

Social



Improving the lives of our
customers and communities.

Building a safe, diverse and
engaged workforce.



Social

2020 Highlights

- Exceeded our internal customer satisfaction metric target by nearly 15 percent.
- Provided electric rates below the national average in all customer classes and all service areas for the seventh consecutive year.
- Duke Energy and its Foundation provided more than \$8 million to COVID-19 relief efforts, and more than \$2 million was provided by the Duke Energy Foundation to social justice and racial equity organizations.
- Our employees and retirees volunteered over 70,000 hours, mostly through virtual events.
- Our economic development team helped attract nearly 18,000 new jobs and \$9.1 billion in capital investment to our service territories.
- Quickly put protocols in place to protect our employees and customers and moved approximately 18,000 employees to remote work.
- Remained one of the electric utility industry's top leaders in safety performance with a total incident case rate of 0.33.
- Named one of America's Best Employers for Diversity and one of America's Best Employers for Women in 2020 by Forbes magazine.
- Conducted more than 500 Pathways to Inclusion sessions for employees to share ways to make our workplace more inclusive.
- Received a perfect score for the fourth year in a row on the Human Rights Campaign Foundation's 2021 Corporate Equality Index, earning inclusion on the organization's list of Best Places to Work for LGBTQ Equality.

Challenges and Opportunities

- Continue to engage with stakeholders to achieve positive outcomes on matters important to our communities.
- Respond to the accelerating pace of industry transformation and use data, technology and insights to be more efficient and bring customers better value.
- Foster a high-performance and inclusive culture built on strong leadership, safety, diversity and engaged employees.
- Ensure transfer of knowledge from our workers nearing retirement to other employees.



Throughout the crisis, Duke Energy worked diligently to connect customers to federal funding in efforts to help those in need of economic assistance.

Being There for Customers

Delivering customer-focused, innovative solutions to meet our customers' needs is at the forefront of everything we do at Duke Energy.

This drive was never more evident than last year when the COVID-19 pandemic led to significant financial hardship for many of our customers and communities.

At the start of the pandemic, the company launched a sweeping series of unprecedented steps to help Duke Energy and Piedmont Natural Gas customers, including suspending disconnections for nonpayment and suspending late payment fees and credit card payment fees.

Early on the company reached out to those customers with past-due balances, offering flexible payment arrangements. We also developed a host of convenient new digital tools that:

- Enabled customers to self-enroll in online interest-free, multimonth installment plans
- Allowed our agency partners to provide financial commitments electronically and, in some instances, process payments collectively

- Gave customers a one-stop destination for the most up-to-date information with a dedicated COVID-19 [webpage](#)
- Prepared over 800 employee volunteers with the necessary means to join our call center employees and offer customers one-on-one assistance as we resumed our standard billing and credit policies

And throughout the crisis, Duke Energy worked diligently to connect customers to federal funding in efforts to help those in need of economic assistance.

The ability to pivot and to do so quickly was recognized by our customers and resulted in the highest customer satisfaction ratings the company has experienced in several years, surpassing our internal target that measures customer satisfaction by nearly 15 percent. In addition, Duke Energy's improvement in J.D. Power Customer Service Indices has outpaced the industry.

Duke Energy continues to take direct action to address customers who are experiencing hardships as a result of the pandemic. In 2021, the company remains focused on providing flexible payment policies to those customers in need.

Bringing Jobs and Investment to Local Communities

In 2020, Duke Energy’s economic development team helped bring nearly 18,000 new jobs and \$9.1 billion in new capital investment, through 114 projects, to local communities in North Carolina, South Carolina, Florida, Indiana, Ohio and Kentucky – states served by Duke Energy’s electric utilities.

Projects included a \$450 million investment in Rockingham County, North Carolina, where an abandoned brewery will be transformed into a [pet food manufacturing facility](#), and a similar project in Ohio.

Duke Energy’s economic development team specializes in multiple business sectors, including aerospace, data centers, advanced manufacturing, automotive, life sciences and food/beverage processing.

In addition, the team evaluated 21 properties for potential business and industrial development through Duke Energy’s Site Readiness Program. The company uses the program to partner with local economic development agencies to identify potential industrial sites, assess the sites’ strengths and weaknesses, facilitate site improvements, and market the sites to future businesses.

Since 2005, the Site Readiness Program has evaluated 312 sites – with 66 “project wins,” generating \$9.4 billion in new capital investment and more than 13,000 new jobs.

In 2020, Duke Energy also provided more than \$2 million to local economic development agencies and initiatives to fund job creation and business development projects. In addition, Site Selection magazine named Duke Energy to its “Top Utilities in Economic Development” list for the 16th consecutive year.

Duke Energy’s Electric Rates: Below U.S. Average

In effect as of July 1, 2020
(cents per kilowatt-hour (kWh))

Residential

Duke Energy Kentucky	8.96
Duke Energy Carolinas-NC	10.70
Duke Energy Indiana	11.39
Duke Energy Ohio	11.40
Duke Energy Progress-NC	11.98
Duke Energy Progress-SC	12.16
Duke Energy Carolinas-SC	12.21
Duke Energy Florida	13.01
U.S. AVERAGE	13.65

Commercial

Duke Energy Progress-NC	8.65
Duke Energy Kentucky	8.85
Duke Energy Ohio	8.98
Duke Energy Progress-SC	9.13
Duke Energy Carolinas-NC	9.22
Duke Energy Indiana	9.47
Duke Energy Carolinas-SC	10.11
Duke Energy Florida	10.21
U.S. AVERAGE	11.30

Industrial

Duke Energy Carolinas-SC	7.90
Duke Energy Progress-SC	7.99
Duke Energy Kentucky	8.07
Duke Energy Progress-NC	8.11
Duke Energy Ohio	8.14
Duke Energy Indiana	8.29
Duke Energy Carolinas-NC	8.35
Duke Energy Florida	9.35
U.S. AVERAGE	9.46

Source: Edison Electric Institute Typical Bills and Average Rates Reports, Summer 2020 (latest available).

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

Economic Development

Duke Energy works with state and local authorities to promote economic growth in our communities, helping attract business investment and jobs. Duke Energy helped attract approximately 18,000 jobs and \$9.1 billion of investment in 2020.

\$9.1 billion
Total Capital Investment

18,000
Total Jobs



North Carolina



CAPITAL INVESTMENT
\$6.1 billion



JOBS
8,038



South Carolina



CAPITAL INVESTMENT
\$646 million



JOBS
1,260



Indiana



CAPITAL INVESTMENT
\$1.1 billion



JOBS
5,208



Florida



CAPITAL INVESTMENT
\$365 million



JOBS
1,522



Ohio-Kentucky



CAPITAL INVESTMENT
\$925 million



JOBS
1,941

Reliability is a Priority

Safe, reliable power is a high priority for Duke Energy and our 7.9 million customers. To help improve reliability performance, each year the company sets customer delivery and generation reliability targets.

Customer Delivery

Duke Energy began using the customer delivery reliability measure in 2019, which takes into account the average duration of outages, customers experiencing multiple outages and customers experiencing lengthy outages. The 2019 and 2020 targets were 100 or higher (higher is better). The 2019 result was 144, and the 2020 result was 88. We did not meet our 2020 target due to severe weather in our service territories.

Generation

Duke Energy has a diverse, increasingly clean generation fleet with carbon-free nuclear, hydro, wind and solar; lower-carbon natural gas; and higher-carbon coal and oil-powered plants. And in 2020, the fleet reliably met customer demand.

The nuclear fleet optimized reliability, which is a measure of generation reliability along with the cost to achieve that reliability, continued a six-year positive trend, with a 2020 index of 183.97. The fossil/hydro fleet's optimized reliability continued its six-year positive trend, with a 2020 index of 55.93. The commercial fleet's renewables availability was 94.3 percent, showing solid performance and an improvement over 2019.

Generation Reliability

	2017	2018	2019	2020	2020 Target
Nuclear optimized reliability^{1,2}	230.46	198.49	183.36	183.97	197.38 (lower is better)
Fossil/hydro optimized reliability^{1,2}	61.64	59.54	57.83	55.93	57.47 (lower is better)
Commercial renewables availability²	94.6%	95.3%	94.0%	94.3%	95.0% (higher is better)

1 Lower numbers indicate better performance.

2 Based on units operated by Duke Energy and ownership share.



Duke Energy and its Foundation provided more than \$8 million in support of hunger relief, local health and human services, educational initiatives, public utility assistance and small business relief.

Supporting our Customers, Communities and Employees

2020 brought an immense number of challenges for our country, communities, customers and employees. To provide relief, the Duke Energy Foundation adapted to support those in need providing a total of \$31.9 million in charitable giving.

COVID-19 support

Duke Energy and its Foundation provided more than \$8 million in support of hunger relief, local health and human services, educational initiatives, public utility assistance and small business relief.

[Initial giving](#) focused on hunger relief, such as meals for seniors, children and families affected by school closings and in support of local health and human services organizations.

Giving shifted as needs grew to focus on public utility assistance across most of our service territory, feeding and supporting our critical health care workers in the Midwest and Duke Energy small business support. In addition, the Duke Energy Foundation provided more than \$550,000 in assistance to qualified employees through the Relief4Employees program.

Social justice and racial equity

The racial injustice and social unrest highlighted the systemic racism and inequity many Americans face. The Duke Energy Foundation committed more than \$2 million to social justice and racial equity organizations with \$1 million in employee-directed grants.

Employees from an employee-led resource group, Advocates for African Americans, and from company Diversity and Inclusion Councils worked to identify local organizations. One hundred twenty organizations focused on reducing disparities, civic engagement and policy and criminal justice reform across the seven states where the company has natural gas and electric customers received funds.

A key focus of 2020 charitable giving was COVID-19 relief and racial equity. The Powerful Communities workforce and nature grants continued with a focus on how to best meet the community needs with the flexibility that 2020 demanded.

The company recognizes the needs are great for many. Duke Energy continues to look for ways to support our customers, communities and employees.



Employees Stay Committed to Communities

Despite the COVID-19 pandemic, Duke Energy teammates were as committed to their communities as ever in 2020 – providing over 70,000 volunteer hours, mainly through virtual events.

Through the company's signature volunteerism initiative, Illuminating Kindness, employees participated in virtual volunteer events like creating storm kits (as shown in photo), writing cards for first responders and helping food banks stay stocked. In recognition for these acts of kindness, the company donated \$50,000 toward customer assistance in honor of our employee volunteers.

Employees found ways to volunteer throughout the year in all seven states Duke Energy serves. In Nashville, [Tami Sturges had an idea](#) that would help young adults find affordable housing.

When her team noticed a house was in the path of a pipeline project, she wondered if it could be repurposed until it had to be demolished. With a few co-workers and help from nonprofit Monroe Harding, which provides foster care and housing assistance, they furnished the three-bedroom house and found tenants to fill it.

In Florida, Duke Energy employees found another unusual way to volunteer their time and talent. Eric Latimer, who manages the company's [Crystal River Mariculture Center](#), provided the Citrus County Family Resource Center with enough fresh fish fillets to feed 1,500 families.

2020 Charitable Giving



\$31.9m
Duke Energy Foundation

\$7.2m
Other company cash contributions¹ and in-kind gifts and services²

\$8.4m
Cash contributions from employees and retirees

\$2.0m
Estimated value of volunteers' time

¹ Includes charitable giving associated with regulatory settlements.
² Payment made in the form of goods and services instead of money.

He and other employees helped prepare and transport the fish, which were raised at the Mariculture Center. The Mariculture Center exists to serve an ever-increasing role in environmental stewardship, and Latimer and his team are always looking for ways to help the community – during the pandemic, he said, nothing is more important than feeding people.

Continuing to Improve on Safety

Although the COVID-19 pandemic presented a significant challenge in 2020, Duke Energy’s proactive response allowed our workforce to sustain daily operations while continuing to deliver strong safety results.

Duke Energy’s total incident case rate improved in 2020 to 0.33, the lowest in five years. Tragically, one employee was fatally injured and another suffered a life-altering injury. The company will lean on its industry-leading safety culture as it continues to strive for zero significant injuries.

To respond to the challenges created by COVID-19, the company quickly mobilized a cross-functional team to ensure the

safety of our workforce and that we continued to provide essential power to our communities. The team took a systematic approach to limiting potential exposure to the virus and conducting testing and exposure tracking.

Duke Energy implemented workplace disinfection and social distancing practices and provided workers with personal protective equipment, following guidance from the Centers for Disease Control and Prevention. Employees also leveraged technology to minimize personal contact, including enabling nearly all customer care representatives to work from home helping to mitigate the spread of the virus. In all, the company implemented 20 new guidance procedures to help employees and leaders understand and adhere to COVID-19 safety measures.

Beyond implementing extensive workplace safety measures, Duke Energy provided resources and enhanced benefits to support our workers’ mental and physical health during this challenging year. For example, the company offered health care coverage for COVID-19 testing, wellness coaching and flexible paid time off. It also launched an in-house nurse response team to guide exposed employees through recovery and eventual return to work.

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Safety Performance Metrics

	2017	2018 ¹	2019	2020
Employee and contractor work-related fatalities	2	3	3	1
Employee total incident case rate (TICR) ^{2,3}	0.36	0.43 ⁴	0.38	0.33
Employee lost workday case rate (LWCR) ^{2,5}	0.15	0.15	0.14	0.18

- 1 2018 is the first year that Piedmont Natural Gas results are included.
- 2 Includes both employees and workforce augmentation contractors.
- 3 Number of recordable incidents per 100 workers (based on OSHA criteria). Top decile in 2019 for employee TICR was 0.53 (Edison Electric Institute survey for companies with more than 7,000 employees).
- 4 TICR excluding Natural Gas Business Unit was 0.34.
- 5 Number of lost workdays per 100 workers.

Duke Energy's rigorous approach to health and safety will continue in 2021 as it looks for additional ways to support our workers, customers and communities.

Expanding Support of Human Rights

Human rights are the basic rights and freedoms to which all humans are entitled. The freedom to life, liberty and personal security. The right to equality and freedom from discrimination and degrading treatment.

In April 2019, Duke Energy was one of the first companies in our industry to adopt a [Human Rights Policy](#) that outlines policies and practices to ensure an ongoing commitment to and respect for human rights. Duke Energy respects international human rights principles, including those identified by the United Nations. Duke Energy prohibits the use of forced labor, child labor and any form of human trafficking.

The company joins many national and global businesses that commit to mitigating human rights issues through educating employees about how to identify and report possible human rights abuses like human trafficking.

Duke Energy developed the *Energy Workers Against Human Trafficking* training course. The course is being deployed among field workers, who through their extensive work throughout our communities, may observe signs of human trafficking. In the training, workers learn how to recognize the signs of human trafficking and report what they see to the appropriate authorities.

In addition, Duke Energy is committed to serving as a strong community partner, actively working to help ensure the communities we operate in are valued and respected and treated equitably and fairly. The company will engage intentionally and proactively with stakeholders by listening, seeking feedback and responding to questions and concerns when working on infrastructure projects.

Duke Energy embraces environmental justice principles that advance the fair treatment and ensure meaningful involvement of the communities we serve, regardless of race, color, national origin, or income. These principles guide how we conduct business in our communities; whether that is siting or building a new facility or developing technologies and infrastructure, we do so with the community in mind.

As the company transitions to cleaner energy, we recognize the importance of our power plants to both the communities and the local workforce. As we retire coal plants, we will strive – as we have done in the past – to transition impacted employees to new opportunities and will work to match communities with appropriate resources. (See related article "[Developing Inside Talent.](#)")

This will continue to be an important conversation as Duke Energy – along with all stakeholders – strive for a cleaner energy future for all.

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Our Diversity and Inclusion Journey

This past year taught Duke Energy a lot about listening and learning from our employees, customers and communities. It brought us closer together and furthered us along our journey to be more equitable, inclusive and transparent.

Duke Energy's diversity and inclusion (D&I) foundation is built on these key priorities:

- Leadership commitment and accountability
- Improving the diversity of our workforce and leadership
- Strengthening our culture of inclusion

[Learn more](#) about the actions we are taking in each of these areas.

The culture, accountability and support for D&I starts at the top with our leadership team. We work hard to provide a culture that ensures employees feel welcomed, respected, heard and valued – and able to bring the best version of themselves to work every day. An empowered diverse workforce and inclusive workplace makes us a stronger company and provides a competitive advantage for connecting with the ever-changing needs of our customers and communities.

We believe transparency is an important part of our journey and our aspiration is to reach targets that are goal markers for D&I progress. We remain focused on our goals of increasing the representation of females and race/ethnicity in the workforce to 25 percent and 20 percent, respectively.

Our diversity data will continue to be noted in the [Workforce Performance Metrics](#) section of this report to follow our progress each year.

The events of 2020 once again illuminated the issue of systemic racism and inequity suffered by many Americans in the United States. Internally, we listened, learned and related to one another through more than 500 Pathways to Inclusion sessions. These conversations were also an opportunity for employees to share ways to make our workplace more inclusive.

These conversations sparked the formation of a new enterprise level Diversity and Inclusion (D&I) Council to reinforce the work of numerous existing business unit D&I Councils and help accelerate our progress on diversity and inclusion at Duke Energy.

Externally, the Duke Energy Foundation committed more than \$2 million to social justice and racial equity organizations with \$1 million in employee-directed grants. Employees from an employee-led resource group, Advocates for African Americans, and from company D&I Councils worked to identify local organizations. The company will continue to engage employees, local organizations and leaders to understand how to be a part of the long-term solutions our communities seek.

Much more work is needed to turn actions into results. We are committed to this journey and know that our success makes us stronger as a company and a community.

Developing Inside Talent

The acceleration of digital technology and changes in the industry have impacted the way we work. Duke Energy is preparing for the future through a focus on developing skills and agility across our workforce.

As the COVID-19 pandemic swept the globe, Duke Energy paused its external hiring efforts, which created a natural emphasis and real-time need to have a flexible internal workforce.

At the same time, the company accelerated the launch of an internal talent marketplace to leverage short-term, temporary assignments to provide greater career development opportunities for employees. The popular program is creating greater flexibility for our workforce.

In fact, more than one-third of employees participating in temporary assignments are working outside of their normal business unit. Feedback from participants expressed support for the program – creating an atmosphere where current employees can learn and grow within the company.

The company also launched a new online learning platform – including learning programs for cybersecurity, IT and other important skills. This will help prepare employees to take on new roles and opportunities in critical areas.

Duke Energy is a strong believer in workforce agility – building new skills and competencies and continuing to shift the mindset about new ways of working. This will provide a competitive advantage going forward.

[Learn more](#) about how Duke Energy's learning and development programs prepare leaders and employees to meet future challenges.

Net Promoter Score Tracks Employee Engagement

In January 2018, Duke Energy began using the Net Promoter Score (NPS), a well-known metric used to measure customer loyalty. The company captures information through its own proprietary survey. In the three years the company has been collecting NPS data, the survey has helped us significantly improve customer satisfaction by acting upon valuable insights gained about what matters most to customers.

In 2020, we started applying the lessons learned from our customer experience team to launch a new employee survey using an employee Net Promoter Score (eNPS). This new approach will enable us to leverage the success of the customer satisfaction program to also improve employee engagement. Duke Energy firmly believes that how customers feel about the experience of doing business with us begins with engaged employees.

The 2020 employee engagement survey allowed employees to make their voices heard, with 63 percent of employees participating. We began measuring employees' likelihood to recommend Duke Energy as a place to work by asking the eNPS question, "How likely are you to recommend working at Duke Energy or Piedmont Natural Gas to a friend or colleague?" We now have a solid baseline to build upon, allowing us to set a percentage improvement objective in the future.

Overall, employees feel proud to work at Duke Energy and are motivated to help the company reach its goals. Of particular note, 90 percent of employees said their immediate manager supports diversity and inclusion in the workplace. Employees also identified aligning rewards with performance as an improvement opportunity.

In 2021, the company is enhancing our approach to the employee engagement survey and implementing ongoing monthly status checks. We will provide data-driven insights to our leaders for ongoing employee conversations, enabling deeper discussions around employee sentiment at the team level. We will also continue to develop and implement programs to support a new employee engagement framework focused on helping employees feel heard, included and enabled to be successful in their roles.