



## Duke Energy Policy

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# Procedure for Reporting Concerns to the Audit Committee

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Originator: Corporate Ethics and Compliance  
Effective Date: 04/04/2006  
Revision Date: 01/13/2022

Applies to: All Duke Energy Employees and External Parties

**THIS PROCEDURE DOES NOT CREATE A CONTRACT OF EMPLOYMENT OR ALTER THE AT-WILL NATURE OF ANY EMPLOYEE'S EMPLOYMENT IN ANY WAY.**

## PHILOSOPHY

The Duke Energy Board of Directors Audit Committee ("Audit Committee") provides governance oversight for the integrity of the company's financial statements, the company's compliance with legal and regulatory requirements, the independent auditor's qualifications and independence, performance of the company's internal audit function and independent auditors, and the Corporate Ethics Program.

To support its governance responsibilities, the Audit Committee has established the following procedure to receive, retain, investigate and act on complaints and concerns of employees, shareholders and others regarding material accounting, internal accounting controls and auditing matters, including complaints regarding attempted or actual circumvention of internal accounting controls or complaints regarding the company's accounting policies ("Accounting Complaints"). This procedure also covers complaints regarding material ethical or criminal misconduct on the part of the chairman, the chief executive officer, any officer reporting directly to the chief executive officer, the controller or the chief audit officer and complaints regarding matters that could lead to significant reputational damage to Duke Energy ("Senior Leadership Complaints").

## GENERAL EXPECTATIONS

Under the procedure described below, the Audit Committee shall accept, review, investigate and disposition Accounting Complaints and Senior Leadership Complaints. The Audit Committee may, as allowed by this procedure, delegate some of this responsibility to the chief ethics and compliance officer and/or to external resources retained directly by the Audit Committee to conduct all or part of an investigation. The Audit Committee may seek advice from the chief legal officer or from external counsel retained directly by the Audit Committee.

## PROCEDURE

### A. **Complaint Submissions**

Accounting Complaints and Senior Leadership Complaints may be made using any of the following methods:

1. By sending a letter addressed to the Chief Ethics and Compliance Officer, PO Box 1333, Charlotte, NC 28201.
2. By calling the EthicsLine, 1-866-838-4427 (administered by a third-party vendor).
3. By submitting an on-line report via <https://ethicsline.duke-energy.com>.
4. By sending a letter addressed to the Chair, Duke Energy Board of Directors Audit Committee, PO Box 1414, Charlotte, NC 28201.

*Company employees are expressly authorized to make reports anonymously. Reports may be made anonymously through any of the channels described above. Anonymous reporters who*



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*use the EthicsLine will be issued a report number and information regarding how to obtain feedback and updates regarding their reports.*

Company attorneys should follow the procedures set out in the Standards of Professional Conduct for Attorneys to report evidence of a material violation of securities laws or breach of fiduciary duty.

### B. Investigations

#### 1. *Initial Assessment*

Promptly upon receipt, the chief ethics and compliance officer will determine whether a complaint forwarded to him/her under this procedure constitutes an Accounting Complaint or a Senior Leadership Complaint. Upon determining that a report constitutes an Accounting Complaint or a Senior Leadership Complaint, the chief ethics and compliance officer shall promptly notify the Audit Committee Chair ("the Chair").

#### 2. *Investigations Conducted at the Direction of the Chief Ethics and Compliance Officer*

Unless otherwise directed by the Chair or this Procedure, the chief ethics and compliance officer shall direct the prompt investigation of all Accounting or Senior Leadership Complaints in consultation with the chief legal officer. S/he may delegate investigation responsibility to internal or external resources and may, in his/her discretion, consult with internal company resources and/or engage outside auditors, counsel or other experts to assist in the investigation and in the analysis of results. All investigations shall be conducted in a confidential manner so that information will be disclosed only as needed to facilitate a thorough and complete investigation or otherwise as required by law.

No investigation into an Accounting Complaint shall be closed until final review by the Audit Committee.

#### 3. *Investigations Conducted at the Direction of the Audit Committee*

The Audit Committee may, in its discretion, determine that it, and not the chief ethics and compliance officer, will initiate and direct the investigation of an Accounting or Senior Leadership Complaint. In determining that it and not the chief ethics and compliance officer will direct the investigation, the Audit Committee may consider the identity of the alleged wrongdoer, the severity and scope of the alleged wrongdoing, the credibility of the allegations made, whether the allegations have arisen from analysts or in the press, and any other factor appropriate under the circumstances.

For those complaints investigated at the direction of the Audit Committee, that body will promptly determine and engage the resources needed to conduct the investigation including outside auditors, counsel or other internal or external experts. The Audit Committee is authorized in its discretion to engage outside auditors, counsel or other internal or external experts, to assist in the evaluation of the results of any investigation into an Accounting Complaint. The Audit Committee shall have the authority to direct that appropriate corrective action be taken by the company in response to any complaint.

#### 4. *Recusal by the Chief Legal Officer or the Chief Ethics and Compliance Officer*

In the event a complaint involves the chief ethics and compliance officer and/or the chief legal officer, the involved and/or implicated party(ies) shall recuse him/herself from the investigation immediately and so notify the Audit Committee in writing. Upon receipt of a recusal notice, the Audit Committee shall assume responsibility for directing the investigation.



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### C. Investigation Reports

At the conclusion of the investigation, the person directing the investigation, in consultation with the chief legal officer or his/her designee, will direct the preparation of a written report. The report shall provide a reasonable level of detail and include the following:

1. Description of the complaint.
2. Steps taken during the investigation.
3. Any factual findings.
4. Recommendations for corrective action, if any, including disciplinary action and changes to internal controls.

At the conclusion of the investigation, all work papers and reports shall be retained in accordance with the Duke Energy Records and Information Management Program and applicable retention schedule.

## PROTECTION FROM RETALIATION

Consistent with the Duke Energy Code of Business Ethics, the Audit Committee, chief ethics and compliance officer and company management will not retaliate or attempt to retaliate, and will not tolerate any retaliation or attempted retaliation by any other person or group arising out of or resulting from a reported Accounting or Senior Leadership Complaint. Individuals who in good faith report Accounting or Senior Leadership Complaints, provide assistance or information during the course of an Accounting or Senior Leadership Complaint investigation, or cooperate with any government, regulatory or law enforcement body investigating an Accounting or Senior Leadership Complaint shall be protected from retaliation.

## ANNUAL ASSESSMENT

Annually, the chief ethics and compliance officer will assess the adequacy of this procedure, revise it accordingly, and review with the Audit Committee if significant revisions are required.

## ADDITIONAL DOCUMENTS

[Code of Business Ethics](#)  
[Standards of Professional Conduct for Attorneys](#)  
[Retaliation-Free Workplace Policy](#)  
[Open Door Policy](#)