

## 2021 Restricted Stock Unit (RSU) Award Summary (granted 2/24/2021)

As a participant in Duke Energy's long-term incentive (LTI) program, you have been awarded a restricted stock unit (RSU) grant which was approved **February 24, 2021** (*i.e.*, the grant date).

Your grant value was calculated by multiplying your annual rate of base pay that was effective on the grant date by your LTI opportunity. The number of RSUs awarded to you was determined by dividing your grant value by **\$87.34**, the closing price of Duke Energy common stock on the grant date. These RSUs will vest over a three-year period, as described below.

### Accepting Your RSU Grant

It will be necessary for you to accept your RSU award and agree to its terms via the Fidelity NetBenefits site. Upon accepting your award, we encourage you to read your award agreement carefully as well as the 2015 Long-Term Incentive Plan (LTIP) Summary and its Prospectus. In the event of any conflict between the information in this summary and the LTIP or the award agreement, the terms of the LTIP/award agreement will govern. You may also wish to discuss this information with your personal financial advisor.

### Accessing Your Stock Award

Record keeping for your stock award is provided by Fidelity Stock Plan Services, LLC. You will be able to access your stock plan information online at [www.netbenefits.com](http://www.netbenefits.com) or by calling a Fidelity Stock Plan Services representative at **800-376-4015**.

### Vesting

Your RSUs vest, while your employment continues, according to an installment-based vesting schedule (or as otherwise described in the *Restricted Stock Unit Award Summary Chart* on page 3). Under that schedule, one-third of your RSUs will vest on each of the first three anniversaries of the grant date (*i.e.*, 2/24/2022, 2/24/2023 and 2/24/2024).

Vested RSUs are paid in whole shares of Duke Energy common stock shortly after they vest and will be reduced by the applicable tax withholding, as described below.

### Dividend Equivalents

You will receive a cash payment equal to the quarterly cash dividend per share declared and paid on Duke Energy common stock for each unvested RSU awarded to you. These cash payments will be included in your paycheck. Dividend equivalent payments are treated as ordinary income, and, therefore, are subject to tax withholding. Upon vesting and payment, or forfeiture of the unit, future dividend equivalent payments will end.

### Voting Rights

Prior to vesting, your RSUs do not give you shareholder voting rights because no actual shares of common stock are issued to you until your RSUs vest and are paid.



## Ability to Sell

You may not sell your unvested RSUs, but you may sell the shares of Duke Energy common stock that you receive upon vesting, subject to Duke Energy's Insider Trading Policy.

## Taxes

Under current U.S. tax rules you will incur taxable income when your vested RSUs are paid, based on the fair market value of the common stock delivered to you. This income will be included on your Form W-2. Federal income tax and any applicable state, local, Social Security and Medicare tax withholding is required upon the vesting of your award. Your taxes will be paid by the share reduction method which means you will receive the number of shares that have vested less the shares withheld to pay your tax withholding. Shortly after vesting, you will receive your net shares in your Fidelity brokerage account.

### EXAMPLE: Tax Withholding Payment Through a Reduction of Shares

You vest in 100 RSUs and are notified that the tax withholding amount due is \$3,400. The shares used to pay your tax withholding are valued at fair market value (let's assume \$85). The amount of Duke Energy common stock you receive would be reduced by 40 shares ( $\$3,400/\$85 = 40$  shares). You would receive 60 shares in your Fidelity Brokerage account, the 100 shares that vested less the 40 shares withheld to pay your tax withholding.

Keep in mind that your income will be taxed at applicable withholding rates, and you may owe additional income taxes depending on your personal financial situation. You may wish to consult with your tax advisor to determine whether you should make additional estimated tax payments.

## Resources

If you have specific questions about your RSU award, you may contact:

**Brian Callahan**  
**Executive Rewards**  
**859-801-5975**  
[brian.callahan@duke-energy.com](mailto:brian.callahan@duke-energy.com)

If you have general questions regarding restricted stock units, you may contact:

**Fidelity Stock Plan Services, LLC**  
**800-376-4015**  
[www.netbenefits.fidelity.com](http://www.netbenefits.fidelity.com)

## Restricted Stock Unit Award Summary Chart

The following chart summarizes the terms of your 2021 RSU award.

Provision	Restricted Stock Units (RSUs)
<b>Grant Date</b>	February 24, 2021
<p><b>Vestings</b></p> <ul style="list-style-type: none"> <li>• While employment continues</li>   <li>• When employment with Duke Energy and its affiliated companies terminates <ul style="list-style-type: none"> <li>- <i>After attaining the age of 55 with 10 years of service or on account of termination by the company without cause or termination as the result of divestiture</i></li>   <li>- <i>On account of death/disability</i></li>   <li>- <i>Termination other than described above</i></li> </ul> </li> </ul>	<p>Three-year installment vesting — 1/3 of units vest each year on anniversary of grant date (i.e., 2/24/2022, 2/24/2023 and 2/24/2024)</p> <p>Units in award are reduced to reflect actual service during the installment vesting period* and become immediately vested to the extent not previously vested</p> <p>Units not previously or immediately vested are forfeited</p> <p>Unvested units become immediately vested</p> <p>Vesting ends — units not previously vested are forfeited</p>
<b>Dividend Equivalents</b>	Quarterly payments on unvested units that have not been forfeited are paid when common stock cash dividends are declared and paid

\*Calculated based on number of days of actual service from the grant date divided by total number of days in the period from the grant date to the third anniversary of the grant date.

This document contains selected highlights of Duke Energy's employee compensation plans. If any statement herein, or any other communication, conflicts with the applicable plan documents and/or award agreements, the plan documents and/or award agreements will govern. Duke Energy retains the right to amend, modify or terminate its compensation plans in any respect and at any time, and neither its benefits plans, nor your plan participation, will be considered a contract for future employment.