Duke Energy CORP
Form DEF 14A
March 22, 2018

Use these links to rapidly review the document
TABLE OF CONTENTS

Table of Contents

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

SCHEDULE 14A

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

Filed by the Registrant ý

Filed by a Party other than the Registrant o

Check the appropriate box:

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

DUKE ENERGY CORPORATION

(Name of Registrant as Specified In Its Charter)

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

Payment of Filing Fee (Check the appropriate box):
ý No fee required.
o Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

o Fee paid previously with preliminary materials.

o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

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

(3) Filing Party:

(4) Date Filed:

Welcome to the Duke Energy

Annual Meeting of Shareholders

March 22, 2018

Dear Fellow Shareholders:

I am pleased to invite you to our Annual Meeting of Shareholders ("Annual Meeting") to be held on Thursday, May 3, 2018, at 12:30 p.m. Eastern Time. We look forward to updating you on our plans for the future of Duke Energy and the progress we have made since our last Annual Meeting. Last year was the first year that we hosted our Annual Meeting exclusively via live webcast. As a result of the online format, we were able to connect with twice as many participants than in previous years. We were also able to answer more questions than at previous meetings by posting answers to our website to any questions that we did not have time to answer during the meeting.

As a result of positive feedback from our shareholders, we are excited to once again hold this year's Annual Meeting via live webcast. This format will continue to enable us to use technology to open our Annual Meeting to shareholders all over the world and improve our communications with them while still providing them the same opportunities to vote and ask questions that they have had at previous in-person meetings. Once again, we will use a pre-meeting forum on *proxyvote.com* to enable shareholders to submit questions in writing in advance of the Annual Meeting. An audio broadcast of the Annual Meeting will also be available by phone toll-free at 1.800.239.9838, conference number 7668330. Details regarding how to participate in the Annual Meeting via live webcast and the items to be voted on are more fully described in the accompanying Notice of Annual Meeting of Shareholders and in the Frequently Asked Questions and Answers About the Annual Meeting on page 72 of this proxy statement.

This proxy statement contains details about our strong corporate governance and executive compensation practices. We have made numerous positive changes to our governance practices in recent years. These changes are in addition to the progress made on implementing the Corporation's strategy in 2017 which is further detailed in the 2017 Annual Report that accompanies this proxy statement.

Your participation as a shareholder is important to us. Please review this proxy statement prior to exercising your vote as it contains important information relating to the business of the Annual Meeting. Page 2 contains instructions on how you can vote your shares online, by phone or by mail. At our 2017 Annual Meeting, approximately 85.24% of the Corporation's outstanding shares were represented in person or by proxy, including broker non-votes. It is important that all of our shareholders, regardless of the number of shares owned, participate in the affairs of the Corporation.

Thank you for your continued investment in Duke Energy.

Sincerely,

Lynn J. Good
Chairman, President and Chief Executive Officer

Letter from the Independent Lead Director

Dear Fellow Shareholders:

It is a great honor to serve as Duke Energy's Independent Lead Director. The Board is deeply committed to sound corporate governance and executive compensation policies and practices to ensure the Corporation operates responsibly, efficiently and in the best interests of shareholders. 2017 marked the fifth year of our shareholder engagement program. This effort involved outreach to holders of approximately 36% of our outstanding shares and dialogue with holders of approximately 30% of our outstanding shares. The feedback we gathered was invaluable.

The focus of these conversations in 2017 involved our corporate strategy, compensation and governance practices, the composition of our Board and the progress to date on environmental and sustainability goals. Members of the Board were present in many of these conversations and feedback from shareholders was discussed by the Board.

Shareholders also expressed a desire to learn more about how we are mitigating risks from climate change. In response to this feedback, and with leadership and oversight by the Board, we published a Climate Report in March 2018. The publication of this report is a testament to the Board's commitment to act on shareholder feedback and is in addition to other changes we have made in recent years, including the Board's adoption of majority voting for the election of directors, proxy access and the ability for shareholders to call special shareholder meetings and act by written consent. These changes reflect the Board's commitment to evolve our compensation and governance practices to align with best practices and to honor the perspectives of our shareholders.

Throughout the year, I have had the privilege of working with an engaged and experienced group of directors. The diversity of experience, background and skills present in the boardroom allows for active Board oversight of the most important issues facing Duke Energy as we navigate and make progress on our strategic initiatives. The Board strikes the right balance between fresh perspectives and established experience. Since 2014, we have added six new directors to the Board. This mix of new ideas and experiences has resulted in a dynamic Board uniquely equipped to lead Duke Energy as it navigates the rapid changes occurring in the utility industry. I have been honored to lead this Board as Independent Lead Director for the past two years and to work closely with our Chief Executive Officer who has skillfully positioned Duke Energy as a leader in the industry during this time of change.

We look forward to continuing our dialogue with you. On behalf of the entire Board, thank you for your continued support.

Sincerely,

Michael G. Browning
Independent Lead Director

Notice of Annual Meeting of Shareholders

May 3, 2018

12:30 p.m. Eastern Time
Via live webcast at duke-energy.onlineshareholdermeeting.com

We will convene the Annual Meeting of Duke Energy Corporation on Thursday, May 3, 2018, at 12:30 p.m. Eastern Time via live webcast at *duke-energy.onlineshareholdermeeting.com*.

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

1. Election of directors;

2. Ratification of Deloitte & Touche LLP as Duke Energy Corporation's independent registered public accounting firm for 2018;

3. Advisory vote to approve Duke Energy Corporation's named executive officer compensation;

4. Amendment to the Amended and Restated Certificate of Incorporation of Duke Energy Corporation to eliminate supermajority voting requirements;

5. One shareholder proposal; and

6. Any other business that may properly come before the meeting (or any adjournment or postponement of the meeting).

Shareholders of record as of the close of business on March 9, 2018, are entitled to vote at the Annual Meeting by visiting *duke-energy.onlineshareholdermeeting.com*. To participate in the Annual Meeting via live webcast, you will need the 16-digit control number included on your Notice Regarding the Availability of Proxy Materials ("Notice"), on your proxy card and on the instructions that accompany your proxy materials. The Annual Meeting will begin promptly at 12:30 p.m. Eastern Time. Online check-in will begin at 12:00 p.m. Eastern Time. Please allow ample time for the online check-in procedures. An audio broadcast of the Annual Meeting will be available by phone toll-free at 1.800.239.9838, conference number 7668330.

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

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

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

Dated: March 22, 2018

By order of the Board of Directors,

Julia S. Janson
Executive Vice President, External Affairs, Chief Legal Officer and Corporate Secretary

TABLE OF CONTENTS

Table of Contents

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

It is very important that you vote to participate in the future of Duke Energy Corporation ("Duke Energy" or the "Corporation"). New York Stock Exchange ("NYSE") rules state that if your shares are held through a broker, bank or other nominee, they cannot vote without your instruction on nondiscretionary matters.

Eligibility to Vote

You can vote if you were a shareholder of record at the close of business on March 9, 2018.

Vote Now

Even if you plan to participate in this year's Annual Meeting, it is a good idea to vote your shares before the Annual Meeting in the event your plans change. Whether you vote online, by phone or by mail, please have your proxy card or instructions that accompanied your proxy materials in hand and follow the instructions.

By internet	By phone	By mailing your proxy card
Visit 24/7 *proxyvote.com*	Call toll-free 24/7 1.800.690.6903 or by calling the number provided by your broker, bank or other nominee if your shares are not registered in your name	Cast your vote, sign your proxy card and send free of postage

Participate in the Annual Meeting

This year's Annual Meeting will be held exclusively via live webcast enabling shareholders from around the world to participate, submit questions in writing and vote. Shareholders of record as of the close of business on March 9, 2018, are entitled to participate in and vote at the Annual Meeting by visiting *duke-energy.onlineshareholdermeeting.com*. To participate in the Annual Meeting via live webcast, you will need the 16-digit control number included on your Notice, on your proxy card and on the instructions that accompanied your proxy materials. The Annual Meeting will begin promptly at 12:30 p.m. Eastern Time. Online check-in will begin at 12:00 p.m. Eastern Time. Please allow ample time for the online check-in procedures. An audio broadcast of the Annual Meeting will be available by phone toll-free at 1.800.239.9838, conference number 7668330.

Shareholders who would like to submit questions in writing in advance of the Annual Meeting can do so by visiting our pre-meeting forum at *proxyvote.com* using your 16-digit control number. We will post answers to all questions received in advance of or during the Annual Meeting, including those questions that we do not have time to answer during the Annual Meeting, to our website at *duke-energy.com/our-company/investors/financial-news* under "May 3, 2018 - 2018 Annual Meeting of Shareholders".

PROXY SUMMARY

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

Voting Matters

		More information	Board recommendation	Broker non-votes	Abstentions	Votes required for approval
PROPOSAL 1	Election of directors	Page 9	**FOR** each nominee	Do not count	Do not count	Majority of votes cast, with a resignation policy
PROPOSAL 2	Ratification of Deloitte & Touche LLP as Duke Energy Corporation's independent registered public accounting firm for 2018	Page 33	**FOR**	Vote for	Vote against	Majority of shares represented
PROPOSAL 3	Advisory vote to approve Duke Energy Corporation's named executive officer compensation	Page 35	**FOR**	Do not count	Vote against	Majority of shares represented
PROPOSAL 4	Amendment to the Amended and Restated Certificate of Incorporation of Duke Energy Corporation to eliminate supermajority	Page 69	**FOR**	Vote against	Vote against	80% of the outstanding shares

	voting requirements					
PROPOSAL 5	Shareholder proposal	Page 70	**AGAINST**	Do not count	Vote against	Majority of shares represented

Table of Contents

Duke Energy Overview

Headquartered in Charlotte, North Carolina, Duke Energy is one of the largest energy holding companies in the United States. Our Electric Utilities and Infrastructure business serves approximately 7.6 million customers located in six states in the Southeast and Midwest. Our Gas Utilities and Infrastructure business distributes natural gas to approximately 1.5 million customers in the Carolinas, Ohio, Kentucky and Tennessee. Our Commercial Renewables business operates a growing renewable energy portfolio across the United States. More information about our business is available at *duke-energy.com*.

2017 Business Highlights

We entered 2017 in a position of strength, having completed our multi-year transformation to exit the Latin American Generation business and acquire Piedmont Natural Gas Company, Inc. ("Piedmont Natural Gas"). In February, we rolled-out our ten-year strategic aspirations. This long-term view outlines our road map to advance our growth strategy, leveraging scale and a focused portfolio to deliver a reliable dividend with 4 to 6% earnings per share ("EPS") growth during our five-year planning horizon. Our strategy is focused on investments to modernize our energy grid, generate clean energy and build our natural gas infrastructure all built on a foundation of customer service, operational excellence and stakeholder engagement. Through the year we have already made meaningful progress on the following items:

- Developed a multi-year plan to modernize the energy grid across our jurisdictions
- Demonstrated progress on our commitment to generate cleaner energy, including advancing the construction of combined cycle natural gas plants in Florida, North Carolina and South Carolina, and our announcement of a more stringent carbon dioxide emissions reduction target for our generation fleet a 40% reduction from the 2005 level by 2030
- Grew the business through building natural gas infrastructure with the Sabal Trail Pipeline which was placed into service during the year and made significant progress on obtaining necessary permits to advance the Atlantic Coast Pipeline
- Facilitated renewables-related legislation in North Carolina and a comprehensive multi-year rate settlement in Florida which puts us on a path towards modernized regulatory mechanisms

In conjunction with our strategic accomplishments, we maintained a sharp focus during the year on operational excellence, including:

- Continued improvement of our key employee safety metric, Total Incident Case Rate ("TICR"), building on our industry-leading performance from 2016
- Reduced reportable environmental events from last year, the third consecutive year of improvement
- Advanced our efforts to permanently close our coal ash basins in ways that protect people and the environment
- Restored power to 99% of the 1.3 million Florida customers left without power after Hurricane Irma in just over a week an effort that involved coordination and communication with more than 12,000 line and fieldworkers

Our strategic and operational accomplishments contributed to strong financial performance for the year. We demonstrated flexibility in the management of our spending to offset the impact of an extraordinarily mild 2017 Winter season. Despite the significant headwind from weather, including Hurricane Irma impacts, we delivered on our earnings guidance for the year. Additionally, our total shareholder return was 13.0% in 2017, compared to 13.5% in 2016. The total shareholder return of the Philadelphia Utility Index ("UTY") was 12.8% in 2017, compared to 17.4% in 2016.

During 2017, we increased the dividend payment to our shareholders by approximately 4%, reflecting our confidence in the strength of our businesses and commitment to return value to shareholders. This is the eleventh consecutive year of annual dividend growth. 2017 also marked the ninety-first consecutive year that Duke Energy has paid a quarterly cash dividend on our common stock, a record we expect to continue for shareholders who rely on a steady and growing dividend.

Shareholder Engagement (pages 21 and 36)

As part of our commitment to corporate governance, we have a track record of engaging with shareholders to discuss and obtain their feedback on our corporate governance and executive compensation practices. During the Fall of 2017, we reached out to holders of approximately 36% of our outstanding shares and held meetings with the holders of approximately 30% of our outstanding shares, many of which included participation by members of the Board. The agenda for these conversations spanned a variety of topics including executive compensation, sustainability and governance such as director skills and diversity and the Board's oversight over key risk areas for Duke Energy, including environmental, health and safety. We also discussed the shareholder proposals that were voted on at the 2017 Annual Meeting, including a proposal seeking a report on the impacts to Duke Energy of climate change. The feedback received during those discussions helped inform us as we prepared our Climate Report published in March 2018. Also, as a result of feedback received from shareholders, we enhanced our policy prohibiting hedging and pledging of our common stock and the Compensation Committee enhanced its disclosures related to performance shares in this proxy statement. A more complete discussion of our corporate governance engagement program and these changes is included on pages 21 and 36.

Table of Contents

Board Nominees (page 9)

Name	Age	Gender, Racial or Ethnically Diverse	Director since	Occupation	Independent	Committee Memberships	Other Public Company Boards
Michael G. Browning Independent Lead Director	71		2006	Chairman, Browning Consolidated, LLC	ü	Compensation Corporate Governance (C) Finance and Risk Management	None
Theodore F. Craver, Jr.	66		2017	Retired Chairman, President and Chief Executive Officer, Edison International	ü	Audit (C) Finance and Risk Management	Wells Fargo & Company
Robert M. Davis	51		2018	Chief Financial Officer and Executive Vice President, Global Services, Merck & Co., Inc.	ü	Audit Finance and Risk Management	None
Daniel R. DiMicco	67		2007	Chairman Emeritus, Retired President and Chief Executive Officer, Nucor Corporation	ü	Corporate Governance	Hennessy Capital Acquisition Corp. III

						Nuclear Oversight	
John H. Forsgren	71		2009	Retired Vice Chairman, Executive Vice President and Chief Financial Officer, Northeast Utilities	ü	Compensation Finance and Risk Management (C)	None
Lynn J. Good Chairman	58	ü	2013	Chairman, President and Chief Executive Officer, Duke Energy Corporation		None	The Boeing Company
John T. Herron	64		2013	Retired President, Chief Executive Officer and Chief Nuclear Officer, Entergy Nuclear	ü	Nuclear Oversight (C) Regulatory Policy and Operations	None
James B. Hyler, Jr.	70		2012	Retired Vice Chairman and Chief Operating Officer, First Citizens BancShares, Inc.	ü	Audit Regulatory Policy and Operations (C)	None
William E. Kennard	61	ü	2014	Non-Executive Chairman, Velocitas Partners, LLC	ü	Corporate Governance Finance and Risk Management	AT&T Inc. Ford Motor Company

							MetLife, Inc.
E. Marie McKee	67	ü	2012	Retired Senior Vice President, Corning Incorporated	ü	Compensation (C)	None
						Corporate Governance	
Charles W. Moorman IV	66		2016	Senior Advisor, Amtrak	ü	Nuclear Oversight	Chevron Corporation
						Regulatory Policy and Operations	
Carlos A. Saladrigas	69	ü	2012	Chairman, Regis HR Group	ü	Audit	None
						Compensation	
Thomas E. Skains	61		2016	Retired Chairman, President and Chief Executive Officer, Piedmont Natural Gas Company, Inc.	ü	Nuclear Oversight	BB&T Corporation
						Regulatory Policy and Operations	National Fuel Gas Company
William E. Webster, Jr.	64		2016	Retired Executive Vice President, Industry Strategy for the Institute of Nuclear Power Operations	ü	Nuclear Oversight	None
						Regulatory Policy and	

Operations

(C)
Committee Chair

Table of Contents

Table of Contents

Board Representation

Corporate Governance Highlights (page 26)

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

Executive Compensation Highlights (page 36)

Principles and Objectives

Our executive compensation program is designed to:

Link pay to performance

Attract and retain talented executive officers and key employees

- Emphasize performance-based compensation to motivate executives and key employees
- Reward individual performance
- Encourage long-term commitment to Duke Energy and align the interests of executives with shareholders

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

- Base salary
- Short-term incentives
- Long-term incentives

Table of Contents

Key Executive Compensation Features (pages 37 and 41)

New Features in Response to Shareholder Feedback

- ü Enhanced disclosure of performance goals, along with continued reporting of actual performance results
- ü Expanded anti-pledging policy to prohibit all pledging of corporate securities

- ü Significant stock ownership requirements (6x base salary for the Chief Executive Officer)
- ü Stock holding policy
- ü Incentive compensation tied to a clawback policy
- ü Consistent level of severance protection

- ü Shareholder approval policy for severance agreements
- ü Equity award granting policy
- ü Independent compensation consultant
- ü Annual tally sheets for executive officers
- ü Review and consideration of prior year's "say-on-pay" vote
- ü Do not encourage excessive or inappropriate risk-taking
- ü No tax gross-ups
- ü No "single trigger" severance upon a change in control
- ü No employment agreements except for our Chief Executive Officer
- ü No excessive perquisites

Table of Contents

PROPOSAL 1: ELECTION OF DIRECTORS

The Board of Directors

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

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

The Corporation's Principles for Corporate Governance includes a policy that a director's normal retirement occurs at the Annual Meeting following the year in which the director reaches the age of 71. However, the Board believes that it is important to monitor the Board's composition, skills and needs in the context of the Corporation's overall strategy, and, therefore, has not made the retirement age mandatory but rather may elect to waive the policy in circumstances it deems necessary. Two directors will have reached their normal retirement date at the Annual Meeting, Michael G. Browning and John H. Forsgren. Upon review of the matter, the Corporate Governance Committee recommended, and the Board approved, waiving the retirement date for Mr. Browning and Mr. Forsgren and nominating these directors once again for election at the Annual Meeting. In reaching this decision, the Corporate Governance Committee and the Board considered the high number of director retirements and new members of the Board who have joined in recent years and the need of the Board to retain Mr. Browning and Mr. Forsgren who both bring important experience and knowledge about the issues and strategy of the Corporation. The Corporate Governance Committee and the Board also considered the extensive skills of Mr. Browning with regard to finance and Mr. Forsgren with regard to industry expertise, among other things. Furthermore, Mr. Browning has served the Corporation and the Board extremely well in the role of Independent Lead Director and fulfills an important commitment of the Corporation to the Kentucky Public Service Commission to have an independent director of the Board from the Corporation's Midwest service territory.

Majority Voting for the Election of Directors

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

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

Table of Contents

PROPOSAL 1: ELECTION OF DIRECTORS

Board Biographical Information, Skills and Qualifications

Michael G. Browning

Independent Director Nominee
Independent Lead Director

Age: 71

Director of Duke Energy since 2006
Chairman, Browning Consolidated, LLC

Committees:

Compensation Committee

Corporate Governance Committee (Chair)

Finance and Risk Management Committee

Other current public directorships:

None

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

Skills and qualifications:

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

Theodore F. Craver, Jr.

Independent Director Nominee

Age: 66

Director of Duke Energy since 2017
Retired Chairman, President and Chief Executive Officer, Edison International

Committees:

Audit Committee (Chair)

Finance and Risk Management Committee

Other current public directorships:

Wells Fargo & Company

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

Skills and qualifications:

Mr. Craver's qualifications for election include his experience as Chief Executive Officer of Edison International which gives him in-depth knowledge of the utility industry and the regulatory arena, including environmental regulations, as well as his financial and risk management experience obtained as a Chief Financial Officer. Mr. Craver's experience in the industry also gives him a keen awareness of the needs of utility customers during this time of industry change. In addition, Mr. Craver's experience with grid cybersecurity as a member of the Steering Committee of the ESCC gives him insight into this crucial area for the Corporation.

Table of Contents

Robert M. Davis

Independent Director Nominee

Age: 51

Director of Duke Energy since 2018
Chief Financial Officer and Executive Vice President, Global Services, Merck & Co., Inc.

Committees:

Audit Committee

Finance and Risk Management Committee

Other current public directorships:

None

Mr. Davis has been Chief Financial Officer since April 2014 and Chief Financial Officer and Executive Vice President, Global Services for Merck & Co. since 2016. Prior to Merck & Co., Mr. Davis worked for Baxter International, Inc. as Corporate Vice President and President of Medical Products from 2010 to 2014, Corporate Vice President and President of Baxter International's renal business in 2010, Corporate Vice President and Chief Financial Officer from 2006 to 2010, and Treasurer from 2004 to 2006. Mr. Davis previously served on the board of directors for C.R. Bard until its merger with Becton, Dickinson and Company in December 2017.

Skills and qualifications:

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

Daniel R. DiMicco

Independent Director Nominee

Age: 67

Director of Duke Energy since 2007
Chairman Emeritus, Retired President and Chief Executive Officer, Nucor Corporation

Committees:

Corporate Governance Committee

Nuclear Oversight Committee

Other current public directorships:

Hennessy Capital Acquisition Corp. III

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

Skills and qualifications:

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

Table of Contents

PROPOSAL 1: ELECTION OF DIRECTORS

John H. Forsgren

Independent Director Nominee

Age: 71

Director of Duke Energy since 2009
Retired Vice Chairman, Executive Vice President and Chief Financial Officer, Northeast Utilities

Committees:

Compensation Committee

Finance and Risk Management Committee (Chair)

Other current public directorships:

None

Mr. Forsgren was Vice Chairman, Executive Vice President and Chief Financial Officer of Northeast Utilities from 1996 until his retirement in 2004. He is a former director of The Phoenix Companies, Inc., CuraGen Corporation and Neon Communications Group, Inc.

Skills and qualifications:

As a Vice Chairman and Chief Financial Officer of a large regulated utility company prior to his retirement, Mr. Forsgren's qualifications for election include financial and risk management expertise gained during his time as Chief Financial Officer as well as extensive knowledge of the energy industry, the regulatory environment within the industry and insight on renewable energy due to his management experience at a regulated utility.

Lynn J. Good

Non-Independent Director Nominee
Chairman

Age: 58

Director of Duke Energy since 2013
Chairman, President and Chief Executive Officer, Duke Energy Corporation

Committees:

None

Other current public directorships:

The Boeing Company

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

Skills and qualifications:

Ms. Good is our Chief Executive Officer and was previously our Chief Financial Officer. Her extensive financial and risk management background as well as her knowledge of the affairs of Duke Energy and its business and her experience in the utility industry, its regulatory issues, technologies, environmental regulations and customer focus provide valuable resources for the Board.

Table of Contents

John T. Herron

Independent Director Nominee

Age: 64

Director of Duke Energy since 2013
Retired President, Chief Executive Officer and Chief Nuclear Officer, Entergy Nuclear

Committees:

Nuclear Oversight Committee (Chair)

Regulatory Policy and Operations Committee

Other current public directorships:

None

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

Skills and qualifications:

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

James B. Hyler, Jr.

Independent Director Nominee

Age: 70

Director of Duke Energy since 2012
Retired Vice Chairman and Chief Operating Officer, First Citizens BancShares, Inc.

Committees:

Audit Committee

Regulatory Policy and Operations Committee (Chair)

Other current public directorships:

None

Mr. Hyler was Vice Chairman and Chief Operating Officer of First Citizens BancShares, a company involved in commercial banking, from

1994 until 2008, President from 1988 until 1994 and Chief Financial Officer from 1980 until 1988. Prior to joining First Citizens BancShares, Mr. Hyler was an auditor with Ernst & Young for 10 years. Mr. Hyler served as a director of First Citizens BancShares from 1988 until 2008 and as Managing Director of Morehead Capital Management, LLC from December 2011 until December 2015.

Skills and qualifications:

Mr. Hyler's qualifications for election include his understanding of Duke Energy's North Carolina service territory and his knowledge and expertise in financial services, regulatory matters, corporate finance and risk management gained during his career in finance as Vice Chairman and Chief Operating Officer of First Citizens BancShares as well as his role with Morehead Capital Management.

Table of Contents

PROPOSAL 1: ELECTION OF DIRECTORS

William E. Kennard

Independent Director Nominee

Age: 61

Director of Duke Energy since 2014

Non-Executive Chairman, Velocitas Partners, LLC

Committees:

Corporate Governance Committee

Finance and Risk Management Committee

Other current public directorships:

AT&T Inc.

Ford Motor Company

MetLife, Inc.

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

Skills and qualifications:

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

E. Marie McKee

Independent Director Nominee

Age: 67

Director of Duke Energy since 2012

Retired Senior Vice President, Corning Incorporated

Committees:

Compensation Committee (Chair)

Corporate Governance Committee

Other current public directorships:

None

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

Skills and qualifications:

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

Charles W. Moorman IV

Independent Director Nominee

Age: 66

Director of Duke Energy since 2016

Senior Advisor, Amtrak

Committees:

Nuclear Oversight Committee

Regulatory Policy and Operations Committee

Other current public directorships:

Chevron Corporation

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

Skills and qualifications:

Mr. Moorman's qualifications for election include experience in business, regulatory issues, finance, technology, strategy, risk management and safety and environmental issues as a result of his career at a large public company in the freight and transportation industry. His experience with Amtrak also gives him reliable insight into customer needs.

Carlos A. Saladrigas

Independent Director Nominee

Age: 69

Director of Duke Energy since 2012

Chairman, Regis HR Group

Committees:

Audit Committee

Compensation Committee

Other current public directorships:

None

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

Skills and qualifications:

Mr. Saladrigas' qualifications for election include his extensive expertise in human resources, risk management and finance as well as his understanding of customer needs in Duke Energy's Florida service territory.

Table of Contents

PROPOSAL 1: ELECTION OF DIRECTORS

Thomas E. Skains

Independent Director Nominee

Age: 61

Director of Duke Energy since 2016

Retired Chairman, President and Chief Executive Officer, Piedmont Natural Gas

Committees:

Nuclear Oversight Committee

Regulatory Policy and Operations Committee

Other current public directorships:

BB&T Corporation

National Fuel Gas Company

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

Skills and qualifications:

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

William E. Webster, Jr.

Age: 64

Director of Duke Energy since 2016

Retired Executive Vice President, Institute of Nuclear Power Operations

Committees:

Nuclear Oversight Committee

Regulatory Policy and Operations Committee

Other current public directorships:

None

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

Skills and qualifications:

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

The Board of Directors Recommends a Vote "FOR" Each Nominee.

Table of Contents

INFORMATION ON THE BOARD OF DIRECTORS

Our Board Leadership Structure

The Board regularly evaluates the leadership structure of the Corporation and may consider alternative approaches, as appropriate, over time. Though the Board is currently structured with a combined Chairman and Chief Executive Officer, the Board believes that the Corporation and our shareholders are best served by the Board retaining discretion to determine the appropriate leadership structure based on what it believes is best for the Corporation at a particular point in time, including whether the same individual should serve as both Chairman and Chief Executive Officer, or whether the roles should be separate.

Lynn J. Good serves as the Corporation's Chairman, President and Chief Executive Officer. Our Board believes that combining the Chairman and Chief Executive Officer roles fosters clear accountability, effective decision-making and execution of corporate strategy.

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

- leading, in conjunction with the Corporate Governance Committee, the process for the review of the Chief Executive Officer;
- leading, in conjunction with the Corporate Governance Committee, the Board, committee and individual director self-assessment review process;
- presiding at the executive sessions of the independent members of the Board;
- assisting the Chairman and the Chief Executive Officer in setting, reviewing and approving agendas and schedules of Board meetings;
- calling meetings of the independent members of the Board when necessary and appropriate;
- developing topics for discussion during executive sessions of the Board;
- assisting the Chairman and the Chief Executive Officer to promote the efficient and effective performance and functioning of the Board; and
- being available for consultation and direct communication with the Corporation's major shareholders.

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

Independence of Directors

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

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

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

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

For Mr. Webster, the Board considered a relationship between the Corporation and PriceWaterhouseCoopers ("PwC"), a firm that provides professional tax and other services from time to time to the Corporation and at which Mr. Webster's brother-in-law was a partner for the majority of 2017. In December 2017, Mr. Webster's brother-in-law left his partnership with PwC to join the board of directors of the Public Company Accounting Oversight Board. The Board determined

Table of Contents

this prior relationship did not impair Mr. Webster's independence in 2017, and, because there is no longer any ongoing relationship, there is no related person transaction for Mr. Webster with PwC at this time.

See Related Person Transactions on page 75 for further information.

Director Attendance

The Board of Duke Energy met five times during 2017 and has met once so far in 2018. The overall attendance percentage for our directors was approximately 96% in 2017, and all directors attended more than 75% of the Board meetings and the meetings of the committees upon which he or she served in 2017. Directors are encouraged to attend the Annual Meeting. All of our directors who were directors at the time of last year's Annual Meeting on May 4, 2017, attended the 2017 Annual Meeting except Ann Maynard Gray who retired from the Board at the 2017 Annual Meeting and Michael J. Angelakis who resigned from the Board in 2017.

Board and Committee Assessments

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

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

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

Board Role in Management Succession

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

Board Oversight of Risk

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

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

Table of Contents

INFORMATION ON THE BOARD OF DIRECTORS

Shareholder Engagement

We conduct extensive governance reviews and investor outreach so that management and the Board understand and consider the issues that matter most to our shareholders and address them effectively. In 2017, we reached out to holders of approximately 36% of Duke Energy's outstanding shares and members of our Board and management met with holders of approximately 30% of Duke Energy's outstanding shares. We engaged with every shareholder who accepted our offer to meet.

Duke Energy engaged with shareholders on numerous topics during the year, including executive compensation matters, sustainability and governance issues such as the disclosure of the performance goals for the performance shares granted in our most recently completed fiscal year. We have also included additional disclosure in this proxy statement on director skills and diversity and the Board's oversight over key risk areas for the Corporation, including environmental, health and safety. Shareholder feedback has been invaluable to Duke Energy in enhancing our governance and compensation policies and related disclosures such as additional disclosure in this proxy statement on director skills and diversity in recent years to give shareholders greater insight into the background and abilities of our capable Board.

During the Fall of 2017, we focused our engagements with shareholders on explaining recent changes to our compensation program and on sustainability matters. A more complete discussion of our engagements around compensation is included in the Compensation Discussion and Analysis on page 36.

Table of Contents

INFORMATION ON THE BOARD OF DIRECTORS

Board of Directors Committees

BOARD COMMITTEE MEMBERSHIP ROSTER

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

C Committee Chair

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

Audit Committee

Eight meetings held in 2017

Committee Members

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

* Designated as an Audit Committee Financial Expert by the Board

Theodore F. Craver, Jr.

The *Audit Committee* considers risks and matters related to financial reporting, internal controls, compliance and legal matters and cybersecurity and technology matters.

As part of its responsibilities, the Audit Committee selects and retains an independent registered public accounting firm to conduct audits of the accounts of Duke Energy and our subsidiaries. It also reviews with the independent registered public accounting firm the scope and results of their audits, as well as the accounting procedures, internal controls, and accounting and financial reporting policies and practices of Duke Energy and our subsidiaries and makes reports and recommendations to the Board as it deems appropriate.

The Audit Committee is responsible for approving all audit and permissible non-audit services provided to Duke Energy by our independent registered public accounting firm. Pursuant to this responsibility, the Audit Committee adopted the policy on Engaging the Independent Auditor for Services, which provides that the Audit Committee will establish detailed services and related fee levels that may be provided by the independent registered public accounting firm and will review such policy annually. See page 33 for additional information on the Audit Committee's preapproval policy.

The Board has determined that Mr. Craver, Mr. Davis, Mr. Hyler and Mr. Saladrigas are "Audit Committee Financial Experts" as such term is defined in Item 407(d)(5)(ii) of Regulation S-K. See pages 10, 11, 13 and 15 for a description of their business experience.

Each of the members has been determined to be "independent" within the meaning of the NYSE's listing standards, Rule 10A-3 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the Corporation's Standards for Assessing Director Independence. In addition, each of the members meets the financial literacy requirements for audit committee membership under the NYSE's rules and the rules and regulations of the SEC.

Compensation Committee

Six meetings held in 2017

Committee Members
E. Marie McKee, Chair
Michael G. Browning
John H. Forsgren
Carlos A. Saladrigas

E. Marie McKee

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

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

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

Each of the members of the Compensation Committee has been determined to be "independent" within the meaning of the NYSE's listing standards, Rule 10C-1(b) of the Exchange Act, and the Corporation's Standards for Assessing Director Independence; to be "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"); and, to be "non-employee directors" within the meaning of Rule 16b-3 of the Exchange Act.

Compensation Committee Interlocks and Insider Participation. During 2017, Ms. McKee, Mr. Browning, Mr. Moorman and Mr. Saladrigas served as members of the Compensation Committee, with Mr. Forsgren joining the Compensation Committee on January 8, 2018. None of the Compensation Committee members was an officer or employee of Duke Energy during 2017 or a former officer of the Duke Energy or had any business relationships requiring review and disclosure under our Related Person Transactions Policy. Furthermore, none of our executive officers served as a director or member of the compensation committee (or other committee of the board performing equivalent functions) of another entity where an executive officer of such entity served as a director of Duke Energy or on our Compensation Committee.

Table of Contents

INFORMATION ON THE BOARD OF DIRECTORS

Corporate Governance Committee

Five meetings held in 2017

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

Michael G. Browning

The *Corporate Governance Committee* considers risks and matters related to corporate governance and the Corporation's policies and practices with respect to political activities, community affairs and sustainability.

It recommends the size and composition of the Board and its committees and recommends potential Chief Executive Officer successors to the Board.

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

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

Each of the members of the Corporate Governance Committee has been determined to be "independent" within the meaning of the NYSE's listing standards and the Corporation's Standards for Assessing Director Independence.

Finance and Risk Management Committee

Four meetings held in 2017

Committee Members

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

John H. Forsgren

The *Finance and Risk Management Committee* is primarily responsible for the oversight of financial risk and enterprise risk at the Corporation. This oversight function includes reviews of Duke Energy's financial and fiscal affairs and recommendations to the Board regarding dividends, financing and fiscal policies, and significant transactions. It reviews the financial exposure of Duke Energy, as well as mitigation strategies, reviews Duke Energy's enterprise risk exposures and provides oversight for the process to assess and manage enterprise risk, and reviews the financial impacts of major projects as well as capital expenditures.

Table of Contents

Nuclear Oversight Committee

Four meetings held in 2017

Committee Members
John T. Herron, Chair
Daniel R. DiMicco
Charles W. Moorman IV
Thomas E. Skains
William E. Webster, Jr.

John T. Herron

The *Nuclear Oversight Committee* provides oversight of the nuclear safety, operational and financial performance as well as operational risks, long-term plans and strategies of Duke Energy's nuclear power program. The oversight role is one of review, observation and comment and in no way alters management's authority, responsibility or accountability. The Nuclear Oversight Committee visits each of Duke Energy's operating nuclear power stations over a two-year period and reviews the station's nuclear safety, operational and financial performance.

Regulatory Policy and Operations Committee

Four meetings held in 2017

Committee Members
James B. Hyler, Jr., Chair
John T. Herron
Charles W. Moorman IV
Thomas E. Skains
William E. Webster, Jr.

James B. Hyler, Jr.

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

Each committee operates under a written charter adopted by the Board. The charters are posted on our website at *duke-energy.com/our-company/investors/corporate-governance/board-committee-charters*.

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

The following is the report of the Corporate Governance Committee with respect to its philosophy, responsibilities and initiatives.

Philosophy and Responsibilities

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

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

Responsibilities. The committee's responsibilities include, among other things, (i) implementing policies regarding corporate governance matters, (ii) assessing the Board's membership needs and recommending nominees, (iii) recommending to the Board those directors to be selected for membership on, or removal from, the various Board committees and those directors to be designated as chairs of Board committees, (iv) sponsoring and overseeing annual performance evaluations for the various Board committees, including the Corporate Governance Committee, the Board and the Chief Executive Officer, (v) overseeing the Corporation's political expenditures and activities pursuant to the Political Expenditures Policy, and (vi) reviewing the Corporation's charitable contributions and community service policies and practices. The committee may also conduct or authorize investigations into or studies of matters within the scope of the committee's duties and responsibilities, and may retain, at the Corporation's expense, and in the committee's sole discretion, consultants to assist in such work as the committee deems necessary. In 2018, the Board also formally tasked the committee with oversight over sustainability issues.

Governance Policies

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

Any amendments to or waivers from our Code of Business Ethics for Employees with respect to executive officers or Code of Business Conduct & Ethics for Directors must be approved by the Board and will be posted on our website. During 2017, our Board held four executive sessions with independent directors only.

Board Composition

Director Qualifications. The Board recognizes that a diverse Board, management and workforce is key to the Corporation's success. This diversity is evidenced in the backgrounds, skills and qualifications of the directors who have been nominated, as well as the diversity of Duke Energy's executives and workforce, starting with our Chairman, President and Chief Executive Officer, Lynn J. Good, who was selected by the Board to lead Duke Energy in 2013. The Board strives to have a diverse Board representing a range of experiences and qualifications in areas that are relevant to the Corporation's business and strategy. As part of the search process, the committee looks for the most qualified candidates, including women and minorities, with the following characteristics:

- fundamental qualities of intelligence, perceptiveness, good judgment, maturity, high ethics and standards, integrity and fairness;
- a genuine interest in Duke Energy and a recognition that, as a member of the Board, one is accountable to the shareholders of Duke Energy, not to any particular interest group;
- a background that includes broad business experience or demonstrates an understanding of business and financial affairs and the complexities of a large, multifaceted, global business organization;

Table of Contents

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

diversity among the existing Board members, including racial and ethnic background, gender, experiences, skills and qualifications;

present or former chief executive officer, chief operating officer or substantially equivalent level executive officer of a highly complex organization such as a corporation, university or major unit of government, or a professional who regularly advises such organizations;

no conflict of interest or legal impediment which would interfere with the duty of loyalty owed to Duke Energy and our shareholders;

the ability and willingness to spend the time required to function effectively as a director;

compatibility and ability to work well with other directors and executives in a team effort with a view to a long-term relationship with Duke Energy as a director;

independent opinions and willingness to state them in a constructive manner; and

willingness to become a shareholder of Duke Energy (within a reasonable time of election to the Board).

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

Shareholders interested in submitting nominees as candidates for election as directors must provide timely written notice to the Corporate Governance Committee, c/o Julia S. Janson, Executive Vice President, External Affairs, Chief Legal Officer and Corporate Secretary, Duke Energy Corporation, DEC 48H, P.O. Box 1414, Charlotte, NC 28201-1414. The written notice must set forth, as to each person whom the shareholder proposes to nominate for election as director:

the name and address of the recommending shareholder(s), and the class and number of shares of capital stock of Duke Energy that are beneficially owned by the recommending shareholder(s);

a representation that the recommending shareholder(s) is a holder of record of capital stock of Duke Energy entitled to vote at the Annual Meeting and intends to attend the Annual Meeting remotely or by proxy to nominate the person(s) specified in the written notice;

the name, age, business address and principal occupation and employment of the recommended nominee;

any information relevant to a determination of whether the recommended nominee meets the criteria for Board membership established by the Board and/or the Corporate Governance Committee;

- any information regarding the recommended nominee relevant to a determination of whether the recommended nominee would be considered independent under the applicable NYSE rules and SEC rules and regulations;

- a description of any business or personal relationship between the recommended nominee and the recommending shareholder(s), including all arrangements or understandings between the recommended nominee and the recommending shareholder(s) and any other person(s) (naming such person(s)) pursuant to which the nomination is to be made by the recommending shareholder(s);

- a statement, signed by the recommended nominee, (i) verifying the accuracy of the biographical and other information about the nominee that is submitted with the recommendation, (ii) affirming the recommended nominee's willingness to be a director, and (iii) consenting to serve as a director if so elected;

- if the recommending shareholder(s) has beneficially owned more than 5% of Duke Energy's capital stock for at least one year as of the date the recommendation is made, evidence of such beneficial ownership as specified in the rules and regulations of the SEC;

- if the recommending shareholder(s) intends to solicit proxies in support of such recommended nominee, a representation to that effect; and

- all other information relating to the recommended nominee that is required to be disclosed in solicitations for proxies in an election of directors pursuant to Regulation 14A under the Exchange Act, including, without limitation, information regarding, (i) the recommended nominee's business experience, (ii) the class and number of shares of capital stock of Duke Energy, if any, that are beneficially owned by the recommended nominee, and (iii) material relationships or transactions, if any, between the recommended nominee and Duke Energy's management.

Director Candidate Nominations through Proxy Access. In order to nominate a director pursuant to the Corporation's proxy access provision, shareholders who meet the eligibility and other requirements set forth in Section 3.04 of the Corporation's By-Laws must send a written notice to the Corporate Governance Committee, c/o Julia S. Janson, Executive Vice President, External Affairs, Chief Legal Officer and Corporate Secretary, Duke Energy Corporation, DEC 48H, P.O. Box 1414, Charlotte, NC 28201-1414. The written notice must provide the information set forth above, as well as the other detailed requirements set forth in Section 3.04 of the Corporation's By-Laws, which can be located on our website at *duke-energy.com/our-company/investors/corporate-governance*.

Table of Contents

REPORT OF THE CORPORATE GOVERNANCE COMMITTEE

New Directors Since the 2017 Annual Meeting

Following the 2017 Annual Meeting at which one of the Corporation's directors, Ann Maynard Gray, retired in accordance with our Principles for Corporate Governance, as well as following the departure of Michael J. Angelakis from our Board in August 2017, the Corporate Governance Committee sought to recruit an additional Board member whose qualifications align with the needs of the Board in light of the major risks and issues facing the Corporation, as well as our long-term strategy. After working with an independent search firm, the committee recommended in December 2017 that Robert M. Davis be appointed to the Board effective January 8, 2018. Mr. Davis brings extensive financial and cybersecurity knowledge, along with experience working in an industry under going rapid transformation gained during his tenure as Chief Financial Officer of Merck & Co. and during his career at Baxter International. For more information on Mr. Davis' skills and qualifications, see page 11.

Director Onboarding. With the addition of a number of new directors to our Board over the past several years, the director onboarding process has become increasingly more important to educating our new directors about Duke Energy. Immediately following their appointment, each new director meets individually with the senior executives responsible for our major lines of business and operations so that they may better understand the issues involved in all aspects of Duke Energy's business. In addition to discussing Duke Energy's businesses and operations, the new directors learn about our corporate governance practices and policies; the financial and technical aspects of our electric utility, natural gas and commercial renewables businesses; the enterprise's significant risks; our long-term strategy; and Duke Energy's long-standing mission to provide clean, reliable and affordable energy for our customers.

Communications and Engagements with Directors

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

Corporate Secretary
Julia S. Janson
Executive Vice President, External Affairs, Chief Legal Officer and Corporate Secretary
Duke Energy Corporation
DEC 48H
P.O. Box 1414
Charlotte, NC 28201-1414

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

Independent Lead Director
c/o Julia S. Janson
Executive Vice President, External Affairs, Chief Legal Officer and Corporate Secretary
Duke Energy Corporation
DEC 48H
P.O. Box 1414
Charlotte, NC 28201-1414

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

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

DIRECTOR COMPENSATION

Our non-employee director compensation program is designed to attract and retain highly qualified directors and align their interests with those of our shareholders. We compensate non-employee directors with a combination of cash and equity awards, along with certain other benefits as described below. Ms. Good receives no compensation for her service on the Board.

The Compensation Committee annually reviews the non-employee director compensation program and recommends proposed changes for approval by the Board. As part of this review, the Compensation Committee considers the significant amount of time expended, and the skill level required, by each non-employee director in fulfilling his or her duties on the Board, each director's role and involvement on the Board and its committees and the market compensation practices and levels of our peer companies. Effective May 4, 2017, our non-employee director compensation program consisted of the following:

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

During its annual review of the non-employee director compensation program in 2017, the Compensation Committee considered an analysis prepared by its independent consultant, FW Cook, which summarized non-employee director compensation trends and pay levels at the same peer companies used to evaluate the compensation of our named executive officers. Following this review, and after considering the advice of FW Cook about market practices and pay levels, the Compensation Committee recommended, and the Board approved, the following changes to our non-employee director compensation program:

- Eliminated Board meeting fees
- Increased the Annual Board Cash Retainer from $90,000 to $125,000
- Increased the Annual Board Stock Retainer from $125,000 to $160,000
- Increased the Compensation Committee and Nuclear Oversight Committee Chair Retainers from $15,000 to $20,000
- An additional $10,000 cash retainer will be provided to any director who completes one or more of the following tasks during the calendar year: (a) participation on a special committee, (b) attendance at more than 30 meetings of the Board and/or regular standing committee meetings during the calendar year or (c) in person attendance at more than two offsite committee meetings during the calendar year.

Annual Board Stock Retainer for 2017. In 2017, each eligible director received the portion of his or her annual retainer that was payable in stock in the form of fully-vested shares. The stock retainer was granted under the Duke Energy Corporation 2015 Long-Term Incentive Plan which was approved by our shareholders and which contains an annual limit on equity awards to a non-employee director of $400,000.

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

Charitable Giving Program. The Duke Energy Foundation, independent of Duke Energy, maintains the Duke Energy Foundation Matching Gifts Program under which directors are eligible to request matching contributions of up to $5,000 per director per calendar year to qualifying institutions. In addition, Duke Energy made a $2,500 donation to designated charities on behalf of the independent directors who exited the Board of Directors during 2017 as well as a $1,000 donation to the American Red Cross in November 2017 on behalf of each of the independent directors who were actively serving at that time.

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

Stock Ownership Guidelines. Outside directors are subject to stock ownership guidelines, which establish a minimum level of ownership of Duke Energy common stock (or common stock equivalents). Currently, each independent director is required to own shares with a value equal to at least five times the annual Board cash retainer (*i.e.*, an ownership level of $625,000) or retain 50% of his or her vested annual equity retainer. All independent directors were in compliance with the guidelines as of December 31, 2017.

Table of Contents

DIRECTOR COMPENSATION

The following table describes the compensation earned during 2017 by each individual who served as an independent director during 2017. It does not include any payments to Mr. Skains attributable to his former employment at Piedmont Natural Gas. In addition, because Mr. Davis joined the Board on January 8, 2018, he did not receive any compensation in 2017 and is not listed below.

Name	Fees Earned or Paid in Cash ($)(2)	Stock Awards ($)(3)	All Other Compensation ($)(4)	Total ($)
Michael J. Angelakis(1)	99,903	160,000	2,674	262,577
Michael G. Browning	190,077	160,000	6,269	356,346
Theodore F. Craver, Jr.(1)	113,523	181,978	6,225	301,726
Daniel R. DiMicco	129,077	160,000	6,269	295,346
John H. Forsgren	147,577	160,000	6,269	313,846
Ann Maynard Gray(1)	45,003	0	7,694	52,697
John T. Herron	150,374	160,000	6,269	316,643
James B. Hyler, Jr.	145,077	160,000	1,269	306,346
William E. Kennard	134,077	160,000	6,269	300,346
E. Marie McKee	149,374	160,000	6,269	315,643
Charles W. Moorman IV	125,077	160,000	6,269	291,346
Carlos A. Saladrigas	131,077	160,000	6,269	297,346
Thomas E. Skains	130,077	160,000	6,269	296,346
William E. Webster, Jr.	132,077	160,000	6,201	298,278

(1) Effective May 4, 2017, Ms. Gray retired from the Board and effective August 25, 2017, Mr. Angelakis resigned from the Board due to increased external business commitments. Mr. Craver was appointed to the Board on March 1, 2017.

(2) Mr. Angelakis, Mr. Browning, Ms. Gray, Mr. Hyler, Mr. Moorman and Mr. Saladrigas elected to defer $49,952; $190,077; $45,003; $72,539; $125,077 and $131,077, respectively, of his or her 2017 cash compensation under the Directors' Savings Plan.

(3) This column reflects the grant date fair value of the stock awards granted to each eligible director during 2017. The grant date fair value was determined in accordance with the accounting guidance for stock-based compensation. See Note 20 of the Consolidated Financial Statements contained in our Annual Report on Form 10-K for the year ended December 31, 2017 ("Form 10-K") for an explanation of the assumptions made in valuing these awards. In March 2017, Mr. Craver received a prorated portion of the 2016-2017 annual stock retainer, amounting to 268 shares of Duke Energy common stock. In May 2017, each sitting director on the Board received an annual stock retainer in the form of 1,937 shares of Duke Energy common stock. Mr. Angelakis, Mr. Browning, Mr. Forsgren, Mr. Hyler, Mr. Kennard, Mr. Moorman, Mr. Saladrigas and Mr. Webster elected to defer their 2017-2018 stock retainer of Duke Energy shares under the Directors' Savings Plan.

(4)

As described in the following table, All Other Compensation for 2017 includes cost associated with a business travel accident insurance premium that was prorated among the directors based on their service on the Board during 2017, contributions made in the director's name to charitable organizations and a retirement gift for Ms. Gray.

Name	Personal Use of Airplane ($)	Business Travel Accident Insurance ($)	Charitable Contributions ($)	Retirement Gift ($)	Total ($)
Michael J. Angelakis	0	174	2,500	0	2,674
Michael G. Browning	0	269	6,000	0	6,269
Theodore F. Craver, Jr.	0	225	6,000	0	6,225
Daniel R. DiMicco	0	269	6,000	0	6,269
John H. Forsgren	0	269	6,000	0	6,269
Ann Maynard Gray	0	91	7,500	103	7,694
John T. Herron	0	269	6,000	0	6,269
James B. Hyler, Jr.	0	269	1,000	0	1,269
William E. Kennard	0	269	6,000	0	6,269
E. Marie McKee	0	269	6,000	0	6,269
Charles W. Moorman IV	0	269	6,000	0	6,269
Carlos A. Saladrigas	0	269	6,000	0	6,269
Thomas E. Skains	0	269	6,000	0	6,269
William E. Webster, Jr.	0	269	5,932	0	6,201

Table of Contents

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table indicates the amount of Duke Energy common stock, beneficially owned by the current directors, the executive officers listed in the Summary Compensation Table under Executive Compensation (referred to as the named executive officers) and all directors and executive officers as a group as of February 26, 2018. There were 700,299,523 shares of Duke Energy common stock outstanding as of February 26, 2018.

Name or Identity of Group	**Total Shares Beneficially Owned(1)**	**Percent of Class**
Michael G. Browning	78,314	*
Theodore F. Craver, Jr.	5,738	*
Robert M. Davis	615	*
Daniel R. DiMicco	45,358	*
John H. Forsgren	20,524	*
Lynn J. Good	120,876	*
John T. Herron	15,695	*
James B. Hyler, Jr.	18,288	*
Dhiaa M. Jamil	15,729	*
Julia S. Janson	22,622	*
William E. Kennard	8,176	*
E. Marie McKee	143	*
Charles W. Moorman IV	6,939	*
Carlos A. Saladrigas	4,428	*
Thomas E. Skains	18,416	*
William E. Webster, Jr.	3,058	*
Lloyd M. Yates	35,653	*
Steven K. Young	51,428	*
Directors and executive officers as a group (22)	548,816	*

* Represents less than 1%.

(1) Includes the following number of shares with respect to which directors and executive officers have the right to acquire beneficial ownership within 60 days of February 26, 2018: Mr. Browning 24,384 ; Mr. Craver 0 ; Mr. Davis 0; Mr. DiMicco 17,869; Mr. Forsgren 17,203; Ms. Good 0; Mr. Herron 0; Mr. Hyler 10,946; Mr. Jamil 0; Ms. Janson 0; Mr. Kennard 8,176; Ms. McKee 143; Mr. Moorman 3,673; Mr. Saladrigas 1,480; Mr. Skains 0; Mr. Webster 1,997; Mr. Yates 0; Mr. Young 0; and all directors and executive officers as a group 85,871.

Supplemental Table Including Ownership of Units Representing Common Stock

The table below shows ownership of both Duke Energy common stock (listed in the table above as defined by SEC regulations) as well as units (not listed in the table above) related to Duke Energy common stock under the Directors' Savings Plan or the Duke Energy Corporation

Executive Savings Plan ("Executive Savings Plan"), as applicable, which units do not represent an equity interest in Duke Energy and possess no voting rights, but are equal in economic value to one share of Duke Energy common stock.

Name	**Number of Units**
Michael G. Browning	108,271
Theodore F. Craver, Jr.	5,738
Robert M. Davis	615
Daniel R. DiMicco	46,725
John H. Forsgren	20,524
Lynn J. Good	120,950
John T. Herron	15,695
James B. Hyler, Jr.	29,853
Dhiaa M. Jamil	17,611
Julia S. Janson	22,832
William E. Kennard	8,176
E. Marie McKee	58,667
Charles W. Moorman IV	6,939
Carlos A. Saladrigas	40,979
Thomas E. Skains	18,416
William E. Webster, Jr.	3,058
Lloyd M. Yates	47,108
Steven K. Young	51,926

Table of Contents

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table lists the beneficial owners of 5% or more of Duke Energy's outstanding shares of common stock as of December 31, 2017. This information is based on the most recently available reports filed with the SEC and provided to us by the company listed.

Name or Identity of Beneficial Owner	Shares of Common Stock Beneficially Owned	Percentage
The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355	51,528,433	7.36%
BlackRock Inc. 40 East 52nd Street New York, NY 10022	45,499,220	6.5%

(1)
According to the Schedule 13G/A filed by The Vanguard Group, these shares are beneficially owned by The Vanguard Group, which is the parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G) to various investment companies, and has sole voting power with respect to 1,080,036 shares, 345,502 shares with shared voting power, sole dispositive power with regard to 50,246,458 shares and 1,281,975 shares with shared dispositive power.

(2)
According to the Schedule 13G/A filed by BlackRock Inc., these shares are beneficially owned by BlackRock Inc., which is the parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G) to various investment companies, and has sole voting power with respect to 39,676,331 shares, 0 shares with shared voting power, sole dispositive power with regard to 45,499,220 shares and 0 shares with shared dispositive power.

PROPOSAL 2: RATIFICATION OF DELOITTE & TOUCHE LLP AS DUKE ENERGY CORPORATION'S INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2018

The Audit Committee is directly responsible for the appointment and compensation, including the preapproval of audit fees as described below, and the retention and oversight of the independent registered public accounting firm that audits our financial statements and our internal control over financial reporting. The Audit Committee has selected Deloitte & Touche LLP ("Deloitte") as Duke Energy's independent registered public accounting firm for 2018. Deloitte (or one of its predecessor companies) has served as our independent registered public accounting firm since 1947.

Independence

The Audit Committee and the Board believe that the continued retention of Deloitte as Duke Energy's independent registered public accounting firm is in the best interests of the Corporation and our shareholders. Deloitte's years of experience with Duke Energy have allowed them to gain expertise regarding Duke Energy's operations, accounting policies and practices and internal controls over financial reporting. It also prevents the significant time commitment that educating a new auditor would entail, which could also result in distraction in focus for Duke Energy management.

To safeguard the continued independence of the independent registered public accounting firm, the Audit Committee adopted a policy that provides that the independent registered public accounting firm is only permitted to provide services to Duke Energy and our subsidiaries that have been preapproved by the Audit Committee. Pursuant to the policy, detailed audit services, audit-related services, tax services and certain other services have been specifically preapproved up to certain categorical fee limits. In the event that the cost of any of these services may exceed the preapproved limits, the Audit Committee must approve the service before the independent registered public accounting firm is engaged for such service. All other services that are not prohibited pursuant to the SEC's or other applicable regulatory bodies' rules or regulations must be specifically approved by the Audit Committee before the independent registered public accounting firm is engaged for such service. All services performed in 2017 and 2016 by the independent registered public accounting firm were approved by the Duke Energy Audit Committee pursuant to its policy on Engaging the Independent Auditor for Services.

In addition to the annual review of Deloitte's independence and in association with the mandated rotation of Deloitte's lead engagement partner every five years, the Audit Committee is directly involved in the selection of Deloitte's new lead engagement partner.

Representatives of Deloitte are expected to participate in the Annual Meeting and will be available to respond to appropriate questions. Information on Deloitte's fees for services rendered in 2017 and 2016 are listed below.

The approval of a majority of shares represented in person or by proxy at the Annual Meeting is required to approve this proposal.

Audit Fees

Type of Fees	**2017**	**2016**
Audit Fees(1)(5)	$ 13,535,000	$ 13,616,400
Audit-Related Fees(2)(5)	249,000	626,000
Tax Fees(3)	1,746,000	384,000
All Other Fees(4)	50,000	225,000
TOTAL FEES:	**$ 15,580,000**	**$ 14,851,400**

(1) Audit Fees are fees billed, or expected to be billed, by Deloitte for professional services for the financial statement audits, audit of the financial statements of Duke Energy and our subsidiaries included in Duke Energy's Annual Report on Form 10-K and reviews of financial statements included in Duke Energy's Quarterly Reports on Form 10-Q and services associated with securities filings such as comfort letters and consents.

(2)
Audit-Related Fees are fees billed, or expected to be billed, by Deloitte for assurance and related services that are reasonably related to the performance of an audit or review of financial statements, including assistance with acquisitions and divestitures and internal control reviews.

(3)
Tax Fees are fees billed, or expected to be billed, by Deloitte for tax return assistance and preparation, tax examination assistance and professional services related to tax planning and tax strategy.

(4)
Other Fees are billed, or expected to be billed, by Deloitte for attendance at Deloitte-sponsored conferences and access to Deloitte research tools and subscription services. In 2016, other fees also include non-audit fees related to consulting services.

(5)
Audit Fees and Audit Related Fees for 2016 have been updated from the number disclosed in the 2017 Proxy Statement to reflect actuals.

For the Above Reasons, the Board of Directors Recommends a Vote "FOR" This Proposal.

REPORT OF THE AUDIT COMMITTEE

The following is the report of the Audit Committee with respect to Duke Energy's audited financial statements for the fiscal year ended December 31, 2017.

The information contained in this report of the Audit Committee shall not be deemed to be "soliciting material" or "filed" or "incorporated by reference" in future filings with the SEC, or subject to the liabilities of Section 18 of the Exchange Act, except to the extent that Duke Energy specifically incorporates it by reference into a document filed under the Securities Act of 1933, as amended, or the Exchange Act.

The purpose of the Audit Committee is to assist the Board in its general oversight of Duke Energy's financial reporting, internal controls and audit functions. The Audit Committee's charter describes in greater detail the full responsibilities of the committee and is available on our website at *duke-energy.com/our-company/investors/corporate-governance/board-committee-charters/audit*. Further information about the Audit Committee, its Policy on Engaging the Independent Auditor for Services and its members is detailed on pages 22 and 33 of the proxy statement.

The Audit Committee has reviewed and discussed the consolidated financial statements with management and Deloitte, the Corporation's independent registered public accounting firm. Management is responsible for the preparation, presentation and integrity of Duke Energy's financial statements; accounting and financial reporting principles; establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rule 13a-15(e)); establishing and maintaining internal control over financial reporting (as defined in Exchange Act Rule 13a-15(f)); evaluating the effectiveness of disclosure controls and procedures; evaluating the effectiveness of internal control over financial reporting; and, evaluating any change in internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, internal control over financial reporting. Deloitte is responsible for performing an independent audit of the consolidated financial statements and expressing an opinion on the conformity of those financial statements with accounting principles generally accepted in the United States ("GAAP"), as well as expressing an opinion on the effectiveness of internal control over financial reporting based on the criteria established in Internal Control   Integrated Framework (2013).

The Audit Committee reviewed the Corporation's audited financial statements with management and Deloitte, and met separately with both management and Deloitte to discuss and review those financial statements and reports prior to issuance. These discussions also addressed the quality, not just the acceptability, of the accounting principles, the reasonableness of significant judgments and the clarity of disclosures in the financial statements. Management has represented, and Deloitte has confirmed, that the financial statements are fairly presented, in all material respects, in conformity with GAAP.

In addition, management completed the documentation, testing and evaluation of Duke Energy's system of internal control over financial reporting in response to the requirements set forth in Section 404 of the Sarbanes-Oxley Act of 2002 and related regulations. The Audit Committee was kept apprised of the progress of the evaluation and provided oversight and advice to management during the process. In connection with this oversight, the Audit Committee received periodic updates provided by management and Deloitte at regularly scheduled Audit Committee meetings. At the conclusion of the process, management presented to the Audit Committee on the effectiveness of the Corporation's internal control over financial reporting. The Audit Committee also reviewed the report of management contained in the Corporation's 2017 Form 10-K filed with the SEC, as well as Deloitte's report included in the Corporation's 2017 Form 10-K related to its audit of the effectiveness of internal control over financial reporting.

The Audit Committee has discussed with Deloitte the matters required to be discussed by professional and regulatory requirements, including, but not limited to, the standards of the Public Company Accounting Oversight Board regarding The Auditors' Communications with those charged with governance. In addition, Deloitte has provided the Audit Committee with the written disclosures and the letter required by Public Company Accounting Oversight Board Ethics and Independence Rule 3526, "Communications with Audit Committees Concerning Independence" that relates to Deloitte's independence from Duke Energy and our subsidiaries and the Audit Committee has discussed with Deloitte the firm's independence.

Based on its review of the consolidated financial statements and discussions with and representations from management and Deloitte referred to above, the Audit Committee recommended to the Board that the audited financial statements be included in Duke Energy's 2017 Form 10-K for filing with the SEC.

Audit Committee
Theodore F. Craver, Jr. , Chair
Robert M. Davis
James B. Hyler, Jr.
Carlos A. Saladrigas

PROPOSAL 3: ADVISORY VOTE TO APPROVE DUKE ENERGY CORPORATION'S NAMED EXECUTIVE OFFICER COMPENSATION

At the 2011 and 2017 Annual Meetings, our shareholders recommended that our Board hold say-on-pay votes on an annual basis. As a result, we are providing our shareholders with the opportunity to approve, on a nonbinding, advisory basis, the compensation of our named executive officers as disclosed in this proxy statement. This proposal gives our shareholders the opportunity to express their views on the compensation of our named executive officers.

In connection with this proposal, the Board encourages shareholders to review, in detail, the description of the compensation program for our named executive officers that is set forth in the Compensation Discussion and Analysis beginning on page 36, as well as the information contained in the compensation tables and narrative discussion in this proxy statement.

As described in more detail in the Compensation Discussion and Analysis section, the guiding principle of our compensation philosophy is that pay should be linked to performance and that the interests of our executives and shareholders should be aligned. Our compensation program is designed to provide significant upside and downside potential depending on actual results as compared to predetermined measures of success. A significant portion of our named executive officers' total direct compensation is directly contingent upon achieving specific results that are important to our long-term success and growth in shareholder value. We supplement our pay-for-performance program with a number of compensation policies that are aligned with the long-term interests of Duke Energy and our shareholders.

We are asking our shareholders to indicate their support for the compensation of our named executive officers as disclosed in this proxy statement by voting "FOR" the following resolution:

"RESOLVED, that the shareholders of Duke Energy approve, on an advisory basis, the compensation paid to Duke Energy's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K of the Securities Act of 1933, as amended, including the Compensation Discussion and Analysis, the compensation tables and the narrative discussion in Duke Energy's 2018 Proxy Statement."

The approval of a majority of shares represented in person or by proxy at the Annual Meeting is required to approve this proposal. Because your vote is advisory, it will not be binding on the Board, the Compensation Committee or Duke Energy. The Compensation Committee, however, will review the voting results and take them into consideration when making future decisions regarding the compensation of our named executive officers.

For the Above Reasons, the Board of Directors Recommends a Vote "FOR" This Proposal.

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee of Duke Energy is responsible for the oversight of the Corporation's compensation programs and compensation of the Corporation's executives, per the Compensation Committee's charter which is available on our website at *duke-energy.com/our-company/investors/corporate-governance/board-committee-charters/compensation.*

The Compensation Committee of Duke Energy has reviewed and discussed the Compensation Discussion and Analysis with management and, based on such review and discussions, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

Compensation Committee
E. Marie McKee, Chair
Michael G. Browning
John H. Forsgren
Carlos A. Saladrigas

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Section 1: Executive Summary

The purpose of this Compensation Discussion and Analysis is to provide information about Duke Energy's compensation objectives and policies for our named executive officers ("NEOs"), who, for 2017 are:

Name	Title
Lynn J. Good	Chairman, President and Chief Executive Officer
Steven K. Young	Executive Vice President and Chief Financial Officer
Dhiaa M. Jamil	Executive Vice President and Chief Operating Officer
Julia S. Janson	Executive Vice President, External Affairs, Chief Legal Officer and Corporate Secretary
Lloyd M. Yates	Executive Vice President, Customer and Delivery Operations and President, Carolinas Region

Compensation Objectives and Principles for 2017

Our compensation program is designed to link pay to performance, with the goal of attracting and retaining talented executives, rewarding individual performance, encouraging long-term commitment to our business strategy and aligning the interests of our management team with those of shareholders.

Our compensation program provides significant upside and downside potential depending on actual results, as compared to predetermined measures of success.

In setting executive compensation for 2017, we sought to balance the need to recognize the evolving nature of our business strategy with Duke Energy's focus on maximizing shareholder value.

Shareholder Engagement

We have a longstanding history of engaging with shareholders and value the deep relationships we have built. The feedback our shareholders have provided over time has greatly informed our compensation and governance programs as well as our environmental and social initiatives. We received 82.71% favorable support from our shareholders for our executive compensation program pursuant to the "say on pay" vote at our 2017 annual meeting. In response, we continued our shareholder outreach program in 2017, reaching out to shareholders representing approximately 36% of outstanding shares and engaging with shareholders representing approximately 30% of outstanding shares. Our outreach team included members of management who represented the Investor Relations, Human Resources and Legal Departments, as well as E. Marie McKee, the Chair of the Compensation Committee, who participated in a number of the conversations with our largest shareholders.

The focus of these meetings was to provide an update on our strategic vision, operational priorities and the strength of our leadership team, as well as to discuss our governance and executive compensation program, notably updates to our Chief Executive Officer's compensation for 2017 and several disclosure and governance enhancements the Compensation Committee was considering. During these conversations, shareholders thanked us for our proactive approach and provided the following specific feedback:

Appreciated that we have evolved the design of our long-term incentive ("LTI") program over the last three years to incorporate strategic and operational measures in addition to Total Shareholder Return ("TSR")

Understood the historically conservative approach to compensating Ms. Good and the need to make adjustments commensurate with market levels

Acknowledged that the Compensation Committee followed a thoughtful approach to addressing retention risk by providing Ms. Good with a performance-based retention grant

Appreciated our commitment to enhance the disclosure of performance levels under future performance shares and expand the restrictions in our anti-pledging policy to prohibit pledging of Duke Energy securities held in any capacity

Appreciated the change in the requirement for achieving a target payout on the relative TSR component of our LTI performance shares from the 50th to the 55th percentile of the UTY.

Taking into account the feedback shareholders provided during our conversations, we made the following changes for 2017:

- Enhanced the disclosure in this year's proxy statement of performance goals for the newest cycle of performance shares (*i.e.*, the 2017-2019 cycle), along with continued reporting of actual performance results for the recently-completed cycle

- Expanded the restrictions of our anti-pledging policy

We greatly value the input shareholders provided and will continue our outreach efforts on a variety of topics including executive compensation as our compensation program evolves in the future.

Business Highlights: Compensation Decisions in Context

Portfolio Transition

We have successfully implemented our business transformation strategy to maximize the competitiveness of Duke Energy. The following timeline summarizes key events in our business transformation since 2011.

Core Areas of Focus

Our value proposition is to be the leading energy infrastructure company. Under the leadership of Ms. Good, who became Chief Executive Officer in July 2013, Duke Energy has intensified our focus on serving our customers and communities, while leading the way to a safe, secure and responsible energy future. With our transition complete, our strategy for the next decade is clear. We see great opportunities ahead and remain focused on investing in infrastructure our customers value and delivering sustainable growth for our investors. We will do this while building on our foundation of customer satisfaction and stakeholder engagement, all while remaining focused on safety, operational excellence and the environment.

Duke Energy is committed to creating value for our shareholders while building trust and transforming our energy future. We continuously strive to achieve this core purpose of creating shareholder value in all that we do, but with a particular emphasis on the following areas:

- Modernizing the energy grid

- Generating cleaner energy

- Expanding our natural gas infrastructure

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

2017 Business Highlights

During 2017 we made meaningful progress on our strategy. We developed a multi-year plan to modernize the energy grid across our jurisdictions, and in the Carolinas we branded our efforts as Power/Forward Carolinas. We placed the Sabal Trail natural gas pipeline into service and obtained several key permits necessary to advance the Atlantic Coast Pipeline. We achieved constructive regulatory outcomes, including the facilitation of renewables-related legislation in North Carolina and a comprehensive multi-year rate settlement in Florida. In addition, we announced a more stringent carbon dioxide emissions reduction target for our generation fleet a 40% reduction from the 2005 level by 2030. We also maintained a sharp focus during the year on the performance measures that relate to our incentive plans, including the following.

Operational Excellence.

Our key employee safety metric, TICR, improved by approximately 10% during the year to 0.36, building on our industry-leading performance of 0.40 in 2016.

During the third quarter, our employees rose to the challenge of Hurricane Irma one of the most powerful storms ever to hit the Atlantic by restoring power to 99% of customers in just over a week.

We reduced reportable environmental events from last year, the third consecutive year of improvement and continued to advance our efforts to permanently close our coal ash basins in ways that protect people and the environment.

Financial Performance.

Despite the significant headwind from unfavorable weather, we delivered on our earnings guidance for the year.

Our TSR of 13.0% exceeded the TSR of the UTY, which was 12.8%.

We increased our dividend for the eleventh consecutive year.

Adjustments to Chief Executive Officer Compensation

Changes to Core Compensation

Ms. Good's leadership has been instrumental to the evolution of Duke Energy. Since becoming Chief Executive Officer in July 2013, Ms. Good has led the development of our strategy (focused on modernizing the energy grid, generating cleaner energy and expanding our natural gas infrastructure), driven industry-leading operational performance and guided us through several major transactions as we restructured our portfolio of businesses to reduce risk and improve returns. As we seek to advance our strategic vision and execution in the coming years, Ms. Good's leadership will continue to be critical to the organization.

When Ms. Good became Chief Executive Officer in 2013, her compensation was significantly below the market. To address this gap, the Compensation Committee conducted a detailed review of Ms. Good's compensation and analyzed her pay relative to the competitive market, within and outside the utility sector. The Compensation Committee took into account the size and complexity of Duke Energy and our ability to compete for talent against multiple industries, and relied heavily on data from its independent compensation consultant. To address the initial gap in 2013 between Ms. Good's pay and the competitive market, rather than provide a large compensation adjustment or bonus, the Compensation Committee adopted a step-like approach that allowed flexibility to make pay decisions based on Ms. Good's specific contributions and experience in her role. As illustrated below, the steps taken by the Compensation Committee resulted in closing the significant competitive pay gap relative to the market over time.

---

*

Target TDC (Total Direct Compensation) = the sum of base salary, target annual incentive opportunity and the grant date fair value of long-term incentive awards

**

Because peer group information was not yet available for 2017, it was assumed to be at the same level as in 2016.

After conducting its analysis, the Compensation Committee determined it was appropriate to make the following adjustments to Ms. Good's compensation for 2017:

Awarded a 3.8% merit adjustment to Ms. Good's salary, increased her target short-term incentive ("STI") opportunity from 150% to 155% and increased her LTI opportunity from 700% to 750% of her salary.

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

One-Time, Performance-Based Retention Grant

The Compensation Committee believes alignment with shareholders is best achieved and retention risk mitigated when our senior executives hold unvested equity grants with a value of approximately 2x or more of their total direct compensation. Realizing that Ms. Good fell well below this standard despite her four-year tenure as Chief Executive Officer and her history of strong performance, the Compensation Committee developed a strategy to strengthen shareholder alignment and mitigate retention risk by providing Ms. Good a one-time, performance-based retention grant valued at $7,000,000. Three other NEOs also received performance-based retention grants in amounts ranging from $250,000 to $1,000,000, as well as increases to base salary described on page 42 of this Compensation Discussion and Analysis.

Details of the performance-based retention grants are as follows:

Performance Requirement. The grants are subject to a return on equity ("ROE") goal, which, if not achieved, results in zero payout. Duke Energy's average ROE (excluding goodwill) over the 2017-2019 period must equal or exceed 10%. In light of Duke Energy's large capital deployment program, the Compensation Committee believed that it was important to make the vesting of the retention grants subject to a return on equity goal.

Stringent Vesting Conditions. The awards are subject to a three-year cliff vesting requirement, and no pro-rata vesting upon retirement.

Strengthens Retention. Ms. Good's grant increases the ratio of her outstanding equity awards (that would be forfeited if she voluntarily terminated employment) to her total direct compensation from 1.33x to 1.85x.

The Compensation Committee designed the supplemental retention grant for Ms. Good to address unique retention concerns, and it is not part of our regular compensation program.

We discussed Ms. Good's compensation and the supplemental retention grant during the shareholder engagement process to ensure that our shareholders were aware of the circumstances that drove the need for additional retention.

During these conversations, shareholders provided the following feedback:

Understood the historically conservative approach to compensating Ms. Good and the need to make adjustments commensurate with market levels

Acknowledged that the Compensation Committee followed a thoughtful approach to addressing retention risk by providing Ms. Good with the performance-based retention grant, which contains a stringent three-year cliff vesting requirement

Core Compensation Structure and Incentive Metrics in 2017

Our core compensation program consists of base salary, STI and LTI (performance shares and restricted stock units ("RSUs")), as outlined in the table below.

	Element	Performance Metrics Aligned to Strategy
Base Salary		

	Cash	
		Adjusted EPS
		Operational Excellence
Annual Incentive	Short-Term Cash Incentive	Customer Satisfaction
		Individual Objectives
		Safety
		Cumulative Adjusted EPS
Long Term	Performance Shares (70%)	Relative TSR
		Safety
Equity Incentive	RSUs (30%)	Service-based with three-year pro-rata vesting

The following chart illustrates the components of the target total direct compensation opportunities provided to our Chief Executive Officer and other NEOs.

Executive Compensation Best Practices

Following are key features of our executive compensation program:

AT DUKE ENERGY WE...	AT DUKE ENERGY WE DO NOT...
Require significant stock ownership, including 6x base salary for our Chief Executive Officer and 3x base salary for other NEOs	Provide tax gross-ups to NEOs
Maintain a stock retention policy	Permit hedging or pledging of Duke Energy securities
Tie equity and cash-based incentive compensation to a clawback policy	Provide "single trigger" cash severance upon a change in control
Maintain a shareholder approval policy for severance agreements that provide severance in excess of 2.99 annual compensation	Provide employment agreements to a broad group
Comply with an equity award granting policy	Encourage excessive or inappropriate risk-taking through our compensation program

Use an independent compensation consultant retained by and reporting directly to the Compensation Committee to advise on compensation matters	Provide excessive perquisites
Review tally sheets on an annual basis	Provide dividend equivalents on unearned performance shares
Consider the prior year's "say-on-pay" vote	

Table of Contents

COMPENSATION DISCUSSION AND ANALYSIS

Section 2: Compensation Program

Overall Design

We design our compensation program so that it motivates our executives to focus on our core business priorities and aligns the interests of executives and shareholders.

Elements of Our Total Direct Compensation Program

As discussed in more detail below, during 2017, the components of total direct compensation for the NEOs were: base salary; STI compensation; and LTI compensation.

Base Salary

The salary for each NEO is based, among other factors, upon job responsibilities, level of experience, individual performance, comparisons to the salaries of executives in similar positions obtained from market surveys and internal comparisons. The Compensation Committee considers changes in the base salaries of the NEOs at least annually. When an individual is promoted to a new role, it has been Duke Energy's philosophy to bring the individual to market median over a multi-year period, assuming strong performance in the new role. Consistent with that philosophy, after reviewing their performance, the Compensation Committee approved increases for Mr. Young and Ms. Janson of 10% and 19%, respectively. These increases further closed the gap between their salaries and the peer group median. After reviewing their performance, the Committee also approved the following merit increases for Ms. Good, Mr. Jamil, and Mr. Yates: 3.8%, 5%, and 3%, respectively. Each of these increases was effective March 1, 2017.

Short-Term Incentive Compensation

STI opportunities are provided to our NEOs under the Duke Energy Corporation Executive Short-Term Incentive Plan to promote the achievement of annual performance objectives. Each year, the Compensation Committee establishes the target annual incentive opportunity for each NEO, which is based on a percentage of his or her base salary. No changes were made to the target incentive opportunities of the NEOs in 2017 other than for Ms. Good, as previously noted.

Name	Target Incentive Opportunity (as a % of base salary)
Lynn J. Good	155%
Steven K. Young	80%
Dhiaa M. Jamil	80%
Julia S. Janson	80%
Lloyd M. Yates	80%

As discussed in more detail below, the Compensation Committee established the following objectives under the STI Plan in February 2017 with the STI target opportunity allocated between corporate and individual objectives.

In order to emphasize the importance of the EPS objective, the Compensation Committee established a circuit-breaker, providing that if an adjusted diluted EPS performance level of at least $4.10 was not achieved, the NEOs would not have received any payout under the 2017 STI Plan. To encourage a continued focus on safety, the Compensation Committee also included a potential safety penalty (executives only) and adder (all employees), each in the amount of 5% of a participant's entire STI payment.

Depending on actual performance, NEOs were eligible to earn up to 183.75% of the amount of their STI target opportunity, based on a potential maximum payout of 200% for the EPS objective, a 150% potential maximum payout for the operational excellence, customer satisfaction and individual objectives, and the potential 5% safety adder.

Corporate Objectives (80% of total)

The 2017 corporate objectives and the related target and performance results were as follows and are defined below:

Objective[1]	Weight	Threshold (50%)	Target (100%)	Maximum[2]	Result	Sub-Total	Payout
Adjusted Diluted EPS[3]	50%	$ 4.35	$ 4.60	$ 4.85	$ 4.57		94%
Operational Excellence[4]	20%						127.2%
(a) Operations and Maintenance Expense		$ 5.040B	$ 4.890B	$ 4.740B	$ 4.785B	135.10%	
(b) Reliability[5]							
Regulated Generation (Fossil/Hydro) Commercial Availability		85%	87%	88%	88.01%	150%	
Nuclear Generation Capacity Factor		92%	94%	95%	95.64%	150%	
System Average Interruption Duration Index		146	135	124	151	0%	
Renewables Availability		93.5%	94.5%	96.0%	94.6%	103.33%	