers, which includes seeking regulatory approval.
- Sourcing RNG for use at compressed natural gas (CNG) stations. CNG dispensing of RNG provides transportation customers with a gasoline or diesel alternative, resulting in a reduced carbon footprint.
- In addition to efforts to reduce emissions for our natural gas utility business, we actively participate in commercial opportunities to further promote renewable natural gas production and associated emission reductions. We intend to invest an additional $300 million in the next five years, including the following:
  - Investing in SustainRNG, which focuses on agricultural sector projects that include converting methane emissions into a renewable and usable fuel sources.
  - Launching Foothills Renewables and Upper Piedmont Renewables to convert landfill gas from two North Carolina landfills into renewable natural gas. Each project is projected to produce roughly 500,000 dekatherms (Dth) of renewable natural gas each year. The combined 1 million Dth is equivalent to the average annual natural gas usage of nearly 17,000 residential customers in North Carolina.

Carbon Capture

Duke Energy Indiana and several industry partners have applied for DOE funds for a front-end engineering design study to evaluate an integrated carbon capture and sequestration project at Duke Energy's Edwardsport Indiana 595-MW Coal Integrated Gasification Combined Cycle facility. This project's demonstration of post-combustion carbon capture – with on-site/local sequestration – could be an important step in the road map to a lower carbon future.

Electrifying Transportation

Increased customer demand for electric vehicles (EVs) will grow our electric business. Our new EV strategy showcases how Duke Energy participates in this space. Our strategy supports and enables innovation and infrastructure to support the electrification of our state's vehicle fleets.

Our strategy to electrify transportation includes investing $100 million by 2025 to help decarbonize transportation, manage EV charging loads, pilot EV infrastructure projects and electrify our fleet.[20] For instance, we are converting 100% of our light-duty vehicles and 50% of our combined fleet of medium-duty, heavy-duty and off-road vehicles to EVs, plug-in hybrids (PHEVs) or other zero-carbon alternatives by 2030. To date, over 750 vehicles, or 11% of our fleet, are electrified. We are also helping our customers electrify their fleets and supporting our jurisdictions as they implement National Electric Vehicle Infrastructure programs.

Duke Energy is committed to delivering and supporting its robust set of customer-facing EV programs and operationalizing internal resources to support business objectives.

18 GreenEdge is approved in North Carolina and Tennessee and has been submitted for approval in South Carolina.
19 Energy efficiency programs are not available in all states.
20 Climate Report 2022.pdf, p. 20.

Transportation Electrification

Simplify EV adoption through innovative customer programs

- Charger prep credit
- Charger solution
- Subscription rate and others

Proactively ready the grid for growth from vehicle electrification

- Provide a menu of managed charging options
- Make Duke Energy jurisdictions the preferred locations for growth in customer fleet electrification

We are working on an expanded suite of EV programs, making it more affordable and convenient for customers to access charging infrastructure across the areas we serve:

Indiana: We launched EV programs that will run through 2024, including the Off-Peak Credit program, which gives 500 residential customers a quarterly bill credit for charging EVs during times of decreased energy demand. The Charger Solution program offers an EV charger for a flat rate each month to residential and business customers. We are also implementing fast charging infrastructure as part of a state-led award of Volkswagen mitigation funds, and we have been approved for EV charger incentives for commercial and school bus customers as well as to support fleet electrification.

Florida: We are piloting a project to test whether customers can use EVs to power their homes during outages. This research and development will evaluate the viability of high-capacity batteries as a grid edge resource that could help transform the energy system.[21] Residential off-peak credits reward residents for avoiding times of grid congestion when charging EVs. We also offer rebates for nonresidential EV charging installations, thus far providing notable support for school bus electrification.

North Carolina: We worked on new technology with the University of North Carolina at Charlotte, the city of Charlotte and the Centralina Regional Council to use existing streetlight infrastructure to create EV charging stations. We found that using streetlight infrastructure cut the costs associated with installing charging stations by as much as 50%.[22] We also launched the Charger Prep Credit program that provides credits to reduce the upfront cost of upgrading electrical systems to install charging infrastructure for homeowners and businesses. With several hundred participants already engaged in North Carolina, we have filed to expand the program to South Carolina and Kentucky.

Innovative EV Programs

Duke Energy is partnering with Ford Motor Company, General Motors and BMW of North America to pilot a flat monthly fee for North Carolina EV owners to charge their vehicles at home, and in exchange, the owners agree to not charge their vehicles during daily peak periods or grid constrained events. The pilot received NCUC approval in June 2022 and should begin enrolling customers in spring 2023.

In August 2022, Duke Energy partnered with Ford Motor Company to develop a pilot in North Carolina that will compensate participants authorizing the utility to discharge their EV battery to the grid during constrained periods. The proposal, which is pending before the NCUC, will target customers in our Duke Energy Carolinas (North Carolina) service area. Eligible customers must be a Ford vehicle lessee, and the compensation will be an upfront incentive paid directly to Ford that will reduce the monthly lease payment. In addition to the regulated pilot in North Carolina, a small-scale research and development test will be conducted concurrently in Florida utilizing company-owned vehicles. The primary objective of both efforts is to learn more about vehicle-to-grid technology and capabilities to help inform future EV programs.

21 https://news.duke-energy.com/releases/electrifying-the-future-duke-energy-to-explore-how-ford-f-150-lightning-all-electric-trucks-can-serve-as-a-grid-resource-in-florida.

22 https://charlottenc.gov/newsroom/cityhighlights/Pages/PoleVolt-Charging.aspx.

Climate Change

At the core of our climate strategy are our net-zero by 2050 goals and our work to advance the clean energy transition. Other key tenets of our strategy include:

- Advocating for enabling policies that support investments in clean energy infrastructure, including most recently the IRA, the IIJA and North Carolina House Bill 951.
- Analyzing climate-related risks and opportunities and fortifying our operations toward climate resilience.
- Activating a strong governance structure with Board oversight of climate-related issues.

Our Climate Report provides information on our climate strategy execution.

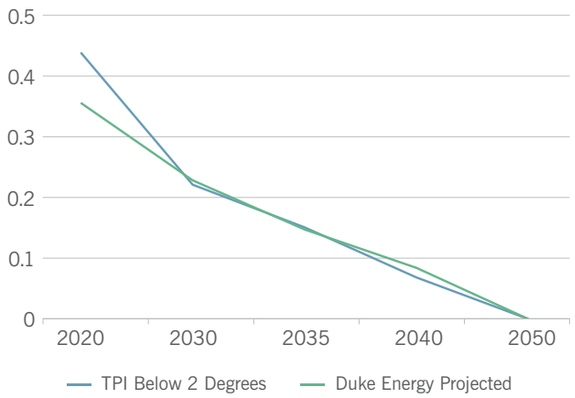
Road to Net-Zero

Our net-zero goals and related targets now cover 95% of our calculated 2021 greenhouse gas emissions.[23]

Specific details about our targets and how we will achieve them are in the Clean Energy Transition section of this report and our Climate Report.

Several groups have laid out a variety of pathways they project are required to achieve global decarbonization consistent with the goals of the Paris Agreement, among them the Transition Pathway Initiative (TPI). Leveraging the modeling from our most recent Climate Report and our established net-zero target, our projected carbon intensity reduction for electricity generation is generally aligned with the 2°C scenario carbon intensity for electricity generation presented by the TPI.[24]

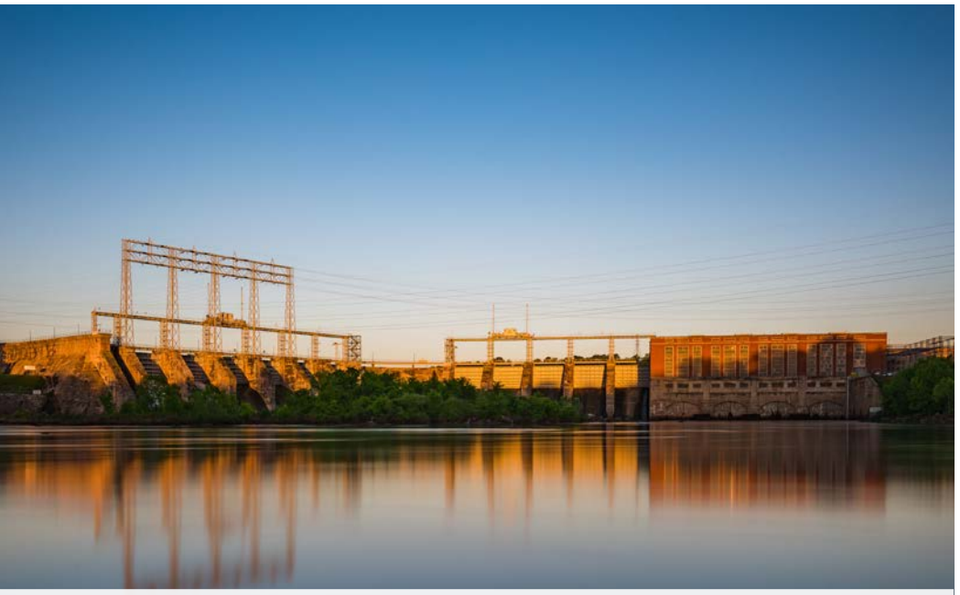
Figure 4:
Duke Energy Projected CO_2 Intensity (metric tons/MWh) vs. TPI 2°C



Behind our net-zero efforts is a dynamic system that allows us to track our emissions sources and to build a plan to address them. In 2022, we set out to add additional rigor to our emissions inventory calculation process and systems to ensure we have a responsive and auditable process in place. We are confident that we now have an industry-leading system.

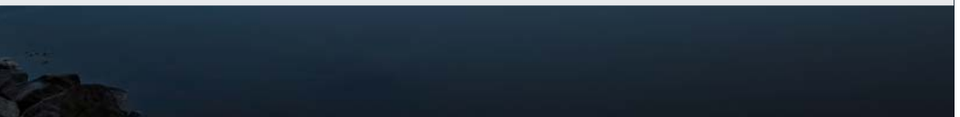
Daniel Engel – Crittenden Solar, Kentucky

23 Climate Report 2022.pdf, p. 5.
24 See note on p. 102.



Larry Dunnom, Ohio (top)

Lake Wylie Hydro Station, South Carolina (bottom)



Climate Risk Management

Climate change poses an inherent risk to our business and demands that we identify, evaluate and deploy mitigation tools as part of our enterprisewide risk management philosophy.

We are peering into the next decade and beyond to identify, assess and manage climate-related risks, including potential risks to physical infrastructure, our transition to clean energy sources, the development of the new technologies needed for that transition, and the risks and impacts of federal and state energy policies.

To manage these risks effectively, we include climate change considerations in our annual enterprise risk assessment (ERA) process. The ERA identifies potential major and substantive risks to corporate profitability and value. It is managed by the enterprise risk management (ERM) team, which supports embedded business unit resources to identify, characterize, track and monitor risks in business unit risk registers. To learn more about our ERM team, see our Enterprise Risk Management section.

We are, for example, taking a closer look at climate-related physical risks and the potential vulnerability of the company's assets to future climate change impacts. In 2021, we initiated a Climate Risk and Resilience Study of the Carolinas transmission and distribution (T&D) system.[25] This study had two primary objectives: (1) to assess the vulnerability of our T&D assets and operations to projected physical impacts of climate change and (2) to develop a flexible framework to improve the Carolinas T&D system's resilience. More details on this effort can be found in our 2022 Climate Report.

The Board of Directors' Finance and Risk Management Committee meets bimonthly to receive updates on potential risks, with a focus on our clean energy transition as a way to mitigate transition-related climate risk. The Board also routinely discusses climate risk governance. For more detail about Duke Energy's Board of Directors' ESG oversight, please refer to the Board Governance section.

25 Physical Risk section of Climate Report pp. 24-25.

Environmental Impact

We have an obligation to protect and manage natural resources where we operate and to reduce our environmental impact, wherever possible.

Water

We use water in many ways – from generating electricity through hydroelectric power, pumped storage, to providing cooling for power plants. We are committed to helping protect both the water quality and water supply in river basins where we operate. This is important for the environment, our communities, which depend upon this resource, as well as our business continuity.

Hydroelectric Facilities and Water Supply

Duke Energy works with a number of local advisory groups to monitor water levels and water chemistry in geographies where we have operations. For example, several of Duke Energy's power plants in the Carolinas are located on hydroelectric reservoirs operated by the company. In these areas, we collaborate with local water utilities, environmental groups, homeowners and recreational enthusiasts on shoreline watershed and drought planning.

For our hydroelectric projects, there are drought response plans, known as low inflow protocols (LIPs), embedded in the projects' Federal Energy Regulatory Commission (FERC) operating permits. When certain conditions are reached and drought stage is declared, watershed users and stakeholders take certain agreed-upon actions; this most recently occurred in 2017. Unless there is an emergency, we endeavor to maintain lake levels within the ranges set forth in each FERC permit.

Other Duke Energy facilities are less susceptible to drought considerations because the facilities have closed-cycle cooling and/or operate on large sources of water or cooling reservoirs. For example, our Brunswick Nuclear Plant draws water from an estuarine environment, protecting it from drought-related risks.

Reducing Annual Water Withdrawals

Our aim is to reduce annual water withdrawals by our generation fleet by 1 trillion gallons by 2030, dropping from the 2016 level of 5.34 trillion gallons. In 2022, withdrawals were approximately 5.06 trillion gallons, a reduction of 0.28 trillion gallons.

As we continue to transition to cleaner energy, we will reduce water withdrawals. We anticipate further water savings as our coal and older natural gas plants are retired and replaced with newer, eventually hydrogen-capable, natural gas combined-cycle plants utilizing more efficient closed-cycle cooling systems. We are also considering water use when evaluating new technologies, such as green hydrogen.

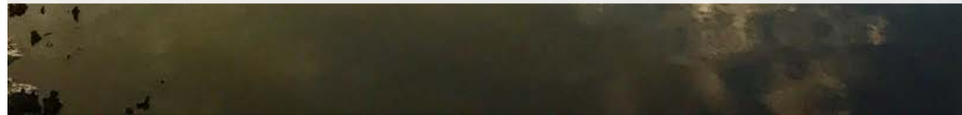
Biodiversity

Our Corporate Commitment to Biodiversity – published in 2021 – describes how we use best management practices and procedures, and the mitigation hierarchy process (avoid, minimize, restore/rehabilitate), as an integral part of our project planning, siting, construction, operational and maintenance decisions.

In 2022, Duke Energy was recognized by the U.S. Fish and Wildlife Services (USFWS) for our participation in the Candidate Conservation Agreement with Assurances (CCAA) for the monarch butterfly. CCAAs are voluntary conservation agreements between the USFWS and one or more public or private parties. The USFWS works with its partners to identify threats to candidate species, plan the measures needed to address the threats and conserve these species, develop agreements, and design and implement conservation measures (e.g., on power line rights of way) and identify their effectiveness through annual monitoring. The Monarch CCAA is a model for demonstrating non-traditional partnerships that meet Duke Energy's business objectives while also achieving beneficial and collaborative conservation measures.

Also in 2022, Duke Energy was presented with several awards from the CCAA for the Monarch Butterfly for actions taken by the company within the program.

Brunswick Nuclear Plant, North Carolina



Brunswick Nuclear Plant, North Carolina (top)

Trenton Solar, Florida (bottom)

Waste

Duke Energy aims to maintain a solid waste recycling rate of 80%.[26] To achieve this goal, we formed teams to identify an enterprisewide strategy to minimize waste streams across air, water and land. The teams are implementing initiatives to avoid waste generation, promote reuse and repurposing of generated materials and identify reuse and recycling technologies and partners.

Duke Energy also leverages insight from trade groups on best practices for recycling and disposal of solar panels that have reached the end of their service life.

Beyond our immediate operations, Duke Energy is also looking to manage supplier waste. Through our procurement selection process, we have a scorecard that considers sustainability impacts like generated waste.

Environmental Compliance

Our environmental compliance work is guided by Duke Energy's Environmental, Health and Safety (EHS) Management policies, which articulates our commitment to protect our communities and responsibly manage natural resources.

As we review potential projects, we evaluate the site, the technology, and the design to maximize the benefits to our communities while minimizing environmental impacts.

Site selection includes review of historical land use; assessment of current environmental site conditions, surveys to identify endangered and protected species and their critical habitat studies to identify surface water features such as wetlands, streams, and flood plains; and evaluation of cultural and archaeological resources.

Once preliminary site due diligence is completed, project teams work to design and execute projects in ways that reduce environmental impacts and incorporate community needs.

Duke Energy follows and complies with the federal, state and local regulatory requirements across the jurisdictions where we operate. This includes communicating public notices and working with the correct regulatory groups for emergencies and interruptions in service. Through the project construction and the life of the infrastructure operation, routine maintenance and inspections are employed to maintain compliance and to minimize environmental impacts.

Duke Energy continues to meet applicable federal and state requirements for its coal ash basins and landfills, including the EPA's Coal Combustion Residuals Rule, the North Carolina Coal Ash Management Act, as well as other state and local agreements and orders. Information about Duke Energy's Coal Ash Management is available on our website.

26 This commitment excludes Duke Energy Sustainable Solutions, which has a relatively small waste stream.

Environmental Metrics

2022 Electricity Generated and Generation Capacity[1]

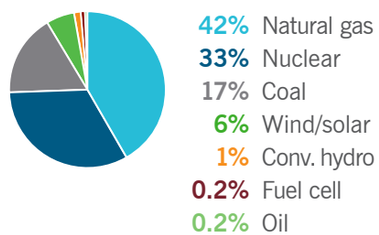
	Electricity Generated (net megawatt-hours)		Generation Capacity (megawatts)	
	MWh (thousands)	Percent	MW	Percent
Total Carbon-Free	**89,613**	**40.8%**	**15,942**	**29.2%**
Nuclear	73,110	33.3%	8,907	16.3%
Wind	8,597	3.9%	3,194	5.9%
Conventional Hydro[2]	2,554	1.1%	1,338	2.5%
Solar[2]	5,352	2.4%	2,502	4.6%
Total Low-Carbon	**93,514**	**42.6%**	**19,686**	**36.1%**
Natural Gas	93,172	42.4%	19,642	36.0%
Fuel Cell	342	0.2%	44	0.1%
Total Higher-Carbon	**37,150**	**16.9%**	**16,647**	**30.5%**
Coal	36,792	16.7%	15,652	29.0%
Oil	358	0.2%	995	1.8%
Pumped-Storage Hydro	**(698)**	**-0.3%**	**2,300**	**4.2%**
Total	**219,579**	**100%**	**54,575**	**100%**
Purchased Carbon-free Generation (Includes PPAs)[2]	**11,301**	**5%**	**3,930**	**7%**

2022 Electricity Generated and Generation Capacity

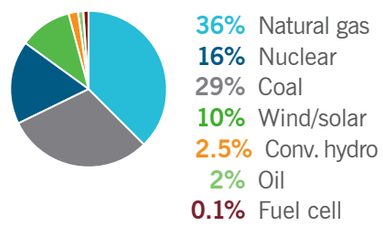
Duke Energy has a diverse, increasingly clean generation portfolio. Over 40% of the electricity we generated in 2022 was from carbon-free sources, including nuclear, wind, hydro and solar. Forty-two percent was from lower-carbon natural gas, which emits about half as much carbon dioxide as coal when combusted. Approximately 17% was from higher-carbon coal and oil. Taken together, owned and purchased renewables are equivalent to almost 11% of our electricity generation.

Regulated and Commercial Businesses Combined: 2022 Electricity Generated and Generation Capacity

2022 Electricity Generated*



2022 Generation Capacity*



*Excludes pumped-storage hydro.

1 All regulated data is based on the firm summer capacity of Duke Energy's ownership share of generating plants as of December 31, 2022. Commercial wind and solar is based on the nameplate capacity, with majority-owned assets presented at 100% capacity. Purchased carbon-free generation includes connected renewables (wind, solar, hydro) in Duke Energy's regulated service territories. It does not include purchased biomass or net-metered generation. Reduced capacity is used for plants with transmission capacity limitations. Totals do not add up exactly because of rounding.

2 See "Statement Regarding Renewable Energy Certificates" on page 74.

3 Pumped-storage hydro helps meet peak demand and, like other storage technologies, consumes more energy than it produces.

Fuels Consumed for Electric Generation[1]				
	2008	2020	2021	2022
Coal (million tons)	63.1	19.7	19.9	**17.0**
Oil (million gallons)	231	19.4	27.3	**43.4**
Natural gas (billion cubic feet)	163	585	631	**737.1**

1 All data based on Duke Energy's ownership share of generating assets as of the end of each calendar year. Fuels used by Ohio Valley Electric Corporation (OVEC) are excluded because power from OVEC and associated emissions are accounted as purchased power and Scope 3 emissions.

Water Withdrawn and Consumed for Electric Generation (billion gallons)				
	2016	2020	2021	2022
Withdrawn	5,341	4,696	4,924	**5,059**
Consumed	74	125	111	**79**
Consumption intensity (gallons per MWh generated)	337	594	516	**403**

Data for 2021 and 2022 were developed using processes aligned with the CDP Water methodology. Data are not consistently available at time of publication to apply this methodology to earlier years.

Fuels Consumed for Electric Generation

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

Water Withdrawn and Consumed for Electric Generation

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

Scope 1 Emissions
Emissions From Electric Generation[1]

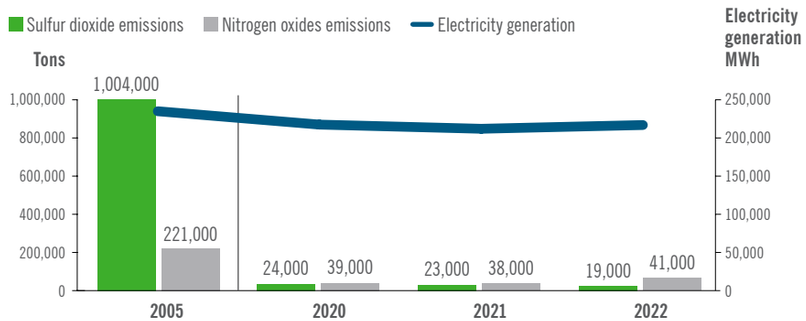
	2005	2020	2021	2022
CO_2 emissions (thousand metric/short tons)	139,000/ 153,000	74,000/ 82,000	77,000/ 85,000	**77,000/ 85,000**
CO_2 emissions intensity (pounds per net kWh)	1.29	0.78	0.79	**0.78**
SO_2 emissions (metric/short tons)	1,004,000/ 1,107,000	24,000/ 27,000	23,000/ 25,000	**19,000/ 21,000**
SO_2 emissions intensity (pounds per net MWh)	9.3	0.3	0.2	**0.2**
NO_x emissions (metric/short tons)	221,000/ 244,000	39,000/ 43,000	38,000/ 42,000	**41,000/ 45,000**
NO_x emissions intensity (pounds per net MWh)	2.1	0.4	0.4	**0.4**
CH_4 emissions (CO_2 equivalent) (thousand metric/short tons)	381/420	142/157	151/166	**123/135**
N_2O emissions (CO_2 equivalent) (thousand metric/short tons)	663/731	272/300	289/318	**231/254**

1 All data based on Duke Energy's ownership share of generating assets as of the end of each calendar year. Fuels used by Ohio Valley Electric Corporation (OVEC) are excluded because power from OVEC and associated emissions are accounted as purchased power and Scope 3 emissions.

Emissions From Electric Generation

Many factors influence emissions levels and intensities, including demand for electricity, generation diversity and efficiency, weather, fuel and purchased power prices, and emissions controls deployed. Since 2005, our carbon dioxide (CO_2) emissions decreased by 44%, sulfur dioxide (SO_2) emissions decreased by 98% and nitrogen oxides (NO_x) emissions decreased by over 82%. These decreases are primarily due to the addition of pollution control equipment for SO_2 and NO_x in previous years, replacement of coal generation with natural gas and renewables and increased dispatch of cleaner, more efficient plants. In 2021 and 2022, CO_2 emissions were somewhat higher than in 2020 due to increased generation as the economy began to rebound from the pandemic.

Sulfur Dioxide and Nitrogen Oxides Emissions (metric tons)[1] and Electricity Generation (thousand net megawatt-hours)



1 SO_2 and NO_x reported from Duke Energy's electric generation based on ownership share of generating assets.

Methane Emissions from Natural Gas Distribution (thousand metric/short tons)[1]				
	2019	2020	2021	2022
CH_4 emissions (CO_2 equivalent)	308/340	327/361	333/367	**322/355**

1 Methane emissions are calculated using a combination of EPA's Subpart W reporting and the NGSI protocol.

Sulfur Hexafluoride Emissions from Electric Transmission and Distribution (thousand metric/short tons)[1]				
	2019	2020	2021	2022
SF_6 emissions (CO_2 equivalent)	477/526	384/423	363/400	**230/254**

1 SF_6 emissions vary year to year due to maintenance, replacement and storm repair needs.

Scope 2 **Greenhouse Gas Emissions** (thousand metric/short tons)[1]			
	2020	2021	2022
Power purchases Estimated from power purchases for Duke Energy facilities that are not served by Duke Energy itself (CO_2 equivalent).	5.7/6.3	5.4/5.9	**4.4/4.8**

1 2020 and 2021 values have been updated to include purchased power for the commercial business, the same approach used to calculate the 2022 values.

Methane Emissions From Natural Gas Distribution

Methane (CH4) is the primary component of natural gas and is a greenhouse gas. Duke Energy announced in October 2020 its goal of reducing methane emissions in its natural gas distribution companies to net-zero by 2030. The emissions reported here are estimates pursuant to EPA's Subpart W reporting and the Natural Gas Sustainability Initiative (NGSI). Subpart W has a prescribed methodology for capturing emissions from facility counts such as miles of pipe, customer meters, and numbers of services using standardized emissions factors and the NGSI accounts for other data points that are not included by EPA such as emissions from meters, blowdowns and third-party damages.

Sulfur Hexafluoride Emissions

Sulfur hexafluoride (SF6) is a greenhouse gas that is used as an insulating gas in high-voltage electric transmission and distribution switchgear. We work to minimize SF6 emissions, but some are released during operations and maintenance. We continue to work with leading industry research institutes on improved SF6 leak detection technology. Duke Energy monitors equipment health, leveraging business intelligence reporting to support system reliability programs. The significant reduction of SF6 emissions in 2022 represents improved line of sight on data completeness and inventory validation, in conjunction with proactive equipment repair. We have identified and scheduled several projects for completion in 2023 to help mitigate SF6 emissions from equipment.

Scope 3 Greenhouse Gas Emissions

We have determined the emissions and identified the relevant Scope 3 categories in which we have adopted goals. We continue to share best practices and encourage peer utilities to decarbonize as we share reliance on Scope 3 progress. We also continue to work with customers on energy efficiency programs and strategies.

Scope 3
Greenhouse Gas Emissions (thousand metric/short tons)

	2020	2021	2022
Purchased goods and services: includes emissions from all purchased goods and services not otherwise included in the other upstream Scope 3 emissions.	Not calculated.	2,800/ 3,100	**3,800/ 4,100**
Fuel and energy-related activities[1]: (not reported in Scope 1 or 2). This is an estimate of CO_2 emissions associated with electricity Duke Energy purchased for resale (CO_2 equivalent).	13,300/ 14,600	15,600/ 17,200	**18,700/ 20,600**
Upstream emissions: (extraction, production, & transportation) from purchased fossil fuels for electricity generation	Not calculated.	5,500/ 6,100	**6,800/ 7,500**
Upstream emissions from natural gas suppliers for natural gas distribution business	Not calculated.	1,000/ 1,100	**900/ 1,000**
Use of sold products: CO_2 emissions from the use of natural gas that Duke Energy sold to its end use customers (CO_2 equivalent).	Not calculated.	6,600/ 7,200	**7,900/ 8,700**
Emissions: associated with other fuel purchases	Not calculated.	280/ 310	**280/ 310**
Waste: includes emissions from treatment and disposal of both solid waste and wastewater.	Not calculated.	51/56	**30/33**
Employee travel: estimate of CO_2 emissions associated with employee travel (CO_2 equivalent) including air travel and hotel stays.	4.9/5.4	4.2/4.7	**7.9/8.7**

1 2021 values have been updated to include purchased power from PJM into DEO, the same approach used to calculate the 2022 values.

Toxic Release Inventory (TRI)

Duke Energy's TRI releases for 2021 were down 91% from 2007, primarily due to the significant investments we've made in environmental controls for our power plants, and decreased coal generation. (Data for 2022 will be available in August 2023.)

Toxic Release Inventory (thousand pounds)[1]

	2007	2019	2020	2021
Releases to air	97,969	4,259	3,210	**3,145**
Releases to water	257	162	159	**167**
Releases to land	22,052	8,290	7,000	**7,743**
Off-site transfers	155	3,122	508	**573**
Total	**120,434**	**15,832**	**10,876**	**11,629**

1 Data pertain to electric generation facilities Duke Energy owns or operates and where Duke Energy is the responsible reporting party. Totals do not add up exactly due to rounding.

Waste

Duke Energy nearly met its goal to recycle 80% of solid waste. We are working on strategies to minimize landfilled waste and continually improve performance on this goal. These strategies include planning to avoid waste generation, reuse and repurposing of generated materials, identifying reuse and recycling technologies and partners, and benchmarking with other companies to identify best practices. (This goal excludes Duke Energy Sustainable Solutions, which has a relatively small waste stream.)

Waste

	2019	2020	2021	2022
Solid waste				
▪ **Total generated** (thousand short tons)	118	108	110	**112**
▪ **Percent recycled**	77%	80%	79%	**75%**
Hazardous waste generated (short tons)	232	2,536	709	**730**
Low-level radioactive waste (Class A, B and C) generated (cubic feet)	140,331	128,739	102,382	—

1 Weights are estimated based on volumes where necessary. Excludes Duke Energy Renewables, which has smaller volumes, and large nonreplicable projects such as plant demolitions.

2 Hazardous waste generation fluctuates mainly due to maintenance projects. For example, in 2020, a very large maintenance project was completed at one of our power plants.

3 Total of Class A, B and C waste disposal as reported to the Nuclear Regulatory Commission. Crystal River Unit 3 is not included in these statistics because it is not part of the operating fleet and is retired. Data for 2022 will be available later in 2023.

Reportable Oil Spills

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

Reportable Oil Spills to Water[1]

	2019	2020	2021	2022
Spills	17	18	16	**10**
Gallons	140	208	124	**514**

Environmental Regulatory Citations

Citations in 2019-2021 are mostly due to discharge reporting and compliance issues, which have been resolved with regulatory authorities.

Environmental Regulatory Citations[1]

	2019	2020	2021	2022
Citations	25	13	8	**11**
Fines/ penalties (dollars)	$97,558	$581	$18,399	**$7,975**

1 Includes U.S. federal, state and local citations and fines/penalties.

Social Impact

Our long-term success is deeply intertwined with the health and well-being of the communities we serve.

We know energy affordability is the most important topic to our customers. While we continue supporting customers in the near term through energy efficiency programs and bill pay options, we're also working on ways to reduce costs over the longer term.

Henor Deshishku / Calvin Sims III / Elizabeth Escobar-Fernandes, North Carolina

Social Impact

Customers

Customer Affordability and Accessibility

Duke Energy prioritizes affordability and is working to provide customers with additional options and ways to control their energy use. Our tailored solutions team aids customers in need and low-income customers by adopting and implementing new technology in the hopes of reducing energy burden on customers, which is especially important in the face of inflation and rising costs.

In 2022, more than $192 million helped nearly 189,000 Duke Energy electric customers across our service territories through funds generated by employee and customer donations, state and federal programs, local agencies, Duke Energy Foundation grants and other sources.

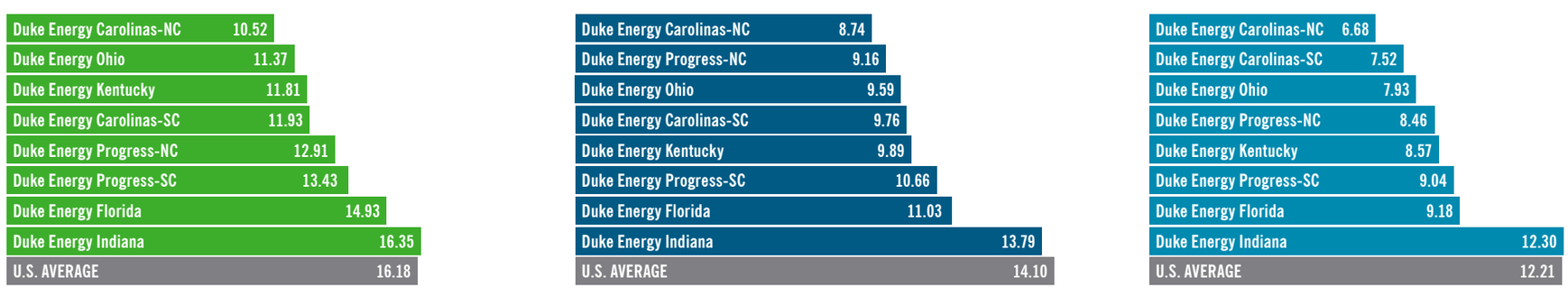
We have helped connect customers to nearly $300 million in energy assistance over the past two years and have created a team dedicated to working with more than 1,400 community assistance agencies to improve the experience dispersing these important funds. A new online portal allows assistance agencies and local partners faster access to the information they need when a customer requests help.

Our 2022 customer affordability and accessibility programs included:

- **Low Income Home Energy Assistance Program (LIHEAP)**: Customers in all jurisdictions we serve are eligible for LIHEAP support if their earnings are below a certain income threshold.
- **Share the Light Fund®**: Available to all Duke Energy customers in North Carolina, South Carolina, Florida, Ohio, Kentucky and Indiana. Over 26,000 low-income households receive utility bill pay assistance annually, including deposits, past-due balances and reconnection charges. This program is supported by customer and employee donations, Duke Energy shareholder contributions, and matched by the Duke Energy Foundation.
- **Share the Warmth**: Available to Piedmont Natural Gas customers in North Carolina, South Carolina and Tennessee for customers to pay energy bills regardless of the energy source used in the home – including natural gas, propane, oil and electricity. Funds are supported via customer round-up or one-time donations.

Duke Energy's Electric Rates

In effect as of summer 2022
(cents per kilowatt-hour (kWh))



Source: Edison Electric Institute Typical Bills and Average Rates Reports, Summer 2022 (latest available).

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

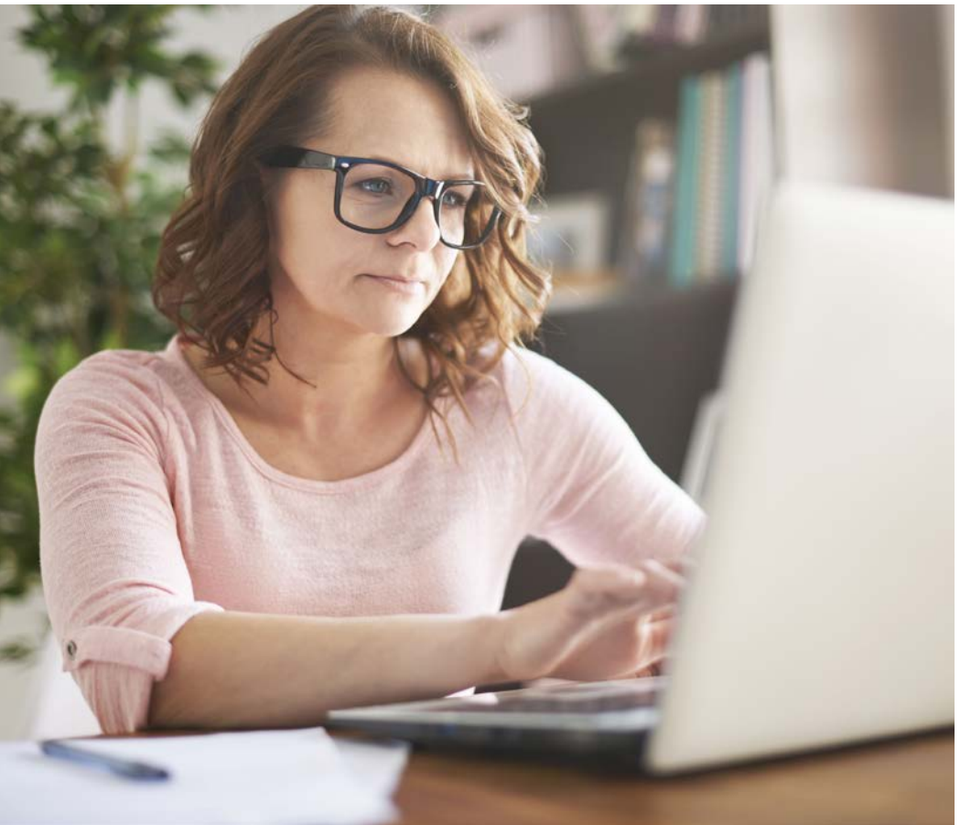
- **Local Assistance Agency Funds**: Duke Energy employees work with qualifying customers in all jurisdictions to connect them with local assistance from various government and nonprofit programs for utility bills and other household expenses.
- **Emergency Rental Assistance Programs**: Eligible customers can use these funds to pay past-due rent and utility bills in select jurisdictions.
- **Homeowner Assistance Funds**: As a result of the COVID-19 pandemic, homeowners experiencing financial hardship can use these funds in select jurisdictions.
- **Percentage of Income Payment Plan (PIPP)**: Duke Energy administers a plan in Ohio to help income-eligible utility customers pay only a percentage of their income, regardless of monthly usage.
- **IRA Funds**: Duke Energy is leveraging IRA benefits and incorporating them into integrated resource plans and rate adjustments across jurisdictions. In Florida, we've already passed along $68 million in tax savings annually.

In addition, the following programs help customers take control of their energy usage and costs:

Program	Capabilities
Installment Plans	Allows customers to make installment payments over several months
Usage Alerts	Provides customers with monthly notifications showing how much electricity they're using and how much it may cost, with time to adjust
Budget Billing	Lets customers pay the same amount every month to better manage their budget
Pick Your Due Date	Gives customers with a Smart Meter the ability to choose their monthly due date

Reliability

We also continue to prioritize resiliency to preserve reliable service for our customers and communities in the face of evolving weather and emerging threats. For example, we are installing smart, self-healing technology that can automatically detect power outages, isolate the problem and then quickly reroute service to other available lines to restore power faster. When layered with improved system control technologies, this helps us increase the resiliency of the power supply, as well as be alerted to and mitigate cyber risks. In 2022, smart, self-healing technology helped avoid more than 1.4 million customer outages and saved around 7.2 million hours of total outage time.



And the same self-healing technology that can detect power outages from storms and reroute power to restore service to customers can mitigate the impact of a physical attack on the grid.

Maintaining and improving the reliability of our systems has been and will continue to be our highest priority. In December, Winter Storm Elliott, an extremely powerful weather event with a unique confluence of high winds, extreme temperature drops and other conditions forced Duke Energy to temporarily interrupt power to approximately 500,000 customers as a last resort on Christmas Eve. We regret not being able to provide customers with more notice of the outages. We own what happened. We have set out on a path to ensure that if we are faced with similar challenges, we will see a different outcome and provide a better customer experience.

Energy Efficiency & Customer Experience

Duke Energy offers several energy efficiency programs to empower customers to reduce their energy costs and help us manage electricity load. By the end of 2025, our energy efficiency programs will have saved a total of 24 million MWh of energy consumption and 8 million tons of carbon emissions, which is equivalent to the emissions produced by more than 2 million homes. In fact, our programs have resulted in twice as much energy savings for our customers as other energy companies in the Southeast.

Our 2022 initiatives included:

- **Rooftop Solar**: We obtained significant feedback from stakeholders on ways to maximize the value of distributed energy resources through linking rooftop solar with smart thermostats and (soon) advanced inverters. We recently filed for approval of this program in North Carolina.
- **Clean Energy Connection**: A program that lets residential and business customers in Florida support renewable energy, subscribe to solar power and earn credits toward their electricity bills – all without equipment installation or maintenance.
- **Home Energy Reports**: We provided individual reports on home energy use for over 2.6 million residential customers each month.
- **Residential Carbon Tool**: We developed and now offer a monthly report that allows customers to see their unique carbon footprint and ways to reduce it.
- **Program and Engagement Options**: To simplify next steps for customers who want to take action to save energy and money, the company's Online Marketplace, retailer discounts and in-home assessments continue to be cost-effective choices for customers.

We look forward to incorporating state clean energy goals into our existing offerings, developing new solutions, and continuing to work closely with our stakeholders to help our customers save energy.

Program Improvements

We are dedicated to providing an excellent customer experience. Beginning in 2022, Duke Energy launched governance meetings with shareholders on our customer experience strategy.

New Rate Designs: Duke Energy's rate designs are being updated and modernized across our territories to create more customer choice, allow customers to optimize value from distributed energy technologies, and encourage energy consumption that benefits the grid broadly. New time-of-use rates are one example of improvements that can benefit all of our customers.

- **New Modernized Billing and Technology System**: For customers in the Carolinas and Florida, we provide new billing and payment options, an improved digital experience with more self-service choices, and insights into energy use and spending.
- **Residential Tariff on Bill Program**: In 2022, we filed for approval of a new program in North Carolina that would allow customers to pay for some energy efficiency upgrades on their bill over time.
- **Direct Outreach**: Through grassroots awareness campaigns, we connected customers with tools that could help them manage their bills, reduce energy use and save money.

Communities

Duke Energy remains committed to the many diverse communities we serve. Our long-term success and sustainability are dependent on the quality of service we can provide to our shared communities. Families, employees, students, local businesses and so many others rely on Duke Energy to support many aspects of daily life. From heating the home to boiling water, Duke Energy is there to provide continuous and reliable service. To best serve the needs of our company and our community, we remain flexible and amenable to augmenting our strategy as needed. Here at Duke Energy, we believe that continued learning and agility allow us to best serve changing needs and expectations. We rely on community input to determine how we can continue to improve. As part of the community ourselves, we recognize the importance of building and maintaining meaningful relationships with community leaders, historically marginalized groups, and all others that depend on our efficacy. The Duke Energy Foundation helps to support vibrant economies, climate resilience, and justice, equity and inclusion in our local communities. By supporting a multitude of various projects, Duke Energy can continue to give back to the communities that give to us. The health and well-being of the communities we serve motivates our goals to be a constructive pillar of the community. With continual improvements and collaboration, Duke Energy can strive for excellence in all that we do and keep our communities strong.

Economic Development

Duke Energy's 35-person economic development team works with regional, state, and local authorities to attract growing companies to the communities we serve. In 2022 alone, the team has secured 89 projects, resulting in 29,100 new jobs and over $23 billion in capital investments to Duke Energy's six service territories, including companies in battery, EV and semiconductor industries. With an important role in providing the energy infrastructure, our team evaluates properties for potential business and industrial development through Duke Energy's Site Readiness program. Since 2005, the Site Readiness Program has evaluated 345 sites with 106 "project wins," generating $27.9 billion in capital investment and almost 36,000 jobs. Site Selection magazine named Duke Energy to its "Top Utilities in Economic Development" list for the 18th consecutive year.[27]

Economic Development Impact

$23 BILLION
Total Capital Investment

29,000
Total Jobs

NORTH CAROLINA
Capital Investment: $13,238.1 million
Jobs: 17,726

SOUTH CAROLINA
Capital Investment: $3,825.4 million
Jobs: 4,712

FLORIDA
Capital Investment: $121.6 million
Jobs: 819

INDIANA
Capital Investment: $5,742.7 million
Jobs: 4,422

OHIO-KENTUCKY
Capital Investment: $474.8 million
Jobs: 1,453

27 https://siteselection.com/issues/2022/sep/here-s-who-decides-what-quality-of-life-means.cm.

Environmental Justice and the Just Transition

The energy sector must transition for the future in a manner that addresses environmental justice and just transition for our customers, workforce and communities. Duke Energy strives to strengthen and build infrastructure that will deliver reliable and affordable energy. As we consider potential projects, we evaluate the site, the technology, and the design to maximize benefits, including economic, to our communities while reducing environmental impacts.

Environmental Justice

Duke Energy worked with industry groups to help develop our environmental justice principles and best practices. Integrating environmental justice principles into our due diligence process for siting helps us make informed decisions for both our business and communities. We do this through a systematic assessment process and dialogue with community leaders. To ensure our environmental justice process includes diverse perspectives and is sufficiently supported, we created the Environmental Justice Working Group comprised of members of Environmental Health & Safety, Government and Community Relations, Legal and business unit project support teams to carry out key initiatives across the company. Our work in this area in 2022 included:

- Developing an environmental justice assessment process for evaluating future new generation and greenfield projects that utilizes technical resources from EPA, community knowledge from our community relationship management teams and community input gathered through engagement, such as listening sessions.
- Training more than 200 employees across environmental, external engagement and project development teams on the assessment process.
- Integrating assessment protocols into stakeholder engagement strategies and project development procedures.
- Incorporating environmental justice into Duke Energy's request for proposal selection process.

In 2022, we conducted initial environmental justice assessments on more than 55 sites. The findings from each assessment help us to identify potential environmental justice communities earlier in the project planning cycle and provide opportunities for enhanced engagement.

We have engaged in numerous roundtable discussions with industry leaders such as Electric Power Research Institute (EPRI), EEI, and Nuclear Energy Institute, and various utility groups to collaborate and discuss how to anticipate and respond to environmental justice concerns.

Read more in our Environmental Justice Priority Brief.

Just Transition

As the energy sector transitions, we are working to ensure our workforce and others in our industry are set up for long-term success. As part of this commitment, we worked with stakeholders to create a series of guiding principles that informs our approach to a just transition.

In 2022, we engaged a third party to perform an assessment of our upcoming and near-term coal retirements, noting community demographics, plant specifics and adjacent employment opportunities. Duke Energy has retired 56 coal units since 2010 and is using information gleaned from those energy communities to inform our strategic thinking, and we continue to gather lessons learned, most recently at Gallagher Station in Indiana and in Asheville.

Our approach to the just transition relies on constant communication with our current employees. Understanding employee needs through transparent and frequent conversations has steered Duke Energy toward equitable solutions to unavoidable shifts in the workforce, particularly as we phase out coal plants. Learn more about our skills-based workforce development approach in the Training and Development section of this report. In general, we have been able to find an opportunity for most Duke Energy employees that would like to stay with the company, and our skills-based development programs have contributed to this success.

We need to train the next generation of the workforce – for our sector – in new skills while ensuring we also have a diverse pipeline of talent for the jobs of today. As a component of this work, the Duke Energy Foundation also awarded over $2.8 million in support of workforce development programs with a focus on the energy sector in 2022. The funds include more than $1.4 million in grants to 22 community college programs across its service areas working to create a pipeline of skilled lineworkers who will help meet the energy industry's future workforce needs.

Read more in our Just Transition Case Study and our Just Transition Priority Brief.

Charitable Giving

The Duke Energy Foundation invests over $30 million annually in charitable giving. In 2022, we refreshed the Foundation's vision, which prioritizes three pillars: vibrant economies; climate resilience; and justice, equity and inclusion. Through this approach, our philanthropy is well aligned with our net-zero business strategy and helps to amplify the benefits of the clean energy transition in our communities. In all our efforts, we aim to use our unique capabilities to address important community needs. In 2022, Duke Energy contributed over $17 million to partner organizations aligned with the Foundation's vision.

2022 Charitable Giving

$31.3 MILLION
Duke Energy Foundation

$17.8 MILLION
Other company cash contributions[2] and in-kind gifts and services[3]

$3.0 MILLION
Estimated value of volunteer's time

1 Charitable Giving by Duke Energy and its Foundation was $44.8 million.

2 Includes charitable giving associated with regulatory settlements.

3 Payment made in the form of goods and services instead of money. Total Charitable Giving does not include $9.2 million in cash contributions from employees and retirees.

This year showed how our refreshed strategy delivers results for our communities. In December, for example, Duke Energy announced the North Carolina nonprofits that received a total of $1 million in grants provided by the Duke Energy Foundation to advance social justice and racial equity. The program distributed $25,000 to 40 organizations across the state. Since 2020, we've also provided more than $15.8 million to support building a diverse energy workforce. Learn more about the Foundation's work here.

Duke Energy employees put our Foundation's strategy into practice and carry out key volunteerism and community engagement initiatives. In 2022, Duke Energy employees and retirees dedicated over 100,000 hours to local projects, contributing almost $3 million in estimated value of their volunteer time. The multiweek, annual Power of Giving campaign empowers employees and retirees to support their communities and causes of their choice through volunteering and donations that are matched dollar for dollar, up to $2,500 annually, by the Duke Energy Foundation. The program provided more than $13 million for communities in 2022.

The Duke Energy Foundation's President guides our Foundation work and communicates regularly with executives and Foundation trustees to operationalize the Foundation's charitable focus. The president is supported directly by the Foundation's operations and engagement team and works closely with our state leads. As the Foundation demonstrates meaningful business alignment, we will continue developing and strengthening community relationships.

Employees

Employee Health & Safety

Safety is a Duke Energy core value and foundational to everything we do. Our enterprise dedication to safety helps us attract, retain, and protect the best people. Our goal is to achieve a zero-injury workplace, and we continue to review our safety practices and training to keep our employees and contractors safe.

For the eighth straight year, we expect to maintain our industry-leading safety performance as measured by Total Incident Case Rate (TICR). In 2022, the company's TICR increased slightly from 0.36 to 0.40. We recorded 16 total work-related employee serious injuries.

Oversight of our Employee Health & Safety programs sits at the highest levels of the company, and the Board-led Operations and Nuclear Oversight Committee is briefed quarterly on performance. The Director, Corporate Health & Safety and the Director, Corporate Environmental Governance are responsible for daily EHS oversight, with support from a dedicated team of environmental and safety specialists. They report to the Vice President of Environmental, Health & Safety (EHS), with ultimate oversight from the Senior Vice President, Coal Combustion Products & EHS.

Duke Energy maintains several hazard recognition and reporting programs, such as the EHS Observation Program, the Pre-job Safety Briefing Standard, the Job Hazard Assessment process and the High-risk Tools Program. All employees receive regular training through our EHS Training Program. The curriculum is tailored to employees' individual program and job responsibilities, while factoring in relevant regulations and compliance. Completion is tracked through our MyLearning Learning Management System.

Steven Langford, Florida (top)

Lamar Penny, Kentucky (bottom)

In 2022, Duke Energy continued strengthening its high-energy hazard detection and mitigation program, which helps employees prioritize their actions to reduce events that have the greatest potential to result in a serious injury or fatality. We participated in Edison Electric Institute's (EEI) the Future of Safety Metrics Working Group, which developed a new safety measure – the Severity-Based Lagging Indicator – which will be piloted in 2023 as part of the EEI survey. Furthermore, the Future of Safety Metrics Working Group is developing the framework for the Hazardous Energy Controls Assessment (HECA), a method for performing field observations that focuses on identifying and mitigating high-energy hazards and the presence/absence of direct controls before the work occurs. Duke Energy plans to pilot the HECA in 2023.

Our steadfast commitment to industry-leading performance, improvement and accountability regarding safety furthers our employees' trust and confidence in their work and produces positive energy outcomes for the communities we serve.

Human Capital Management

Our Workforce Strategy

Duke Energy's workforce strategy is centered around attracting the best talent, reflecting the communities we serve and helping workers thrive in a dynamic and constantly evolving industry, which is especially critical as we lead the clean energy transition.

Safety Performance Metrics

	2019	2020	2021	2022
Employee and contractor work-related fatalities	3	1	3	**1***
Employee total incident case rate (TICR)[1,2]	0.38	0.33	0.36	**0.40**
Employee lost workday case rate (LWCR)[1,3]	0.14	0.18	0.16	**0.16**

1 Includes both employees and workforce augmentation contractors.

2 Number of recordable incidents per 100 workers (based on OSHA criteria).

3 TICR excluding Natural Gas Business Unit was 0.34.

*Under review – we had one employee fatality and it is currently under investigation.

Attracting the Best Talent

We continuously evaluate our practices across the hiring life cycle to deliver on our commitments to customers. This includes building relationships with four-year colleges and technical schools, as well as community organizations and professional organizations to strengthen our pipeline of high-quality, skilled and diverse talent to build the infrastructure for our net-zero carbon future. In 2022, we invested more than $1.4 million to support workforce development programs to create a pipeline of skilled lineworkers via grants to help meet the energy industry's future clean energy educational and workforce training needs. These grants were awarded to 22 community colleges across our electric utility service area, including establishing a new lineworker program in Charlotte, North Carolina.

We are committed to providing market-competitive, fair and equitable compensation by regularly reviewing employee pay and conducting internal pay equity reviews, benchmarking against peer companies to ensure our pay is competitive.

We support the well-being of our employees and their families physically, emotionally, and financially through our wellness and mental health programs. In 2022, we launched a new digital diabetes support program to help prevent or manage diabetes by creating lasting lifestyle changes. We continue to promote financial well-being through education campaigns and the opportunity for employees to connect with a financial coach.

Training and Development

As the energy industry goes through a massive transition, we are focused on helping employees gain the skills they need to succeed. Some of our key skills-based development programs include:

- **Multiskilling**: We are providing additional training to coal plant workers to maintain our track record of successfully placing employees impacted by plant retirements in other positions within the company.
- **Talent Marketplace**: Through this program, employees stay in their current role while spending time each week working with other departments to develop skills, build new relationships, and expand their knowledge of the company. These short-term development opportunities, known as "gigs," present pathways for employees to move into new roles and areas of the business giving them more career opportunities and the company a more agile workforce.
- **Power Your Career Framework**: In 2022, Duke Energy rolled out the Power Your Career framework, which helps employees take charge of their career development by providing resources and workshops on career and development opportunities. These sessions have generated significant interest and positive feedback from employees.

Employee Voice

"The Voice" survey is our primary tool to measure employee engagement and solicit feedback. The survey uses the employee Net Promoter Score (eNPS), based on a -100 to +100 scale, to gauge the likelihood of employees recommending Duke Energy as a place to work to a friend or colleague. In 2022, we had an ongoing survey response rate of 41%, and our overall eNPS was 30 (consistent with 2021 results).

Topics such as ethics and safety, teamwork and employee sentiment toward their immediate supervisor/manager consistently score very favorably. For example, over 90% of employees report they understand the resources available to report concerns, feel supported in raising concerns and believe leadership will address concerns in a timely manner. In addition to enterprisewide programs and initiatives, we leverage engagement councils to implement targeted actions within business units. A few examples of changes based on survey feedback include a leadership spotlight series to provide insight and build relationships amongst senior leadership and employees, business unit recognition programs and additional mentorship programs and career development workshops. Ongoing measurement is important and promotes frequent conversations at all levels about what we are getting right and what we can do better.

Governance

Duke Energy's Human Resources organization is responsible for our human capital management strategy, which includes recruiting and hiring, employee engagement, diversity and inclusion, workforce planning, talent and succession planning, performance management and employee development. Human capital management is supported by strategic oversight from our Board of Directors, primarily through the Compensation and People Development Committee.

Diversity and Inclusion

A diverse workforce and an inclusive culture make our company stronger. Our senior leadership team is fully aligned and is accountable for the company's progress.

All leaders have individual workforce performance goals that include diversity and inclusion, and we achieved a high completion rate for our immersive racial awareness training among our top 400 leaders.

Duke Energy's strategies to implement our commitment to diversity & inclusion (D&I) include the following:

- Ensuring a diverse talent pipeline to increase workforce and leadership representation.
- Building an inclusive workplace, culture of inclusion and sense of belonging.
- Facilitating external community and supplier diversity engagement.

Learn more about our leadership commitment and accountability initiatives.

We are working to increase diversity across our workforce. To support our goals of increasing diverse representation, Duke Energy has developed partnerships with historically Black colleges and universities (HBCUs) as well as other organizations like the National Urban League and the American Association of Blacks in Energy. Our workforce in 2022 consisted of approximately 23.9% women and 20.4% people of color. We're proud to have reached our aspirational workforce goal of 20% people of color in 2022 and will continue to strive toward our aspirational goal for women in the workforce. We recently established new aspirational goals of 23% for people of color and 28% for women, as reflected in our ESG Goals table.

We also collaborate with military organizations and community colleges to support training opportunities for diverse students as we work toward increasing our diverse pipeline of technical workers. We are dedicated to strengthening the pipeline of HBCU student and graduate talent through engagement, awareness, education and sustainable relationships. This strategy includes strong partnerships from leaders across the company.

We continue to show strong results related to fostering a culture of inclusion. Consistent with 2021, our 2022 overall D&I Index score in the Voice employee survey was 83. Our highest scoring questions were "My manager treats me with respect" (94%) and "My manager supports inclusion and diversity in the workplace" (92%). We also increased participation in our Employee Resource Groups (ERGs) in 2022 and launched a new ERG to focus on mental wellness and foster increased awareness and support around neurodiversity. The company has 10 ERGs with 37 chapters and more than 6,500 employees participating or about 23% of our workforce.

Duke Energy continues to grow its "Let's Talk About It" conversations. These are a series of discussions about thought-provoking topics to help build awareness and understanding in support of an inclusive workplace. In 2022, more than 8,000 employees participated in these conversations, an increase from 5,500 in 2021.

Read more on our D&I website.

Workforce Performance Metrics

Workforce Statistics

	12/31/20	12/31/21	12/31/22
Full- and part-time employees	27,730	27,605	**27,859**
Collective bargaining unit members as percent of workforce	18.7%	18.3%	**18.2%**

Employee Turnover Summary

	2020	2021	2022
Turnover as percent of workforce	5.7%	7.8%	**9.3%**
Percentage of employees eligible to retire in five years[1]	42%	41%	**39%**
Percentage of employees eligible to retire in 10 years[1]	53%	52%	**50%**

1 "Eligible to retire" is defined as 55 years of age or older, with at least five years of service.

Workforce Demographics

The company has deployed strategies to increase the diversity of our workforce, including a team that is dedicated to recruiting from historically Black colleges and universities, community colleges and diverse professional organizations. These strategies also include understanding and mitigating potential barriers for underrepresented groups. Our 2022 progress has been positive, and our representation of people of color and women continue to increase across the company.

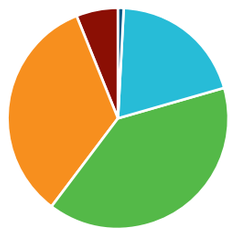
	12/31/20	12/31/21	12/31/22
Workforce Diversity			
Women as percent of workforce	23.3%	23.9%	**23.9%**
People of color as percent of workforce	18.8%	19.6%	**20.4%**
Leadership Diversity			
Women as percent of all leadership[1]	19.8%	21.3%	**21.9%**
Women as percent of vice presidents and above	27.2%	27.6%	**27.5%**
Women as percent of chief officer roles (COO, CFO, etc.)	30.4%	37%	**33.3%**
People of color as percent of all leadership[1]	13.0%	13.6%	**14.4%**
People of color as percent of vice presidents and above	18.5%	17.3%	**18.0%**
People of color as percent of chief officer roles (COO, CFO, etc.)	26.1%	18.5%	**20.8%**

1 "All leadership" includes EEO-1 Job Categories "Executive or Senior-Level Officials and Managers" and "First or Mid-Level Officials and Managers."

A Multigenerational Workforce

Gen X, millennial and Gen Z workers collectively represent 80% of Duke Energy's workforce. Traditionalists and baby boomers comprise about 20%. The company highly values every employee from every generation, every background and every way of life. Duke Energy workers' diverse skills, deep knowledge and broad experience ensure that customers' energy needs are reliably met, around the clock.

Five Generations of Duke Energy Employees*



<1% Traditionalists (born before 1946)
20% Baby boomers (born 1946-1964)
40% Generation X (born 1965-1981)
34% Millennials (born 1982-1995)
6% Generation Z (born after 1995)

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

Workforce Demographics by Job Category

Duke Energy's diverse and inclusive workforce meets the energy needs of a growing and similarly diverse customer base.

2022 EEO-1 Job Category[1]	Asian	Black or African American	Hispanic or Latino	American Indian or Alaska Native	Native Hawaiian or Other Pacific Islander	Two or More Races	White	Grand Total
Administrative Support Workers	**20**	**1,126**	**221**	**18**	**3**	**123**	**1,303**	**2,814**
Female	13	954	157	16	1	90	1,043	**2,274**
Male	7	172	64	2	2	33	260	**540**
Craft Workers	**37**	**564**	**137**	**77**	**5**	**106**	**6,421**	**7,347**
Female	4	42	4	3		2	151	**206**
Male	33	522	133	74	5	104	6,270	**7,141**
Executive/Senior-Level Officials	**5**	**18**	**5**	**3**		**1**	**146**	**178**
Female	1	5	2	1			40	**49**
Male	4	13	3	2		1	106	**129**
First/Mid-Level Officials	**55**	**347**	**91**	**25**	**4**	**50**	**3,448**	**4,020**
Female	17	128	29	5		17	676	**872**
Male	38	219	62	20	4	33	2,772	**3,148**
Laborers and Helpers		**8**	**2**	**1**			**27**	**38**
Female		2					3	**5**
Male		6	2	1			24	**33**

Workforce Demographics by Job Category (continued)

2022 EEO-1 Job Category[1]	Asian	Black or African American	Hispanic or Latino	American Indian or Alaska Native	Native Hawaiian or Other Pacific Islander	Two or More Races	White	Grand Total
Operatives	**1**	**89**	**52**	**29**		**33**	**1,064**	**1,268**
Female		1		1			22	**24**
Male	1	88	52	28		33	1,042	**1,244**
Professionals	**397**	**1,147**	**377**	**55**	**8**	**202**	**8,480**	**10,666**
Female	139	535	139	12	2	53	2,136	**3,016**
Male	258	612	238	43	6	149	6,344	**7,650**
Sales Workers	**1**	**9**	**3**	**1**			**59**	**73**
Female		5	1				15	**21**
Male	1	4	2	1			44	**52**
Technicians	**18**	**135**	**39**	**12**		**32**	**1,219**	**1,455**
Female	4	38	7			3	130	**182**
Male	14	97	32	12		29	1,089	**1,273**
Grand Total	**534**	**3,443**	**927**	**221**	**20**	**547**	**22,167**	**27,859**

1 Data as of December 31, 2022, as submitted by Duke Energy on its consolidated EEO-1 report to U.S. Equal Employment Opportunity Commission.

Suppliers

Our suppliers are key partners in Duke Energy's clean energy transition, and our collaboration brings long-term value and benefits to our customers, employees, shareholders, communities and the environment. We measure the effectiveness of our engagement initiatives by managing each unique relationship based on the level of supplier across critical, strategic and foundational categories.

Our supply chain sustainability strategy is to work with suppliers to reduce emissions, deploy new technologies for the clean energy transition, promote economic development and increase diversity among our suppliers. Sustainability throughout our supply chain supports our net-zero by 2050 goals as we aim to reduce Scope 3 emissions by 50% from 2021 levels by 2035. In addition, our enterprisewide aspirational goal is to increase Tier 1 spend to $2 billion by the end of 2027. Achieving this will require us to increase both our total enterprise spend annually as well as our diverse supplier spend growth rate.

Sustainability Survey

We consider sustainable practices during the bid evaluation phase for suppliers. In 2022, we updated our sustainability survey, which evaluates suppliers based on environmental and social criteria and benchmarks them against industry peers. Through this survey, suppliers can submit an improvement plan in areas where they may be below their industry peer benchmarks.

Duke Energy also completed an estimate of our Scope 3 GHG emissions related to products and services. This provided a baseline figure for our supply chain as we plan for emissions reductions in 2023.

Strengthening Local Economies

Our supply chain spend is an important avenue to strengthen local economies, diversity and environmental stewardship in our sourcing selection process. We conduct outreach to raise awareness about supply chain opportunities for local, regional and national trade associations, educational institutions, community economic development organizations and others. In 2022, we promoted economic development and support for our communities, including:

- Spending $14 billion overall on supplier goods and services to provide electricity and natural gas to our customers.
- Spending more than $5 billion with local suppliers.
- Spending with diverse suppliers, in excess of $1.8 billion, with nearly $700 million of the total coming from subcontracts with our prime contractors.

We also support economic development through Hire North Carolina, which is directed and overseen by the NCUC. Duke Energy has added 166 suppliers to our Hire North Carolina list of qualified resident contractors, expanding the local contracting source pool for high-value work within the state. In 2022, Duke Energy awarded $154 million to resident contractors through 22 contracts, four of which were signed with diverse businesses.

Read more in our Supplier Diversity Impact Report.

Recognizing Supplier Efforts

Duke Energy's commitment to local and diverse suppliers was enhanced by our Supplier Diversity University. In its second year, the program offered a two-day educational event focused on strengthening existing diverse supplier relationships and developing new ones.

The Duke Energy team also issued awards to high-achieving suppliers during our Supplier Exchange Forum in categories including corporate responsibility, diversity and safety.

Diverse and Local Supplier Spending

(in millions)	2018	2019	2020	2021	2022
Spending with Tier 1 diverse suppliers[1]	$850	$1,153	$895	$930	**$1,175**
Spending with Tier 2 diverse suppliers[2]	$492	$467	$387	$613	**$699**
Total diverse supplier spending	**$1,342**	**$1,620**	**$1,282**	**$1,543**	**$1,874**
Spending with Tier 1 local suppliers[1]	$4,180	$4,940	$4,094	$4,039	**$5,066**

1 Tier 1 represents direct purchases from diverse or local suppliers.

2 Tier 2 consists of spending by Duke Energy suppliers with diverse suppliers/subcontractors.

Responsible Sourcing

In 2022, Duke Energy worked with a third party to perform a human rights assessment across our enterprise reviewing our practices regarding human rights and sustainability. We are also engaged with the Electric Utility Industry Sustainable Supply Chain Alliance, an organization that works to advance sustainability best practices in utility supply chain and supplier networks.

Our responsible sourcing strategic priorities meet the needs of our customers, employees and investors while ensuring our deep commitment to impacting the vitality of local economies and diverse suppliers.

Strategic Priorities

- Promote equity of supplier opportunities through engagement in competitive bidding opportunities and evaluations.
- Ensure our vendor partnerships maintain a level of focus and commitment to sustainable practices and working conditions.
- Fortify and establish vendor relationships that are reflective of our deep commitment to sustainability, supplier diversity and local economic inclusion.
- Our supply chain efforts reduced waste and transportation-related greenhouse gas (GHG) emissions in 2022 as we completed the following:

Waste

- Diverted more than 112,380 tons of solid waste to recycling and beneficial reuse.
- Diverted more than 82% of old power poles, pallets, reels and other wood.
- Remanufactured and repaired 15% of scrap transformers, significantly decreasing the need to purchase new equipment and reducing the use of oil and metals, such as copper, aluminum and steel.

Transportation

- Enacted trucking and logistic improvements, resulting in seven backhaul pickups, saving over 534 traveled miles.
- Used telematics to reduce idle time on trucks by 60%, preventing 77 tons of GHG emissions.

Supply Chain Continuity

Duke Energy's supply chain strategy works to optimize its warehouse and logistics network, leverage data analytics and advanced technologies and strengthen relationships and coordination with suppliers. We address supply chain continuity issues by improving demand planning and forecasting, proactively placing material orders in advance, and prioritizing available inventory to maintain storm readiness and meet the greatest customer needs.

Recognizing the likelihood of continued supply challenges, Duke Energy has a continued focus on:

- Leveraging its scale to maintain affordability and reliability for customers
- Making longer-term commitments with suppliers to secure critical clean energy materials like solar panels
- Refurbishing and recycling key grid improvement products, including wooden poles and transformers
- Identifying alternative sources of supply and substitute products, which often include diverse and local suppliers

Our supply chain philosophy balances constrained supply and record-breaking demand to support Duke Energy's capital plan while building a stronger supply chain that is demand-driven, customer-centric, and swift to adapt to headwinds.

Supply Chain Governance

Our supply chain governance process ensures our suppliers operate safely and in compliance with all regulations, laws, and relevant internal policies and standards. We ensure continuity in our supply chain through policies, sourcing standards, standard legal terms and conditions, and our Supplier Code of Conduct.

Our Chief Procurement Officer oversees supply chain management in collaboration with key business units, including Finance, Legal and Ethics and Compliance. Day-to-day oversight of Duke Energy's responsible sourcing work comes from the Vice President, Sourcing, who reports to the Chief Procurement Officer. Duke Energy also has Supply Chain Non-Financial Risk and Compliance, Supply Chain Policy and Controls, and Vendor Risk Management functions that report up through the Chief Procurement Officer.

Supplier adherence to Duke Energy's responsible terms and conditions and our Supplier Code of Conduct is a condition of doing business with the company. Our Duke Energy Sourcing Standards provide direction on bid events, evaluations and awarded contracts. Duke Energy's supply chain adheres to the Supply Chain Operating Model, Supply Chain Sourcing Standards, Purchasing Controls Policy, Purchase Authority Policy and Accounts Payable Policy, that promote fair labor practices, ethical principles and financial and regulatory compliance. Our public policies include:

- Supplier Code of Conduct
- Human Rights Policy

Suppliers are contractually required to report any policy violations by any party to Duke Energy. In addition, if we receive any reports of potential policy violations, we follow up with the supplier to address the potential policy violation.

Governance & Integrity

Trust starts with transparency. Our governance, ethics and compliance work is governed by our core values of safety, integrity and service. Our Board of Directors provides leadership and guidance that drives sustainable, long-term value for our stakeholders, including employees, customers and the communities we serve.

SUSTAINABLE DEVELOPMENT GOALS

13 CLIMATE ACTION

Rudolph Rudder, South Carolina

Governance & Integrity

ESG Governance

ESG is embedded across all areas of our business. Our ESG team oversees our day-to-day progress on key initiatives, goals, reporting and disclosures, and facilitates conversations with stakeholders.

The ESG Strategy & Disclosures Committee, established in 2021, is responsible for ensuring awareness related to ESG activities across the company and meets on a bimonthly schedule. The committee is co-chaired by Legal, Accounting, and ESG/Sustainability and is represented by numerous Senior Vice Presidents, Vice Presidents and directors across the business including representatives from Investor Relations, Enterprise Strategy, Diversity & Inclusion, Policy and other leaders.

Board Governance

Effective corporate governance continues to be a critical component of our business success. Our President and CEO Lynn Good chairs our Board of Directors, which provides leadership and guidance that drives sustainable, long-term value for our stakeholders, including employees, customers and the communities we serve.

Our Board is responsible for overseeing the company's long-term strategy to provide clean, reliable and affordable energy to our customers. As part of this oversight, ESG topics, commitments and strategies are discussed at every meeting, with a focus on the company's performance metrics and incentives that align with those commitments. Board members also discuss our climate strategy, with a focus on topics such as regulatory and legislative issues, jurisdictional matters, energy transition and more. We invite outside experts to offer the Board insights and implications related to global energy developments, such as the industry's transition to a low-carbon future.

The Board regularly reviews its composition to ensure that its collective membership has the skills necessary to meet the needs of the business and reflects a diversity of perspectives and experiences. The Board is structured with a strong independent lead director role that assists the chair and CEO in setting agendas, approving meeting schedules and leading the independent members of the Board in executive committee sessions at each meeting, among other responsibilities. When there is a seat to fill, the Corporate Governance Committee identifies the skills and other qualifications needed. A third-party executive search firm helps identify potential director candidates with these criteria in mind.

All members of the Board, except Lynn Good, are independent and participate in one of Duke Energy's five committees. The committees oversee all operational, financial, strategic and reputational risks, as set forth in their respective charters. In 2022, the committees had the following responsibilities and ESG involvement:

Audit Committee

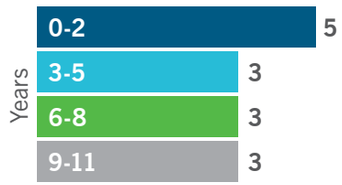
- Quality and integrity of the corporation's financial statements.
- Compliance with legal and regulatory requirements.
- Independent auditors' qualifications and independence.
- Performance of the internal audit function and independent auditors.
- Implementation and effectiveness of the ethics and compliance program.
- Oversight for matters related to the security of, and risks related to, information technology systems and procedures and all ESG matters included in the periodic reports filed with the SEC.

Our Board Composition*

Tenure*

5

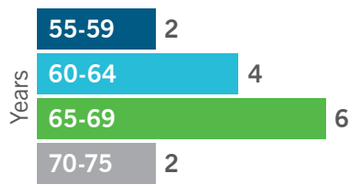
Average Years

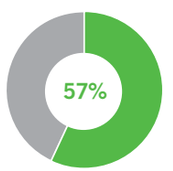


Age*

65

Average Age



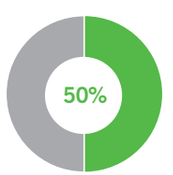


Board Retirement*

8 out of 14 director nominees were first appointed or nominated for election in the last five years.

Independence*

13 out of 14 director nominees are independent (all directors except Chair, President and CEO).



Gender, Racial and Ethnic Diversity*

7 out of 14 director nominees are female or identify as part of a minority group.

Compensation and People Development Committee

- Company compensation philosophy, practices and programs.
- Compensation of company executives.
- Human capital initiatives, including diversity and inclusion goals, employee engagement and talent development, including trends.

Corporate Governance Committee

- Identification and nomination of director candidates.
- Corporate governance principles applicable to the company.
- Overall corporate governance of the company including governance-related evolving best practices.
- Evaluation of the Board, the individual directors and the Board committees, and management of the CEO succession plan and the continuity planning process.
- Charitable contributions and priority areas, including contributions to diversity initiatives in the communities that our company serves.
- Policies and practices with respect to political contributions, legislative lobbying and political activities on the local, state and federal levels.

Finance and Risk Management Committee

- Financial and fiscal affairs, including employee benefit plan investments, dividend, financing and fiscal policies.
- Financial exposure of the company and mitigating strategies.
- Provide oversight for the processes to assess and manage enterprise risk assessment review, enterprise risk and exposure, including ESG risks.
- Review and approval of major capital projects, such as large renewable projects or the construction of new generation assets.
- Compliance with the Approval of Business Transactions Policy and associated Delegation of Authority financial impacts of major transactions (mergers, acquisitions, reorganizations and divestitures).

Diversity of Skills, Qualifications and Experience*

Our Board exhibits a diverse range of skills and experience that collectively creates a well-rounded perspective suitable to protecting the interests of shareholders. The table below denotes the areas of expertise we value and the number of directors with that expertise or experience.

	**Customer Service** experience is important as Duke Energy focuses on meeting customer expectations and transforming the customer experience.	**10**
	**Cybersecurity/Technology** experience is important in overseeing the security of Duke Energy's business and operational technical systems, including customer experience, financial systems, and internal and grid operations.	**9**
	**ESG** experience is important as incorporating sustainable business operations into Duke Energy's actions is vital to the success of our strategy.	**10**
	**Human Capital Management** experience is important in overseeing the needs of our workforce – Duke Energy's most critical resource.	**12**
	**Industry** experience is important in understanding the unique technical, regulatory, and financial aspects of the utility industry.	**12**
	**Regulatory/Government** experience is important in understanding the regulated nature of the utility industry, including environmental regulations.	**12**
	**Risk Management** experience is important in overseeing a myriad of risks, including operational, financial, strategic, and reputational risks that affect our business.	**13**

*Information provided for director nominees.

Operations and Nuclear Oversight Committee

- Nuclear safety, operational and financial performance
- Long-term plans and strategies of the nuclear power program
- Operational, environmental and health and safety performance of non-nuclear regulated utilities

For more information about our Board of Directors, check out the proxy statement for the 2023 Annual Meeting of Shareholders and the corporate governance section of our website.

Executive Compensation

We maintain a market-based, metrics-driven executive compensation program designed to:

- Attract and retain talented executives and other key employees
- Align executives' interests with those of stakeholders, including shareholders, employees and customers
- Link pay to performance
- Emphasize performance-based compensation to motivate executives and other key employees
- Reward individual performance
- Encourage long-term commitment to Duke Energy

Executive Compensation Governance

The Duke Energy Executive Rewards team has day-to-day oversight of our executive compensation plans. They work in close partnership with the Human Resources legal team to design and administer our program. This team is accountable to the Chief Human Resources Officer and CEO, and material decisions are governed by the Compensation and People Development Committee of the Board of Directors. There are five standing meetings each year when executive compensation and performance metrics are discussed and reviewed, with special meetings scheduled as needed.

Policies governing executive compensation include our Clawback Policy, Stock Ownership Policy and Severance Policy. Additionally, our executive compensation program is subject to a number of laws and regulations, including tax, securities and corporate governance.

More information about our compensation practices can be found in the proxy statement for the 2023 Annual Meeting of Shareholders.

Executive Compensation Program

Duke Energy meets our executive compensation objectives through a mix of compensation that includes base salary, short-term incentives and long-term incentives consisting of performance shares and restricted stock units.

To support clean energy initiatives, our short-term incentive (STI) plan scorecard includes a quantitative climate goal that focuses on the megawatt capacity growth of our non-emitting generation and storage capacity measured over a one-year period in comparison to preestablished objective performance criteria. Additionally, the individual objectives for each named executive officer under the STI plan include strategic climate goals to support the achievement of our clean energy strategy and focus on the following:

- **Climate Strategy**: Demonstrating leadership to advance our climate strategy to cost-effectively reduce carbon emissions from electricity generation by at least 50% by 2030 and achieve net-zero methane emissions from natural gas distribution by 2030.
- **Public Policy**: Advocating for public policy related to our climate strategy.
- **Stakeholder Engagement**: Strengthening stakeholder relationships to position the company for the clean energy transformation.
- **Investing in Clean Energy**: Including renewables and storage, grid capacity and capabilities as well as innovative customer programs to support our clean energy transition.

Other key ESG-related components of the company's compensation program include:

- **Safety**: Ensuring safety remains the company's top priority, with the goal of achieving an injury-free workplace based on the TICR among employees (defined as the number of recordable safety incidents per 100 workers using U.S. Occupational Safety and Health Administration criteria).
- **Environmental Events**: To ensure the company's commitment to the environment, based on the number of reportable environmental events.
- **Nuclear Reliability**: To measure the performance of our nuclear generation assets and is a component of the Reliability Index under the company's STI plan.
- **Customer Satisfaction**: To prioritize the customer experience and customers' growing demand for cleaner energy, based on a composite of customer satisfaction survey results for each business area.

Ethics and Compliance

The Duke Energy Ethics and Compliance Program sets expectations for the workforce with policies, communications and training across topics including fraud, anti-corruption, data and information management. The program also ensures accountability to those expectations with investigations, monitoring and other assurance activities. The program seeks to earn trust from key stakeholders adhering to political activity and compliance, anti-corruption compliance and state and federal regulatory compliance. In 2022, we continued to strengthen our ethics culture and compliance across the enterprise with enhanced technology, targeted messaging and process improvements.

Ethics and Compliance Governance

Our Chief Ethics and Compliance Officer (CECO) ensures the Ethics and Compliance Program is effective at preventing, detecting and responding to illegal or unethical conduct. Our CECO routinely reports updates on these matters to our Executive Vice President and Chief Legal Officer.

Our CECO is a member of the ESG Strategy and Disclosure Committee, with specific responsibility for integrating ethics and compliance into our strategy and all ESG-related disclosures. The CECO also provides quarterly updates to the Ethics and Compliance Executive Committee and the Audit Committee of the Board of Directors. The Ethics and Compliance Executive Committee reviews the scope, implementation and effectiveness of the program and reports findings to the CEO, and the Board's Audit Committee.

We continuously review policies and strengthen controls and oversight to improve performance and accountability. Our Ethics and Compliance work is governed by our core values of Safety, Integrity and Service, and three core codes: (1) the Code of Business Ethics for all employees; (2) the Supplier Code of Conduct for suppliers and contingent workers; and (3) the Code of Business Conduct and Ethics for Members of the Board of Directors. These codes are supported by numerous policies related to Human Resources, Finance, EHS, Security and other compliance areas. Each group is expected to be familiar with and adhere to the applicable code to support good decisions aligned with our values.

Employee Training

Employees are required to complete ethics training in their first 30 days on the job, as well as an annual ethics refresher and compliance training based on their role. Each year, all employees are also required to acknowledge their responsibility to comply with the Code of Business Ethics and confirm their obligation to report violations of laws, rules or company policies. Training is also provided for suppliers and members of the Board of Directors.

Updated Policies

We expect company leadership to frequently discuss ethical issues with employees. Our efforts to support an ethical workplace include digitally transforming

Sabrina Austin / Andrea Wages, North Carolina

Isabel Homan, Kentucky (top left)
Marcellus Hunter, South Carolina (top right)
Kyle Watkins, South Carolina (bottom)

the Ethics and Compliance reporting systems, strengthening political activity controls around lobbying and political expenditures and improving responses to data privacy breach prevention and exposures. In 2022, we implemented several policies and enhanced the control environment:

- Implemented a new Retaliation-Free Workplace policy; previously this policy was embedded within other policies but is now a stand-alone policy.
- Created video training for the Board of Directors to reinforce ethical standards and principles.
- Strengthened political activity controls around outside lobbyists and political expenditures including a new Political Advocacy and Coordination Firewall Policy and informational video for outside lobbyists.
- Developed a mass data exposure response protocol.

Learn more about Duke Energy's political activity in the Political Giving section.

Grievance Mechanisms

We continue to support a "speak up" culture where workers can ask questions and raise concerns without fear of retaliation. Duke Energy encourages workers to report suspected wrongdoing and offers anonymous, independent third-party reporting tools to address fear of reprisal. All allegations are investigated to ensure fair and consistent treatment, and retaliation is strictly prohibited. Our range of grievance mechanisms ensures communication channels and action, including:

- **Open Door Policy**: Lists the many grievance mechanisms available to employees and establishes our intent to provide an environment where employees feel free to raise concerns without fear of retaliation or intimidation.
- **Retaliation-Free Workplace Policy**: Prohibits any negative employment action for reporting a concern or participating in an investigation. Anyone involved in retaliation will receive corrective action, up to and including termination of employment.
- **EthicsLine**: A dedicated telephone and online reporting service maintained by a third-party vendor that is available 24 hours a day, seven days a week. Employees can choose to remain anonymous when using the EthicsLine. Anonymous reporters are provided with a unique identifying code to allow them to answer follow-up questions and to receive a response to their concerns. We triage and investigate 100% of reported cases. Each concern is documented in a central case management system upon receipt.
- **Human Rights Grievance Mechanism**: An assessment tool to ensure adherence to our Human Rights Policy Document.
- **Trending and Analysis**: Ethics activity is gathered and evaluated on a regular basis to identify trends.

In 2022, we received 1.9 reports per 100 employees of breaches of our ethics codes compared to our benchmark median of 1.7. Of those, 37% were substantiated, most resulting in corrective action. Corrective action includes, but is not limited to, discipline up to and including termination of employment, process and internal control reviews, policy improvements and communication to reinforce expectations.

Eric Stone, North Carolina (top)

Newport Tie Station, South Carolina (bottom)

Human Rights

We conduct business in ways that are ethical and respectful of the dignity and rights of all people. Our Human Rights Policy formalizes our enterprisewide commitments to Duke Energy's workforce, communities, stakeholders and suppliers, as well as transparency mechanisms. We are currently updating our policy to expand on our commitment to respecting and recognizing human rights, including personal and data privacy to be published in 2023.

Human rights touch every area of our value chain – it is an enterprisewide effort to ensure all employees and suppliers are aware of our policies and procedures. The Legal, Ethics & Compliance, Supply Chain, and ESG teams are actively engaged in our human rights program. Supply Chain enforces and upholds our policies and practices daily while coordinating with suppliers and contingent workers, and Ethics & Compliance provides oversight and remedy mechanisms to protect and respect human rights. The ESG team keeps current on best practices and potential human rights risks in collaboration with Legal. Human rights activities also are discussed at least annually by the ESG Strategy and Disclosure Committee, and as needed with the Board of Directors.

In 2022, we increased our engagement by engaging a third party to perform a human rights assessment across the enterprise assessing our Human Rights Policy and human rights risks relative to appropriate business units. We also started expansion efforts to align our business with the United Nations Sustainable Development Goals, as can be seen in the section divider pages of this report as well as in the Index at the back of this report.

Other governing policies include the Code of Business Ethics and the Supplier Code of Conduct.

Grid Security and Cybersecurity

As one of the nation's largest grid operators and operators of designated critical natural gas pipelines, we know that ensuring the security of our assets and information is vital for delivering the essential service our customers and communities depend on. Steadfast and sophisticated cybersecurity and physical security operations are vital parts of that responsibility. Within the last three years, Duke Energy has only experienced immaterial information security events for which the total expenses incurred were immaterial.

International tensions in 2022 continue to underscore the need for a strong cybersecurity posture for our critical infrastructure, and the increased number of substation attacks across the nation and in Duke Energy's own territory in Moore County put the spotlight on physical security measures and we continue to provide support and collaborate to help law enforcement in their ongoing investigation. When it comes to grid protection, we have a proactive strategy that includes robust standards, a multilayered physical defense system, a highly skilled, cross-functional team of cybersecurity and physical security professionals that monitors and responds to threats 24/7, and daily information sharing with our industry and government partners.

The cybersecurity team collects millions of data points every day and distills the threat data into actionable alerts. In 2022 alone, cybersecurity analysts conducted hands-on investigations of 35,000 alerts. The electric, nuclear power and natural gas sectors are also subject to a range of mandatory regulations

and security directives, as well as cybersecurity standards and voluntary guidelines. As we accelerate digital transformation across the company and further modernize our grid – including spending $75 billion over the next decade on grid improvements – we continue to implement advanced security measures for operational technology at our substations, power plants and new grid mechanisms.

We regularly communicate and coordinate with peer utilities, industry partners, security organizations and government agencies – including the Department of Homeland Security and the FBI – to share intelligence and best practices. To prepare to respond to threats, we hold drills several times a year to test incident response plans and ensure employees understand their roles in an event. We also participate in external drills that include members of management and, at times, our Board of Directors, which helps us coordinate with other critical infrastructure.

Last year, we also began sponsoring the Clean Energy Cybersecurity Accelerator (CECA) program at the Department of Energy's National Renewable Energy Laboratory. Through this program, scientists are testing select emerging technologies at scale in a non-live environment and then providing us and other participating utilities with technical assessments of how the solutions performed. The first CECA cohort is focused on strong authentication technology for distributed energy resources – solutions that were built specifically for operational technology (OT) environments. This technology will be critical as Duke Energy continues to lead the nation's largest clean energy transition and as our customers embrace their own net-zero journeys.

Duke Energy maintains a team dedicated to educating employees and building their awareness around threats – employing annual cyber responsibility trainings, sending routine phishing exercise emails and creating seminars and video resources that can be used at every level and by every division of the company.

The Audit Committee receives updates on our cybersecurity and physical security from the Chief Information Officer and other members of senior management, and reviews metrics and trends regularly throughout the year. The committee also discusses ESG disclosures and processes, as well as frameworks including physical, cyber, and data security disclosures.

The full Board is also regularly briefed on cybersecurity and physical security, and the reviews presented to the Audit Committee are followed by an update to the full Board by the chair of the Audit Committee.

Our work to keep our employees and facilities safe is never done. We continue to analyze the substation attacks in Moore County in December 2022 in an effort to improve our grid security. We continue to participate in the conversation around how to deter attacks on the grid – both physical and cyber – as we work to enhance our protections for our infrastructure.

Jordan Demartino, South Carolina

Financial Results

Financial Highlights

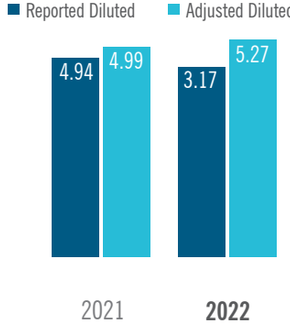
December 31

(In millions, except per share data)[1]	2021	2022
Total operating revenues	$24,621	**$28,768**
Income from continuing operations	$3,723	**$3,778**
Reported basic and diluted earnings per share (GAAP)	$4.94	**$3.17**
Adjusted basic and diluted earnings per share (non-GAAP)	$4.99	**$5.27**
Common Stock Dividends declared per share	$3.90	**$3.98**
Total assets	$169,587	**$178,086**
Long-term debt including finance leases, less current maturities	$60,448	**$67,061**

1 See Duke Energy's Annual Report on Form 10-K for the year ended December 31, 2022, for detailed notes and further explanations.

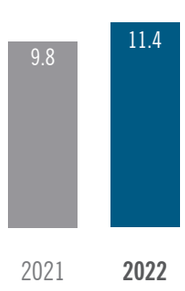
Includes an estimated valuation adjustment of ~$1.3 billion, net of tax, for the Commercial Renewables business.

Earnings per share (in dollars)



Common Stock Dividends declared per share (in dollars)

Capital and investment expenditures (dollars in billions)



Sustainable Financing Framework

Our Sustainable Financing framework defines the investment areas aligned to our clean energy strategy, further enabling us to issue green and sustainability bonds, loans or other financing instruments. We have an over $145 billion capital plan over the next 10 years, approximately 85% of which represents investments toward our clean energy transition and grid modernization.

Our long-term investment strategy will provide sustainable environmental, social and customer benefits as we work to achieve our net-zero goals.

Eligible project categories include, but are not limited to, investments in renewable energy, energy efficiency, advanced grid technology, climate change adaptation and expanded opportunities for diverse suppliers and small businesses.

Since 2018, we have issued $5.5 billion in green and sustainability bonds. The Sustainable Financing framework strengthens our commitment to sustainable financing and broadens the scope of eligible projects to align with our ESG priorities. These bonds can help decrease long-term borrowing costs, which increase customer savings.

In August 2022, Duke Energy launched its inaugural sustainable Commercial Paper (CP) notes program. We expect to have $300 million to $650 million of sustainable CP notes outstanding at any given point. It is our intention to have most disbursements or allocations to eligible projects be used toward socioeconomic advancement and empowerment. To further support our initiative, one of the program dealers is a minority-owned firm.

Enterprise Risk Management

Our Enterprise Risk Management (ERM) team is led by the Chief Risk Officer (CRO), who reports to the Chief Financial Officer. The CRO provides an enterprise risk update to the Finance and Risk Management Committee of the Board at each regularly scheduled meeting. Additionally, the company's Senior Management Team, including the CRO, annually reviews the Enterprise Risk Assessment (ERA) with the full Board.

The CRO actively and independently provides risk management oversight, including discussing levels of risk tolerance and risk acceptance within the business units. ERM works with business unit subject matter experts to identify and characterize key risks, including those related to climate and the environment. The ERA and business unit combined risk reviews look at short- and medium-term risks through the risk register process. For medium-term, climate-related transition risks, the risk register process also overlays jurisdictional resource plans, which projects out 10 to 20 years, depending on the jurisdiction. Longer-term risks are identified and managed through the Enterprise Strategy and Planning group's tracking of longer-term trends.

For the near and medium term, we engage stakeholders on inputs to our integrated resource plans, we hold many public stakeholder meetings that any interested party can attend and weigh in, including with industrial groups, environmental groups, and the state public utilities commission.

The filings consider forecasts of potential future climate policies, future electricity demand, fuel prices, transmission improvements, new generating capacity and technologies, integration of renewables, energy storage, energy efficiency, and demand response initiatives. On the natural gas side of our business, we incorporate methane goals into our business strategy and keep the commission informed about our efforts.

Political Involvement

Our clean energy transformation requires partnering with stakeholders and championing durable public policies at the state, local and federal levels. This allows us to better transition our generating fleet, expand and adapt our electric grid and adopt new carbon-free technologies to reduce emissions and keep energy affordable and reliable.

It is essential for us to engage in public policy discussions to advocate for the interests of our customers and other stakeholders.

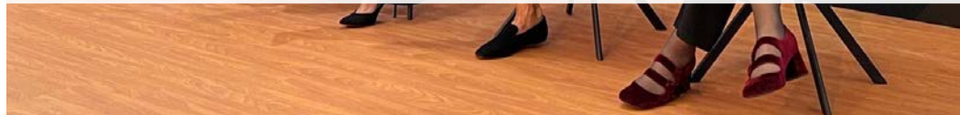
Policy Engagement

The year 2022 was momentous for policy issues affiliated with climate and sustainability. We engaged in bipartisan discussions at the international, national and regional levels.

- Worked with organizations like C2ES, Business Roundtable, U.S. Chamber of Commerce, EEI, the Nuclear Energy Institute, Business Forward, the American Clean Power Association and the National Hydropower Association to advance clean energy tax incentives, climate provisions and energy security content in the Inflation Reduction Act (IRA) as it was being considered by Congress.
- Supported bipartisan permitting reform legislation to expedite energy infrastructure projects that will help achieve U.S. climate and energy goals and create American jobs.
- Participated at events affiliated with COP27 in Sharm El Sheikh, Egypt to share how the company

U.S. Rep. Jeff Duncan, and attendees of the "All of the Above" Energy Tour in Oconee County, South Carolina (top)

Jennifer M. Granholm, U.S. Department Secretary of Energy and Katherine Neebe, Duke Energy at COP27 in Sharm El Sheikh, Egypt (bottom)



is incorporating the Infrastructure Investment and Jobs Act (IIJA) and IRA into our clean energy transformation and the importance of a just transition.

- Worked to advance clean energy tax credits in the Inflation Reduction Act to help accelerate the clean energy transition and lower customer costs.
- Led efforts to strengthen security partnerships with federal partners to provide resilient service for our customers and communities.
- Elevated policies to benefit customers in need, specifically supporting Low Income Home Energy Assistance Program (LIHEAP) action day.
- Joined a conversation with EPA Administrator Michael Regan on the industry's clean energy transition and importance of environmental justice during the transformation.
- Coordinated a solar site visit to discuss the benefits of renewable energy and supportive policies during the annual gathering of the electric industry and thought leaders such as policymakers, regulators, technology innovators and partners, stakeholders and others.
- Hosted members of the U.S. House of Representatives from across the country, their staffs, and state legislators on facility tours.

Political Giving

The Corporate Governance Committee reviews the company's political expenditures twice a year, as well as the processes and priorities related to those political expenditures. The Corporate Governance Committee also reviews stakeholder feedback regarding our political expenditures and the alignment of our lobbying practices with our climate goals.

In response to this feedback, in 2022, we:

Updated our Political Expenditures Policy to provide additional disclosures, beginning with the Corporate Political Expenditures Report for the first half of 2022 regarding certain contributions and dues to 501(c)(4)s and 501(c)(6)s.

- Published our third Trade Association Climate Review, one which discusses the alignment of our major trade associations' positions on climate change with ours. You can find our full Trade Association Climate disclosure included at the end of this report.

2022 Political Expenditures

Entity	Summary	2022 Political Expenditure
DukePAC	Voluntary, nonpartisan political action committee, which leverages the collective contributions of eligible employees to support political organizations and candidates relevant to our business.	**$1,240,500**
Duke Energy	Reported federal lobbying expenses.[1]	**$5,310,000**
Duke Energy	Contributions to political candidates, parties, committees and Section 527 organizations created to support the nomination, election, appointment or defeat of a candidate.	**$5,991,089**

For additional details, see Duke Energy's Corporate Political Expenditure Reports.

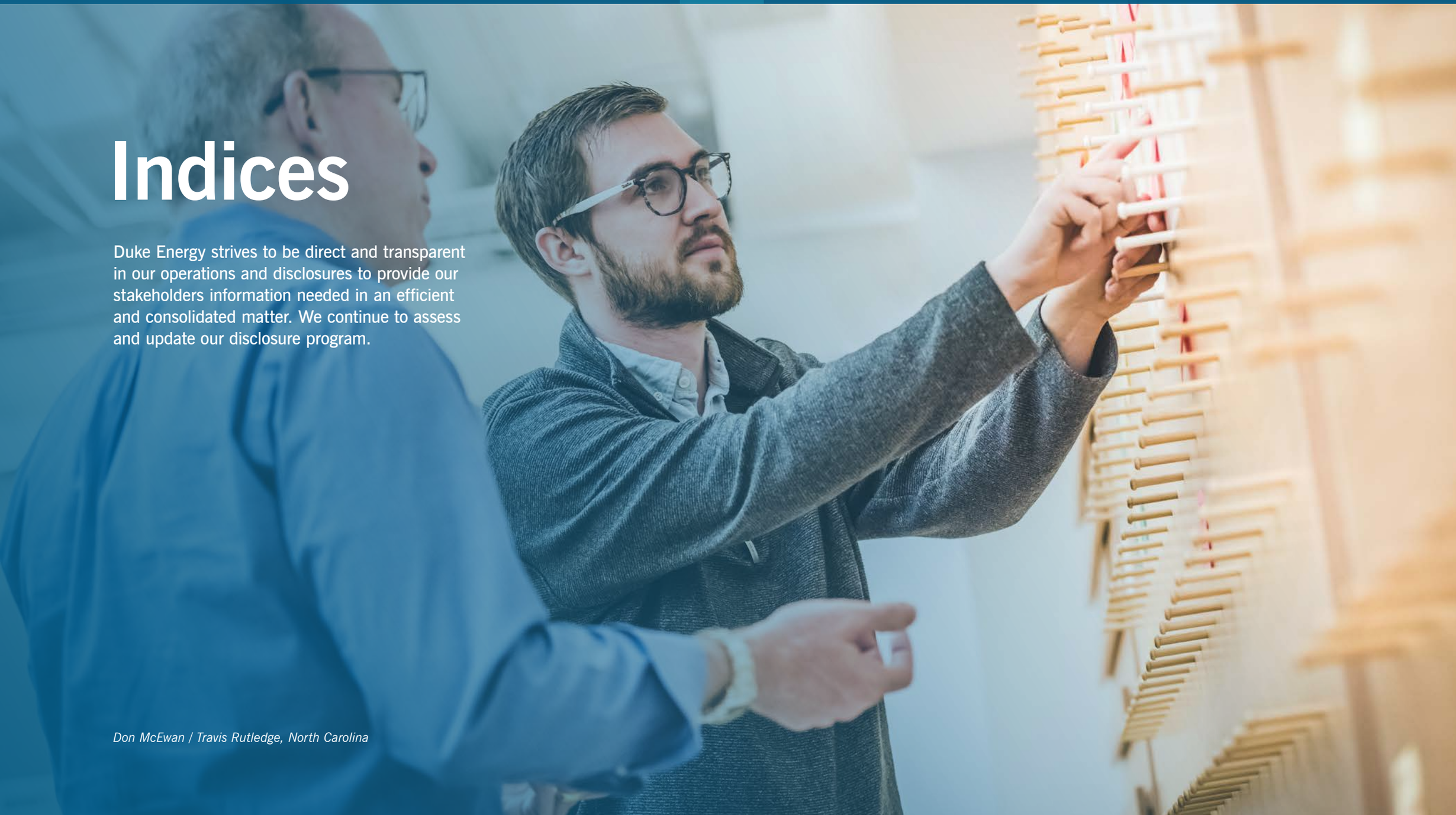
1 This amount includes the $1,631,380 federal lobbying portion of trade association dues (includes dues in excess of $50,000 during the calendar year period in which they were reported) to support policy research and advocacy.

Looking Ahead

We are building a future that offers reliable, accessible and affordable clean energy for the customers and areas we serve. Trust starts with transparency, and we aim to provide our stakeholders with insight into our practices so that they continue charting our progress and help hold us accountable. We not only seek to set the pace for the clean energy transition, but we also set the standard for customer benefits and shareholder returns.

Indices

Duke Energy strives to be direct and transparent in our operations and disclosures to provide our stakeholders information needed in an efficient and consolidated matter. We continue to assess and update our disclosure program.



Don McEwan / Travis Rutledge, North Carolina

Indices

Trade Association Engagement

Duke Energy has transitioned our stand-alone Trade Association Climate Review to an appendix within our annual Impact Report. Our intent is to provide more efficient transparency with the updated format.

To achieve our clean energy transformation and net-zero goals that we believe to be consistent with the Paris Agreement, it is essential for us to engage in public policy discussions at the local, state, and federal levels – both on our own and through trade associations – to advocate for the interests of our customers, shareholders, employees and communities.

Trade associations collectively represent the views of many businesses and can therefore in many cases be more efficient in presenting those views to policymakers than can each business individually. These groups also provide valuable forums for sharing best practices and technical information, as well as setting technical standards and developing disclosure-related standards (including climate disclosure standards) for industry sectors.

We recognize that, as member-driven organizations, trade associations take positions that reflect the consensus views of their members. As such, we work hard to harmonize our trade associations' positions and advocacy for climate policy with those of Duke Energy and with the Paris Agreement.

Duke Energy has long advocated for climate change policies that will result in significant reductions in greenhouse gas emissions. We support market-based approaches that balance environmental protection with affordability, reliability and economic vitality. We seek to ensure that the policies adopted to achieve emission reduction goals are cost-effective, market-based and equitable; promote a broad range of technology development; and include provisions to efficiently address greenhouse gas emissions across all sectors of the economy.

Because of the diversity of members in our trade associations, we may not align in strategy in all cases, or support each initiative or position of every organization in which we participate. In those cases, we proactively attempt to prevent potential misalignment of trade association positions on climate change with our positions and lobbying priorities. In our experience, staying engaged in dialogue with those who may hold positions different from ours allows us to test assumptions, clarify views and challenge differences in opinions. This can result in a more meaningful and positive outcome than simply abandoning a relationship. However, if, despite Duke Energy's efforts, a trade association takes a position on a climate-related topic that is materially misaligned with ours, we would consider that misalignment in the broad context of all business issues facing our company that the trade association covers, then determine whether continued participation in the trade association is in the best interest of the company, its investors, and its customers.

Governance

Our company has a strong governance structure, starting with the Board of Directors, to manage climate-related risks. Read more about our climate governance in our 2022 Climate Report.

The Board of Director's Corporate Governance Committee oversees the company's policies and practices with respect to political contributions, legislative lobbying and political activities on the local, state and federal levels. Jurisdictional presidents at each applicable state level and the Vice President, Federal Government Affairs, manage public policy policies, practices and strategy on a day-to-day basis. They also make up Duke Energy's Political Expenditures Committee (PEC), alongside other senior leaders across the company, such as our Chief Ethics and Compliance Officer and our Chief Governance Officer.

The PEC is responsible for developing the company's annual political expenditures strategy and approving, monitoring and tracking our political expenditures. Our Political Expenditures Policy sets out the principles governing our corporate political expenditures and the contributions of Duke Energy's employee-funded political action committee and is reviewed by the PEC regularly. In addition, management provides a semiannual update to the Corporate Governance Committee of the board on the company's strategy and political expenditures, including payments to trade associations and other tax-exempt organizations.

In 2020, we expanded the practices covered by the policy to include the engagement of political consultants to conduct external lobbying and began listing the titles of the company's PEC members who are responsible for the management, oversight and approval of political activities. In 2021, we revised our Political Expenditures Policy to enhance the transparency of our disclosures.

We regularly review our policies and procedures related to political expenditures to ensure best practices and, as a result, we have made several enhancements to our policies and disclosures in recent years.

To determine which trade associations to include in the Trade Association Climate Review, we use criteria similar to those we have adopted in our corporate political expenditure reports. That is, we report here on trade associations and chambers of commerce for which our dues exceeded $50,000 in 2022 and which indicated they engaged in federal lobbying in 2022.

Trade association	Trade association's climate policy or mission, as of February 2023	Summary of Duke Energy's engagement	Aligned with Duke Energy's climate policy	Policies support Paris Agreement
American Clean Power Association (ACP)	ACP is a trade organization that became operational as of January 2021. The Energy Storage Association merged into ACP effective January 2022. ACP states that it is the "leading federation of renewable energy companies expediting the advancement of clean energy as the dominant power source in America." ACP states that it supports "policies that will remove barriers and accelerate growth in America's renewable energy industry."	In 2022, Duke Energy was represented on ACP's board of directors by the Senior Vice President and President of Duke Energy Sustainable Solutions.	Yes	Yes
American Gas Association (AGA)	AGA's position on climate is that America's natural gas industry will be essential to achieve a net-zero emissions future. It states that "climate change is a defining challenge across the globe, and natural gas, natural gas utilities, and the delivery infrastructure are essential to meeting our nation's greenhouse gas emissions reduction goals." In February 2022, AGA published a study entitled "Net-Zero Emissions Opportunities for Gas Utilities" that details how natural gas, natural gas utilities and delivery infrastructure will be essential to meeting America's greenhouse as emissions reduction goals, including achieving net-zero emissions. In February 2023, AGA published a study that assesses policies that could be used to establish regulatory frameworks for incentivizing the production and use of low-carbon gas resources at scale, stating, "this study leaves no doubt that low-carbon gas resources and natural gas infrastructure can be a powerful tool in lowering carbon emissions while keeping energy affordable for customers."	The Senior Vice President of Duke Energy's Natural Gas Business is currently on the AGA board of directors, and subject matter experts within Duke Energy participate in various AGA committees. This engagement enables us to participate in policy discussions at many levels of the organization and thereby influence AGA's policy positions.	Yes	AGA has not explicitly endorsed the Paris Agreement, but their policies point to the importance of natural gas, low-carbon gas resources and the delivery infrastructure in meeting GHG emissions reduction goals.

Trade association	Trade association's climate policy or mission, as of February 2023	Summary of Duke Energy's engagement	Aligned with Duke Energy's climate policy	Policies support Paris Agreement
The Business Roundtable (BRT)	BRT's climate page states: "Unchecked, climate poses significant environmental, economic, public health and security threats to countries around the world, including the United States. Business Roundtable believes corporations should lead by example, support sound public policies and drive the innovation needed to address climate change." BRT's climate policy states: "Because the consequences of global warming for society and ecosystems are potentially serious and far-reaching, the Business Roundtable believes that steps to address the risks of such warming are prudent and supports collective actions that will lead to the reduction of greenhouse gas emissions on a global basis." It also states that "to avoid the worst impacts of climate change, the world must work together to limit global temperature rise this century to well below 2 degrees Celsius above preindustrial levels, consistent with the Paris Agreement," and notes that in 2018, the Intergovernmental Panel on Climate Change (IPCC) reported that limiting warming to no more than 1.5 degrees Celsius compared to preindustrial levels will be necessary to avoid some of the most severe risks associated with climate change. In August 2022, in response to the consideration of the IRA, BRT stated that it supported the bill's climate provisions.	The CEO of Duke Energy is a member of the board of directors of the BRT and is engaged with BRT in the development of its climate policy. This included significant engagement in 2022 in which we encouraged BRT to publicly support the climate-related tax incentives in the IRA.	Yes	Yes
Chamber of Commerce of the U.S. (the Chamber)	The Chamber's climate change page states: "Combating climate change requires citizens, governments, and businesses to work together. Inaction is simply not an option. American businesses play a vital role in creating innovative solutions and reducing greenhouse gases to protect our planet. A challenge of this magnitude requires collaboration, not confrontation, to advance the best ideas and policies." In August 2022, the Chamber stated that it supports provisions in the IRA that advance progress on climate and energy security and that "the Chamber has been consistent in our view that durable climate policy requires Congressional action … including … the significant clean energy provisions of the Bipartisan Infrastructure Law."	Duke Energy is represented on the Chamber's Global Energy Institute's Leadership Council, the Energy and Environment Committee, and the Task Force on Climate Actions. Duke Energy participates in review and discussions of the organization's climate policies. In 2022, we encouraged the Chamber to publicly state its support for the IRA's climate-related tax provisions.	Yes	Yes

Trade association	Trade association's climate policy or mission, as of February 2023	Summary of Duke Energy's engagement	Aligned with Duke Energy's climate policy	Policies support Paris Agreement
Edison Electric Institute (EEI)	EEI's clean energy and climate change page states: "EEI's member companies are leading a clean energy transformation. We are committed to getting the energy we provide as clean as we can as fast as we can, without compromising customer affordability and reliability. EEI's member companies are continuing to work to reduce carbon emissions in our sector and are committed to helping other sectors – particularly the transportation and industrial sectors – transition to clean, efficient electric energy."	Duke Energy's CEO serves on the EEI Executive Committee and board of directors, which provides an opportunity to advance climate policies that keep energy affordable and reliable. Duke Energy also serves on several EEI executive advisory committees and environmental policy committees, where we provide input on EEI's positions on climate policies.	Yes	Yes
National Hydropower Association (NHA)	NHA is a national association dedicated exclusively to preserving and expanding clean, renewable, affordable hydropower and marine energy. Its mission is to "champion waterpower as America's premier carbon-free renewable energy resource."	Duke Energy's Vice President of Carolinas Regulated Renewables and Lake Services is on the board of directors of the National Hydropower Association.	Yes	NHA has not taken a position on the Paris Agreement, but supports renewable hydropower.
Nuclear Energy Institute (NEI)	NEI is the policy organization of the nuclear technologies industry. Its vision is "a world powered by clean and reliable energy." It states, "as governments across the world commit to decarbonization goals – including President Joe Biden's target for the U.S. to reach net-zero emissions by no later than 2050 – it is imperative we utilize all carbon-free energy tools. Nuclear power reactors are the ideal carbon-free, 24/7 partner to wind turbines, solar panels and energy storage." NEI goes on to state, "our current investment in carbon-free energy isn't enough. To address the climate crisis, we must embrace a carbon-free future."	Duke Energy currently serves on NEI's board of directors, the Executive Committee of its board, and several NEI committees. Engagement in policy discussions through this participation allows Duke Energy to work to influence NEI's positions.	Yes	Yes
WIRES	WIRES is a trade association that promotes investment in the North American transmission system, robust and effective transmission solutions to economic, environmental and reliability challenges, and the reduction or elimination of uneconomic barriers to transmission development. WIRES' Executive Director recently stated that "a moonshot effort is needed on transmission investment to meet ambitious federal and state clean energy goals and ever-growing electrification and resilience challenges in the decade ahead."	Duke Energy's Managing Director, Federal Regulatory Affairs, is a member of the board of directors of WIRES.	Yes	WIRES has not taken a position on the Paris Agreement, but supports transmission development to help meet clean energy goals.

ESG Disclosure Index

GRI, SASB, TCFD & SDGs

Duke Energy is providing an inclusive Disclosure Index of our 2022 ESG disclosures including the Global Reporting Initiative (GRI), Sustainable Accounting Standards Board (SASB) for both Electric Utilities & Power Generators, Gas Utilities & Distributors, Task Force for Climate-related Financial Disclosure (TCFD), and the United Nations (UN) Sustainable Development Goals (SDGs). The intent is to provide stakeholders a comprehensive view of our disclosures in an accessible format. Duke Energy has reported the information cited in this GRI content index for the period January 1, 2022, through December 31, 2022, with reference to the GRI Standards.

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 1: Foundation 2021						
GRI 2: General Disclosures 2021	2-1 Organizational details	IF-EU-000.A Number of: (1) residential, (2) commercial and (3) industrial customers served IF-EU-000.B Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers and (5) wholesale customers IF-EU-000.C Length of transmission and distribution lines IF-EU-000.D a)Total electricity generated, percentage by major energy source, percentage in regulated markets b) Total wholesale electricity purchased	IF-GU-000.A Number of: (1) residential, (2) commercial and (3) industrial customers served IF-GU-000.B Amount of natural gas delivered to (1) residential customers, (2) commercial customers, (3) industrial customers and (4) transferred to a third party IF-GU-000.C Length of natural gas transmission and distribution lines		Overview; *Electric Utilities and Infrastructure Quarterly Highlights* in our Fourth-Quarter 2022 Earnings Release, page 33 Duke Energy At A Glance *Gas Utilities and Infrastructure Quarterly Highlights* in our Fourth-Quarter 2022 Earnings Release, page 39	
	2-2 Entities included in the organization's sustainability reporting				2022 Form 10-K, Exhibit *21: List of Subsidiaries	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 2: General Disclosures 2021	2-3 Reporting period, frequency and contact point				Calendar year 2022, annual sustainability and financial reporting, publication date (April 25, 2023), contact: sustainability@duke-energy.com	
	2-4 Restatements of information				About Our Reporting	
	2-5 External assurance				Given our robust internal controls, we did not seek, nor was there, external assurance from third parties with respect to information in the Impact Report. Data for several metrics in the report are also reported to regulatory agencies, including the EPA, OSHA and EEOC	
	2-6 Activities, value chain and other business relationships				Overview	
	2-7 Employees				Workforce Performance Metrics	
	2-8 Workers who are not employees				Workforce Performance Metrics	
	2-9 Governance structure and composition			b) Describe management's role in assessing and managing climate-related risks and opportunities	Principles of Corporate Governance; Board Composition	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 2: General Disclosures 2021	2-10 Nomination and selection of the highest governance body				Corporate Governance Committee Charter; 2023 Proxy Statement, page 12	
	2-11 Chair of the highest governance body				Board of Directors; 2023 Proxy Statement, page 21	
	2-12 Role of the highest governance body in overseeing the management of impacts			TCFD-G: a) The Board's oversight of climate-related risks and opportunities	A message from our CSPO; Leadership	
	2-13 Delegation of responsibility for managing impacts				ESG Governance	
	2-14 Role of the highest governance body in sustainability reporting			TCFD-G: a) The Board's oversight of climate-related risks and opportunities	A message from our CSPO	
	2-15 Conflicts of interest				Duke Energy Code of Business Conduct and Ethics for members of the Board of Directors; 2023 Proxy Statement, page 32	
	2-16 Communication of critical concerns				2023 Proxy Statement, page 23	
	2-17 Collective knowledge of the highest governance body				Principles of Corporate Governance; Board Composition	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 2: General Disclosures 2021	2-18 Evaluation of the performance of the highest governance body				Corporate Governance Committee Charter; 2023 Proxy Statement, page 32	
	2-19 Remuneration policies				2023 Proxy Statement, page 47	
	2-20 Process to determine remuneration				2023 Proxy Statement, page 48	
	2-21 Annual total compensation ratio				2023 Proxy Statement, page 73	
	2-22 Statement on sustainable development strategy				Social Impact	
	2-23 Policy commitments				Just Transition Principles; Environmental Justice Principles	
	2-24 Embedding policy commitments				Social Impact	
	2-25 Processes to remediate negative impacts				Social Impact; Just Transition Principles; Environmental Justice Principles	
	2-26 Mechanisms for seeking advice and raising concerns				Code of Business Ethics, page 8; Ethics Activity	
	2-27 Compliance with laws and regulations				Ethics	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 2: General Disclosures 2021	2-28 Membership associations				Partnerships and Memberships; Trade Associations Climate Review	
	2-29 Approach to stakeholder engagement				Key Stakeholder Issues & ESG Priorities	
	2-30 Collective bargaining agreements				Workforce Statistics in Workforce Performance Metrics We have collective bargaining relationships with 15 different local labor unions. We have a grievance process in place for our represented employees and each collective bargaining agreement allows for a review of various employment actions through this formal process. The Employee Rights Under National Labor Relations Act notice is posted in our locations and available online with our Human Relations policies. We fully support freedom of association as described by the International Labour Organization's Declaration on Fundamental Principles and Rights at Work	
GRI 3: Material Topics 2021	3-1 Process to determine material topics				Addressed throughout the Impact Report; For a high-level overview, see Key Stakeholder Issues & ESG Priorities	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 3: Material Topics 2021	3-2 List of material topics				Key Stakeholder Issues & ESG Priorities	SDGs 7.1
	3-3 Management of material topics			TCFD-M: a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process	Addressed throughout the Impact Report; For a high-level overview, see ESG Governance	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed				Our Value Creation Model; 2022 Form 10-K, see financial statements beginning on page 106 2022 Form 10-K, Item 8 "Financial Statements and Supplementary Data," page 68	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 201: Economic Performance 2016	201-2 Financial implications and other risks and opportunities due to climate change			TCFD-S: a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario TCFD-R: a) Describe the organization's processes for identifying and assessing climate-related risks b) Describe the organization's processes for managing climate-related risks	2022 Form 10-K, pages 13-19, 52-53; Risk Factors: Section 1A, pages 23-32 MD&A: Section 2-7, "Other Matters," pages 64-67 2022 Climate Report	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 201: Economic Performance 2016				c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management		
	201-3 Defined benefit plan obligations and other retirement plans				2022 Form 10-K, pages 187-199 Section 20 "Employee Benefit Plans," page 203	
	201-4 Financial assistance received from government				We do not centrally track the annual accrual of tax credits, subsidies and other incentives from our many governmental entities	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry-level wage by gender compared to local minimum wage				Duke Energy's lowest entry-level wage is $17 per hour. The federal minimum wage is $7.25 per hour. Minimum wage for federal contractors is $16.25 per hour	
	202-2 Proportion of senior management hired from the local community				Hiring and promotion are based on merit, not whether the candidate is from a particular locality	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	IF-EU-420a.1 Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (RAM)	IF-GU-420a.1 Percentage of natural gas utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (RAM)		Our Value Creation Model; Economic Development; ESG Goals; Energy Storage; Electrifying Transportation; Modernizing the Grid; Communities; Ten-year Capital Expenditure Plan 85% Fourth-Quarter 2022 Earnings Review and Business Update, slide 54	
	203-2 Significant indirect economic impacts				Our Value Creation Model; Economic Development	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers				Diverse and Local Supplier Spending	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption				All business units are subject to corruption risk analysis	
	205-2 Communication and training about anti-corruption policies and procedures				Code of Business Ethics; Foreign Corrupt Practices Act	
	205-3 Confirmed incidents of corruption and actions taken				Ethics and Compliance	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices				Material legal proceedings (all types) are discussed in the 2022 Form 10-K; See note 4. Commitments and Contingencies footnote beginning on page 120 Section 2-8, "Financial Statements and Supplementary Data." Part 4: "Regulatory Matters," page 134 Part 5: "Commitments and Contingencies," page 151 Part 24: "Income Taxes," page 216	
GRI 207: Tax 2019	207-1 Approach to tax				Taxes are discussed throughout the 2022 Form 10-K; See note 24 beginning on page 198	
	207-2 Tax governance, control and risk management				2023 Proxy, page 85	
	207-3 Stakeholder engagement and management of concerns related to tax				2023 Proxy, pages 44-45	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 301: Materials 2016	301-1 Materials used by weight or volume				Most high-volume materials are purchased by length, reel, pole, transformer, case, truckload or other measure with no consistent relationship to weight or volume. Also see Fuels Consumed for Electric Generation and Waste in Environmental Performance Metrics.	
	301-2 Recycled input materials used				We cannot precisely determine how much of the material we use to provide electric and natural gas service comes from recycled sources. A portion of steel, aluminum, other metals and plastics may come from recycled sources, and we actively pursue recycling of these materials when their useful life has been reached. Nearly all fuel used is virgin material, because sufficient volumes of recycled fuels are not available.	
	301-3 Reclaimed products and their packaging materials				We cannot precisely determine how much of the material we use to provide electric and natural gas service comes from reclaimed products.	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 302: Energy 2016	302-1 Energy consumption within the organization				Most of the energy we use is from fuels. See Fuels Consumed for Electric Generation in Environmental Performance Metrics. Another significant energy use is electricity for the buildings we occupy. In 2022, Duke Energy consumed approximately 192 gigawatt-hours of electricity in its commercial buildings.	
GRI 302: Energy 2016	302-2 Energy consumption outside of the organization	IF-EU-240a.2 a) Typical monthly electric bill for residential customers for 500 kWh of electricity delivered per month b) Typical monthly electric bill for residential customers for 1,000 kWh of electricity delivered per month	IF-GU-240a.1 Average retail natural gas rate for c) residential customers d) commercial customers e) industrial customers f) transportation services only		Energy efficiency goals in the Environmental section of ESG Goals a) Duke Energy Kentucky: $60.06 Duke Energy Carolinas-NC: $60.14 Duke Energy Ohio: $62.88 Duke Energy Indiana: $76.08 Duke Energy Progress-SC: $67.32 Duke Energy Carolinas-SC: $65.65 Duke Energy Progress-NC: $69.21 Duke Energy Florida: $72.04 National Average:1 $66.67 b) Duke Energy Kentucky: $106.05 Duke Energy Carolinas-NC: $105.34 Duke Energy Indiana: $129.45 Duke Energy Ohio: $117.58 Duke Energy Progress-NC: $124.89	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 302: Energy 2016	302-2 Energy consumption outside of the organization				Duke Energy Progress-SC: $120.53 Duke Energy Carolinas-SC: $118.68 Duke Energy Florida: $132.34 National Average:1 $119.36 1Source: Edison Electric Institute Typical Bills and Average Rates Reports, Summer 2022 c) Piedmont Natural Gas-NC:1 $1.63 Piedmont Natural Gas-SC:1 $1.27 Piedmont Natural Gas-TN:1 $1.26 Duke Energy Ohio:2 $1.30 Duke Energy Kentucky:2 $1.28 d) Piedmont Natural Gas-NC:1 $1.13 Piedmont Natural Gas-SC:1 $1.02 Piedmont Natural Gas-TN:1 $1.09 Duke Energy Ohio:2 $1.13	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 302: Energy 2016	302-2 Energy consumption outside of the organization				Duke Energy Kentucky:2 $0.88 e) Piedmont Natural Gas-NC:1 $0.54 Piedmont Natural Gas-SC:1 $0.63 Piedmont Natural Gas-TN:1 $0.69 Duke Energy Ohio:2 $1.03 Duke Energy Kentucky:2 $0.95 f) Piedmont Natural Gas-NC:1 $0.14 Piedmont Natural Gas-SC:1 $0.20 Piedmont Natural Gas-TN:1 $0.23 Duke Energy Ohio:2 N/A Duke Energy Kentucky:2 N/A *The following units are utilized by our state regulatory commissions:* *1 Average rate per therm* *2 Average rate per CCF*	
	302-3 Energy intensity				2022 fossil fuel consumption was approximately 336 million MWh 2022 net MWh electricity produced, as reported in our 2022 Impact Report, was 219,579 MWh The calculated energy intensity (electricity produced/fossil energy used) was: 0.58 in 2013 0.69 in 2021 0.65 in 2022 (2013 is the base year for our reporting of this indicator)	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 302: Energy 2016	302-4 Reduction of energy consumption	IF-EU-240a.1 Average retail electric rate for (1) residential, (2) commercial and (3) industrial customers IF-EU-420a.3 Customer electricity savings from efficiency measures, by market	IF-GU-420a.2 Customer natural gas savings from efficiency measures, by market		Duke Energy's Electric Rates; Energy efficiency goals in the Environmental section of ESG Goals; Energy efficiency (programs vary by state and we provide information for each state on our website) We do not centrally track these data. Programs vary by jurisdiction and include equipment rebates, weatherization and education	SDGs 11.1
	302-5 Reductions in energy requirements of products and services	IF-EU-420a.2 Percentage of electric load served by smart grid technology			ESG Goals; Energy Efficiency 2022 Annual Report, page 30	SDGs 7.3
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource				Water; Water Withdrawn and Consumed for Electric Generation Environmental Metrics 2022 Climate Report, pages 12-14 Hydroelectric Facilities and Water Supply	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	IF-EU-140a.2 Number of incidents of noncompliance associated with water quantity and/or quality permits, standards and regulations			Water CDP Water	
	303-3 Water withdrawal	IF-EU-140a.1 Water withdrawn, water consumed and percentage from water-stressed areas IF-EU-140a.3 Description of water management risks and discussion of strategies and practices to mitigate those risks			Water Withdrawn and Consumed for Electric Generation Water CDP Water	
	303-4 Water discharge				Toxic Release Inventory	
	303-5 Water consumption				Water Withdrawn and Consumed for Electric Generation Water CDP Water	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas				Corporate Commitment to Biodiversity	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 304: Biodiversity 2016	304-2 Significant impacts of activities, products and services on biodiversity				Corporate Commitment to Biodiversity	
	304-3 Habitats protected or restored				Biodiversity; Protecting Aquatic Habitats	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations				Corporate Commitment to Biodiversity; Natural Resources Conservation and Stewardship	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	IF-EU-110a.1 a. Scope 1 emissions b. Percentage covered under emissions-limiting regulations c. Percentage covered under emissions-limiting regulations		TCFD-M b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Scope 1 Emissions in Environmental Performance Metrics CDP	SDGs 9.4
	305-2 Energy indirect (Scope 2) GHG emissions	IF-EU-110a.2 Greenhouse gas (GHG) emissions associated with power deliveries		TCFD-M b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Scope 2 Emissions in Environmental Performance Metrics CDP	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 305: Emissions 2016	305-3 Other indirect (Scope 3) GHG emissions			TCFD-M b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks	Scope 3 Emissions in Environmental Performance Metrics CDP	
	305-4 GHG emissions intensity				Emissions From Electric Generation in Environmental Performance Metrics; CDP	
	305-5 Reduction of GHG emissions	IF-EU-110a.3 Discussion of emissions reduction strategies			Carbon, methane and electric vehicle goals in the Environmental section of ESG Goals 2022 Climate Report; CDP; ESG Goals – Renewables	SDGs 7.2
	305-6 Emissions of ozone-depleting substances (ODS)				We do not centrally track this data. Each facility is responsible for its own compliance with record-keeping requirements	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	IF-EU-110a.4 Number of customers served in markets subject to renewable portfolio standards (RPS) and fulfillment IF-EU-120a.1 a) NOx and SO_2 b) Particulate Matter (PM10) c) Lead (Pb) d) Mercury (Hg)			Emissions from Electric Generation and Toxic Release Inventory in Environmental Performance Metrics Mercury air emissions (pounds) were: 5,849 in 2006 236 in 2021 205 in 2022 (2006 is the base year for our reporting of this indicator)	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts				Waste in Environmental Performance Metrics; Coal Ash Management	
	306-2 Management of significant waste-related impacts	IF-EU-150a.1 Amount of coal combustion residuals (CCR) generated, percentage recycled			Coal Ash Management; Ash Management and Safe Basin Closure	
	306-3 Waste generated				*Waste* and *Reportable Oil Spills to Water* in Environmental Performance Metrics	
	306-4 Waste diverted from disposal				*Waste* in Environmental Performance Metrics	
	306-5 Waste directed to disposal	IF-EU-150a.2 Total number of coal combustion residual (CCR) impoundments, broken down by hazard potential classification and structural integrity assessment			*Waste* in Environmental Performance Metrics	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria				Supply Chain Governance	
	308-2 Negative environmental impacts in the supply chain and actions taken				Supplier Code of Conduct	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 401: Employment 2016	401-1 New employee hires and employee turnover				Workforce Performance Metrics	SDGs 8.3
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees				Benefits	
	401-3 Parental leave				Benefits	
GRI 402: Labor/ Management Relations 2016	402-1 Minimum notice periods regarding operational changes				We comply with applicable laws and collective bargaining agreements	
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system				Environmental, Health & Safety Management System Manual; Environmental, Health & Safety Management; Safety & Emergency Preparedness	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment and incident investigation		IF-GU-540a.1 Number of (1) reportable pipeline incidents, (2) Corrective Action Orders (CAO) and (3) Notices of Probable Violation (NOPV) IF-GU-540a.2 Percentage of distribution pipeline that is (1) cast and/or wrought iron and (2) unprotected steel IF-GU-540a.3 Percentage of natural gas (1) transmission and (2) distribution pipelines inspected IF-GU-540a.4 Description of efforts to manage the integrity of natural gas delivery infrastructure, including risks related to safety and emissions		Environmental, Health & Safety Management System Manual; Environmental, Health & Safety Management; Employee Health & Safety Reportable Pipeline Incidents – 10 Corrective Action Orders (CAO) – 0 Notices of Probable Violation (NOPV) – 0 We do not have cast and/or wrought iron or unprotected steel pipe in our distribution system Sixty percent of the natural gas transmission system was inspected by in-line inspection methods. Zero percent of the natural gas distribution system was inspected by in-line inspection methods (this is not typically performed on the lower-pressure distribution pipelines) Methane Detection & Reduction	
	403-3 Occupational health services				Environmental, Health & Safety Management System Manual; Environmental, Health & Safety Management; Employee Health & Safety	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 403: Occupational Health and Safety 2018	403-4 Worker participation, consultation, and communication on occupational health and safety				Environmental, Health & Safety Management System Manual	
	403-5 Worker training on occupational health and safety				Environmental, Health & Safety Management System Manual; Environmental, Health & Safety Training and Development	
	403-6 Promotion of worker health				Parental leave Work-Life Balance Programs	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships				Employee Health & Safety; Safety & Emergency Preparedness	
	403-8 Workers covered by an occupational health and safety management system				Environmental, Health & Safety Management System Manual	
	403-9 Work-related injuries	IF-EU-320a.1 a. Occupational safety statistics			ESG Goals; Employee Health & Safety	
	403-10 Work-related ill health	IF-EU-320a.1 a. Occupational safety statistics			Employee Health & Safety	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee				2022 total training hours completed: 1,534,304.50 hours Training hours per employee are approximately 55 hours	
	404-2 Programs for upgrading employee skills and transition assistance programs				Human Capital Management; Careers	SDGs 8.3
	404-3 Percentage of employees receiving regular performance and career development reviews				One hundred percent of our employees are provided the opportunity for a review, but it is not required in all roles. All employees in our pay-for-performance population are required to have a performance rating and should have performance/career discussions with their managers	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees				Workforce Performance Metrics; Our Board Composition; ESG Governance	SDGs 8.8
	405-2 Ratio of basic salary and remuneration of women to men				Chief Executive Officer Page Ratio 2023 Proxy Statement, page 73	SDGs 8.8
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken				This is not reported publicly. Company policies require management action upon allegations of discriminatory behavior	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk				Supplier Code of Conduct	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor				Human Rights Policy; Supplier Code of Conduct	SDGs 8.7
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor				Human Rights Policy; Supplier Code of Conduct	SDGs 8.7
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures				Code of Business Ethics, pages 13-14	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples				Human Rights Policy	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments and development programs	IF-EU-240a.3 Number of residential customer electric disconnections for nonpayment, percentage reconnected within 30 days IF-EU-240a.4 Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	IF-GU-240a.3 Number of residential customer natural gas disconnections for nonpayment, percentage reconnected within 30 days IF-GU-240a.4 Discussion of impact of external factors on customer affordability of natural gas, including the economic conditions of the service territory		We do not publish those numbers, but we do provide customer assistance programs Customer Experience Customer Assistance Programs Energy Equity Key Stakeholder Issues & ESG Priorities A message from our CSPO; Environmental Justice and Just Transition; Charitable Giving; Communities; Duke Energy Foundation; Customer; Suppliers	
	413-2 Operations with significant actual and potential negative impacts on local communities				Conservation Stewardship Environmental Justice	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria				Supply Chain Governance	
	414-2 Negative social impacts in the supply chain and actions taken				Supplier Code of Conduct	
GRI 415: Public Policy 2016	415-1 Political contributions				Political Expenditures Policy; Political Involvement; Political Participation and DukePAC	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	IF-EU-540a.1 Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column IF-EU-540a.2 Description of efforts to manage nuclear safety and emergency preparedness			Safety & Emergency Preparedness; 2022 Form 10-K, pages 13, 22, 31 Part 1 Business, "Nuclear Matters," page 13 Part 1 Business, "Environmental Matters," page 22 (Note: we include page 22 as GRI 416-1 also requires identification of the criteria used for assessment (Clean Air Act, Clean Water Act, etc.) in addition to the range of systematic efforts to address health and safety across the life cycle of a product or service) Part 1A, Risk Factors, "Nuclear Generation Risks," page 30 Nuclear Preparedness	
	416-2 Incidents of noncompliance concerning the health and safety impacts of products and services	IF-EU-550a.1 Number of incidents of noncompliance with physical security and/or cybersecurity standards or regulations			We did have one confirmed CI breach in 2022. We took appropriate responsive action, and no customer harm resulted. Cybersecurity remains a critical issue for our industry and nation Grid Security & Cybersecurity	

GRI Standard	Disclosure	Alignment with SASB Electric Utilities & Power Generators	Alignment with SASB Gas Utilities & Distributors	Alignment with TCFD	Location	Duke Energy's Priority SDGS and Targets
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	IF-EU-550a.2 a) System Average Interruption Duration Index (SAIDI) b) System Average Interruption Frequency Index (SAIFI)			Safety & Emergency Preparedness a) 2019: 138.8 2020: 138.4 2021: 126.0 2022: 142.8 b) 2019: 1.11 2020: 1.15 2021: 1.06 2022: 1.19	
	417-2 Incidents of noncompliance concerning product and service information and labeling				None known	
	417-3 Incidents of noncompliance concerning marketing communications				None known	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data				We did have one confirmed CI breach in 2022. We took appropriate responsive action, and no customer harm resulted. Cybersecurity remains a critical issue for our industry and nation.	

Statement Regarding Renewable Energy Certificates

Duke Energy's subsidiary electric utilities generate power from solar, hydroelectric and biomass (including waste to energy) resources, but do not always retain all of the environmental claims, including renewable energy certificates (RECs), related to such generation. The RECs and other environmental claims associated with such generation may be used to meet statutory or regulatory compliance obligations (on behalf of the respective electric utility and certain wholesale customers), assigned to customers pursuant to retail programs or sold/traded via bilateral commercial agreements. Duke Energy's electric utilities also buy power through purchased power agreements (PPAs) from solar, wind, hydroelectric and biomass (including waste to energy) resources. Under certain PPAs for energy from such resources, the electric utilities purchase both the energy and the associated environmental claims (including RECs). Under other PPAs, including some of those entered into pursuant to the electric utilities' respective obligations under the Public Utility Regulatory Policies Act of 1978 (PURPA), Duke Energy does not purchase any RECs associated with the energy. Under PPAs entered into by Duke Energy's electric utilities pursuant to certain retail customer programs, such utilities purchase environmental claims (including RECs) associated with the energy and convey to customers participating in identified programs, or retire on their behalf, some or all of the environmental claims (including RECs). Duke Energy's subsidiary Duke Energy Renewables sells the electricity and/or RECs it generates to its customers.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING INFORMATION

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

- The ability to implement our business strategy, including our carbon emission reduction goals;
- State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices;
- The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate;
- The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations, asset retirement and construction costs related to carbon emissions reductions, and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process;
- The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process;
- The impact of extraordinary external events, such as the pandemic health event resulting from COVID-19, and their collateral consequences, including the disruption of global supply chains or the economic activity in our service territories;
- Costs and effects of legal and administrative proceedings, settlements, investigations and claims;
- Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy, reduced customer usage due to cost pressures from inflation or fuel costs, and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts, natural gas building and appliance electrification, and use of alternative energy sources, such as self-generation and distributed generation technologies;
- Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures, natural gas electrification, and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in a reduced number of customers, excess generation resources as well as stranded costs;
- Advancements in technology;
- Additional competition in electric and natural gas markets and continued industry consolidation;

- The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change;
- Changing investor, customer and other stakeholder expectations and demands including heightened emphasis on environmental, social and governance concerns and costs related thereto;
- The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the United States electric grid or generating resources;
- Operational interruptions to our natural gas distribution and transmission activities;
- The availability of adequate interstate pipeline transportation capacity and natural gas supply;
- The impact on facilities and business from a terrorist or other attack, war, vandalism, cybersecurity threats, data security breaches, operational events, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences;
- The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers;
- The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets;
- The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions, an individual utility's generation mix, and general market and economic conditions;
- Credit ratings of the Duke Energy Registrants may be different from what is expected;
- Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds;
- Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, timing and receipt of necessary regulatory approvals, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all;
- Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants;
- The ability to control operation and maintenance costs;
- The level of creditworthiness of counterparties to transactions;
- The ability to obtain adequate insurance at acceptable costs;
- Employee workforce factors, including the potential inability to attract and retain key personnel;
- The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);
- The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities, as well as the successful sale of the Commercial Renewables Disposal Groups;
- The effect of accounting and reporting pronouncements issued periodically by accounting standard-setting bodies and the SEC;
- The impact of United States tax legislation to our financial condition, results of operations or cash flows and our credit ratings;
- The impacts from potential impairments of goodwill or equity method investment carrying values;
- Asset or business acquisitions and dispositions may not yield the anticipated benefits; and
- The actions of activist shareholders could disrupt our operations, impact our ability to execute on our business strategy, or cause fluctuations in the trading price of our common stock.

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

Non-GAAP Financial Information

NON-GAAP MEASURES

Adjusted Earnings Per Share (EPS)

Duke Energy's 2022 Impact Report references adjusted EPS for the year-to-date periods ended December 31, 2022 and 2021 of $5.27, $4.99 respectively.

The non-GAAP financial measure, adjusted EPS, represents basic EPS from continuing operations available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. As discussed below, special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders.

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

- Regulatory matters and litigation represents the net impact of charges related to Indiana court rulings on coal ash and other unrelated ongoing litigation.
- Workplace and workforce realignment represents costs attributable to business transformation, including long-term real estate strategy changes and workforce reduction.
- Regulatory settlements represents an impairment charge related to the South Carolina Supreme Court decision on coal ash, insurance proceeds and Duke Energy Carolinas and Duke Energy Progress coal ash settlement.
- Gas pipeline investments represents additional exit obligations related to ACP.

Discontinued operations primarily includes results from Duke Energy's Commercial Renewables Disposal Groups, including an estimated impairment on the sale of the business in 2022.

Duke Energy's adjusted EPS may not be comparable to a similarly titled measure of another company because other entities may not calculate the measure in the same manner.

The following is a reconciliation of report EPS to adjusted EPS for 2022 and 2021:

	Years Ended December 31	
(per share)	**2022**	**2021**
GAAP Reported Earnings/EPS	**$3.17**	$4.94
Adjustments to Reported		
Regulatory Matters and Litigation	**.39**	–
Workplace and Workforce realignment	**0.14**	0.20
Regulatory Settlements	**–**	0.09
Gas Pipeline Investments	**–**	0.02
Discontinued Operations	**1.57**	(0.26)
Adjusted EPS	**$5.27**	$4.99

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