

As stakeholders of Duke Energy, it's important to understand how the company uses financial, natural and human resources to create the value investors, employees, customers and communities expect.

It's also important to know the “what's next” in that equation. We must be stewards of the natural resources we rely on today, but also move forward to promote cleaner power and a more efficient business for the next generation. That's how you create sustainable value for all stakeholders.

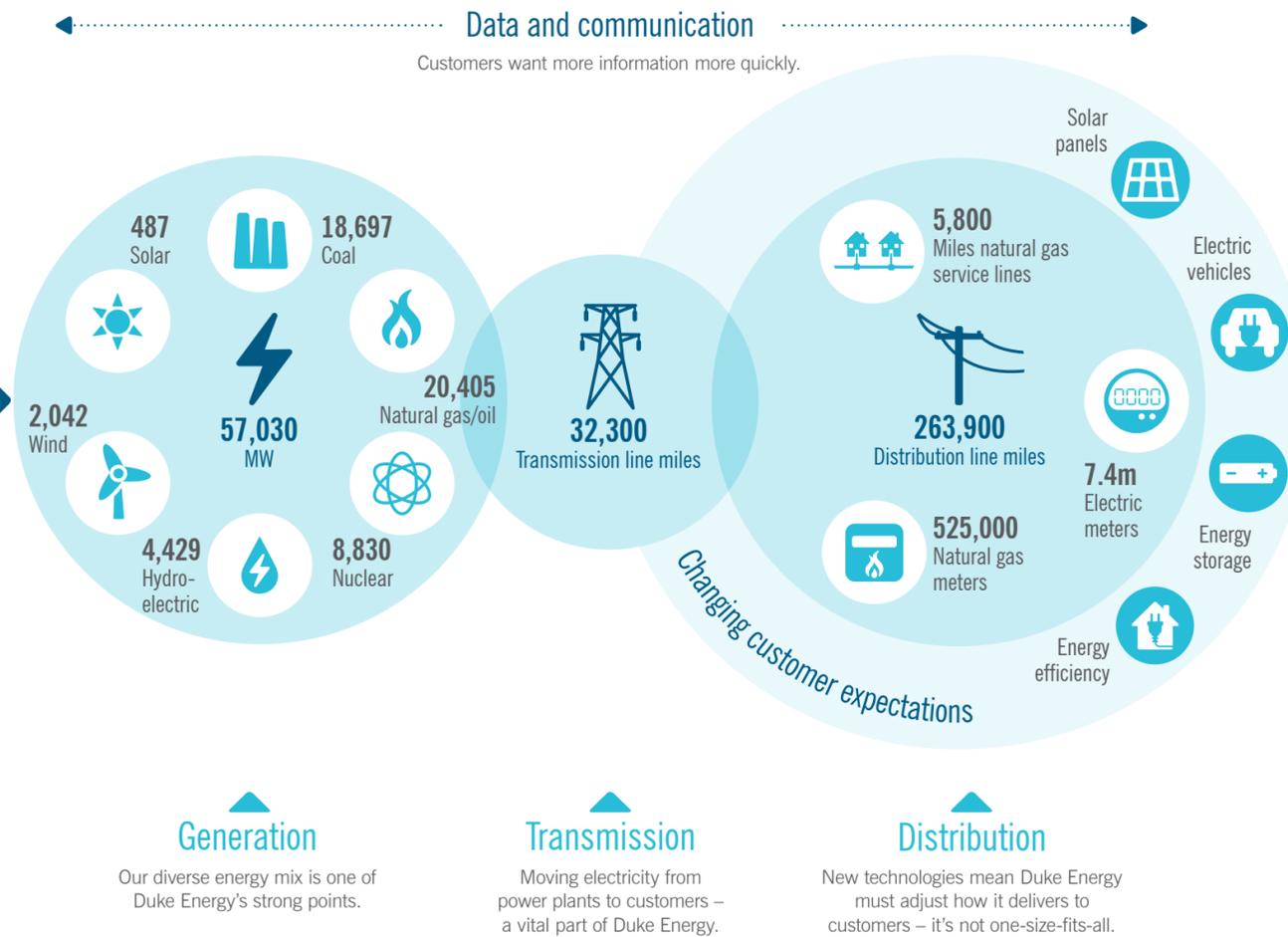
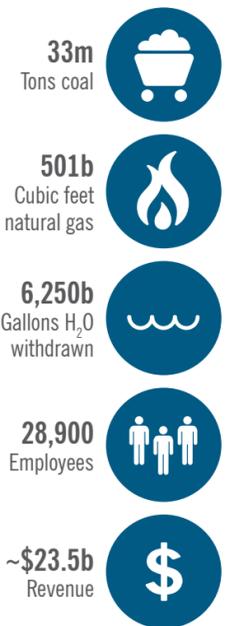
It starts with being a good neighbor. Establishing and maintaining the trust of stakeholders while moving toward a clean, healthy, natural environment with successful communities and strong financial performance. That's Duke Energy.

[Our value creation model >](#)

Our Value Creation Model

Major Resources

Creating value starts with the basics – the staples of a good energy company.



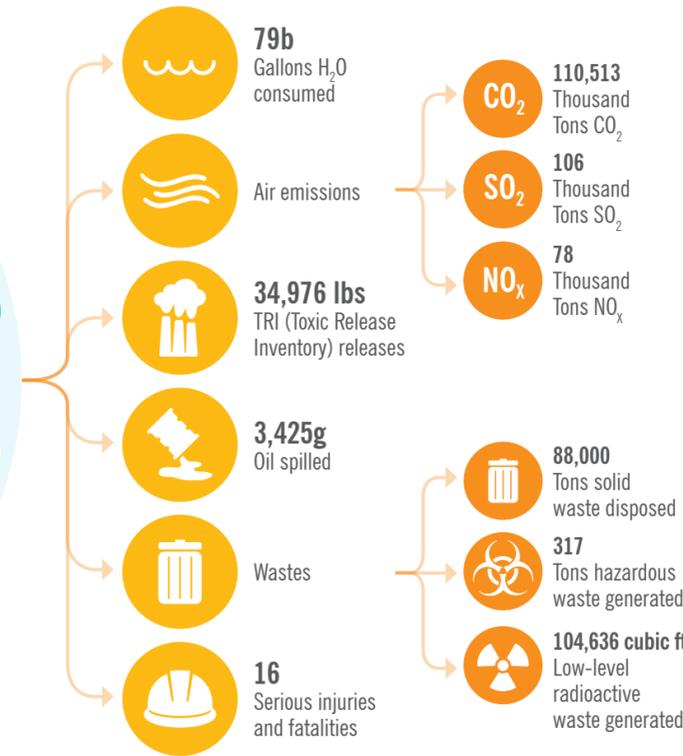
Our diverse energy mix is one of Duke Energy's strong points.

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

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

Impacts

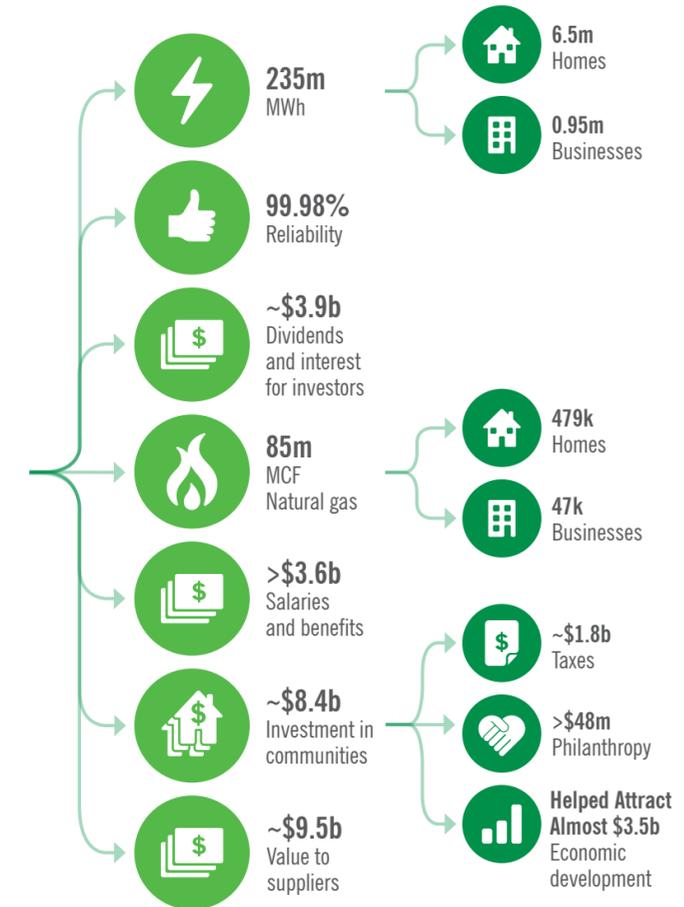
Generating energy creates environmental and other impacts. Duke Energy works hard to reduce them.



The information presented here is meant to provide an overview of Duke Energy and is not meant to be precise or inclusive of all the company's inputs and outputs. Please see the 2015 Duke Energy Annual Report Form 10-K for detailed notes and further explanations of financial information and this Sustainability Report for more social and environmental information.

Value Created

Powering lives, supporting people and fueling the economy.



Major Resources

Production of electricity requires coal, natural gas and other materials extracted from the earth. The company also needs water to produce electricity at hydroelectric facilities – and cooling water for fossil fuel and nuclear plants. And we need employees to make it all work. Duke Energy is committed to recruiting and retaining a highly skilled workforce to ensure long-term success of our operations. Our No. 1 focus continues to be safety for those working for us – and the general public.

Evolving Business Model

Duke Energy's goal is to produce and deliver reliable and cost-effective energy to homes and businesses. But customer expectations and technologies are changing. People are seeking ways to more actively manage their energy consumption. Customers are demanding Duke Energy be more nimble to deliver new services. Communication systems are changing from one-way to two-way. Helping our customers increase their energy efficiency is also part of the company's evolving business model. In the past, the company made money on how much power it sold. The new business model is a combination of selling electricity and helping save it for customers.

Impacts

Part of Duke Energy's mission is to minimize our environmental impact. Therefore, we track our impacts and strive to improve. We emit 0.99 pounds of carbon dioxide for every kilowatt-hour (kWh) of electricity produced. But that's lower than 1.2 pounds produced 10 years ago. About 98 percent of the water Duke Energy uses is returned to streams and rivers. But the company does consume water – about 79 billion gallons in 2015.

Value Created

Putting a value on the electricity and natural gas Duke Energy sells is easy. Add up all the energy bills in 2015 and the company's total revenue was around \$23.5 billion. It's harder to put a price on what that energy is really worth – it powers the economy like no other commodity. Duke Energy also supports communities with the taxes it pays, as well as through philanthropic contributions and employee volunteerism.

Investors also receive value from Duke Energy in the form of growth, dividends and interest payments. We also employ more than 28,000 people. They, like the vendors we use, play their own part in supporting the communities where they live and work. The value Duke Energy creates isn't limited to power generation – it's a steady stream from many areas. It's not a simple story, but it's a story with impact.