

UBS Midwest Utilities Virtual Conference

August 20, 2020

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Safe Harbor statement

This presentation includes forward-looking statements within the meaning of the federal securities laws. Actual results could differ materially from such forward-looking statements. The factors that could cause actual results to differ are discussed herein and in Duke Energy's SEC filings, available at www.sec.gov.

Regulation G disclosure

In addition, today's discussion includes certain non-GAAP financial measures as defined under SEC Regulation G. A reconciliation of those measures to the most directly comparable GAAP measures is available in the Appendix herein and on our Investor Relations website at www.duke-energy.com/investors/.

Safe harbor statement

This document includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements are based on management's beliefs and assumptions and can often be identified by terms and phrases that include "anticipate," "believe," "intend," "estimate," "expect," "continue," "should," "could," "may," "plan," "project," "predict," "will," "potential," "forecast," "target," "guidance," "outlook" or other similar terminology. Various factors may cause actual results to be materially different than the suggested outcomes within forward-looking statements; accordingly, there is no assurance that such results will be realized. These factors include, but are not limited to: The impact of the COVID-19 pandemic; State, federal and foreign legislative and regulatory initiatives, including costs of compliance with existing and future environmental requirements, including those related to climate change, as well as rulings that affect cost and investment recovery or have an impact on rate structures or market prices; The extent and timing of costs and liabilities to comply with federal and state laws, regulations and legal requirements related to coal ash remediation, including amounts for required closure of certain ash impoundments, are uncertain and difficult to estimate; The ability to recover eligible costs, including amounts associated with coal ash impoundment retirement obligations and costs related to significant weather events, and to earn an adequate return on investment through rate case proceedings and the regulatory process; The costs of decommissioning nuclear facilities could prove to be more extensive than amounts estimated and all costs may not be fully recoverable through the regulatory process; Costs and effects of legal and administrative proceedings, settlements, investigations and claims; Industrial, commercial and residential growth or decline in service territories or customer bases resulting from sustained downturns of the economy and the economic health of our service territories or variations in customer usage patterns, including energy efficiency efforts and use of alternative energy sources, such as self-generation and distributed generation technologies; Federal and state regulations, laws and other efforts designed to promote and expand the use of energy efficiency measures and distributed generation technologies, such as private solar and battery storage, in Duke Energy service territories could result in customers leaving the electric distribution system, excess generation resources as well as stranded costs; Advancements in technology; Additional competition in electric and natural gas markets and continued industry consolidation; The influence of weather and other natural phenomena on operations, including the economic, operational and other effects of severe storms, hurricanes, droughts, earthquakes and tornadoes, including extreme weather associated with climate change; The ability to successfully operate electric generating facilities and deliver electricity to customers including direct or indirect effects to the company resulting from an incident that affects the U.S. electric grid or generating resources; The ability to obtain the necessary permits and approvals and to complete necessary or desirable pipeline expansion or infrastructure projects in our natural gas business; Operational interruptions to our natural gas distribution and transmission activities; The availability of adequate interstate pipeline transportation capacity and natural gas supply; The impact on facilities and business from a terrorist attack, cybersecurity threats, data security breaches, operational accidents, information technology failures or other catastrophic events, such as fires, explosions, pandemic health events or other similar occurrences; The inherent risks associated with the operation of nuclear facilities, including environmental, health, safety, regulatory and financial risks, including the financial stability of third-party service providers; The timing and extent of changes in commodity prices and interest rates and the ability to recover such costs through the regulatory process, where appropriate, and their impact on liquidity positions and the value of underlying assets; The results of financing efforts, including the ability to obtain financing on favorable terms, which can be affected by various factors, including credit ratings, interest rate fluctuations, compliance with debt covenants and conditions and general market and economic conditions; Credit ratings of the Duke Energy Registrants may be different from what is expected; Declines in the market prices of equity and fixed-income securities and resultant cash funding requirements for defined benefit pension plans, other post-retirement benefit plans and nuclear decommissioning trust funds; Construction and development risks associated with the completion of the Duke Energy Registrants' capital investment projects, including risks related to financing, obtaining and complying with terms of permits, meeting construction budgets and schedules and satisfying operating and environmental performance standards, as well as the ability to recover costs from customers in a timely manner, or at all; Changes in rules for regional transmission organizations, including changes in rate designs and new and evolving capacity markets, and risks related to obligations created by the default of other participants; The ability to control operation and maintenance costs; The level of creditworthiness of counterparties to transactions; The ability to obtain adequate insurance at acceptable costs; Employee workforce factors, including the potential inability to attract and retain key personnel; The ability of subsidiaries to pay dividends or distributions to Duke Energy Corporation holding company (the Parent);The performance of projects undertaken by our nonregulated businesses and the success of efforts to invest in and develop new opportunities; The effect of accounting pronouncements issued periodically by accounting standard-setting bodies; The impact of U.S. tax legislation to our financial condition, results of operations or cash flows and our credit ratings; The impacts from potential impairments of goodwill or equity method investment carrying values; and the ability to implement our business strategy, including enhancing existing technology systems.

Additional risks and uncertainties are identified and discussed in the Duke Energy Registrants' reports filed with the SEC and available at the SEC's website at sec.gov. In light of these risks, uncertainties and assumptions, the events described in the forward-looking statements might not occur or might occur to a different extent or at a different time than described. Forward-looking statements speak only as of the date they are made and the Duke Energy Registrants expressly disclaim an obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Delivering for our investors

EXPECT TO DELIVER
IN THE LOWER HALF OF 2020 ADJUSTED EPS GUIDANCE RANGE OF $5.05 - $5.45[(1)]

DELIVERING ON 2020 FINANCIAL COMMITMENTS

- Remain confident in our ability to deliver in the lower half of the range, overcoming significant headwinds
  - COVID-19 load impacts of ($0.25-$0.35) EPS forecasted for the full year
  - ACP cancellation results in loss of ($0.13) EPS in second half of 2020
  - 2020 unfavorable weather and storms ($0.16) EPS 2Q year-to-date
- Great confidence in achieving full-year cost mitigation of $0.35-$0.45 EPS

EXCEPTIONAL BUSINESS FUNDAMENTALS
95% OF EARNINGS AND CAPITAL IN REGULATED ELECTRIC AND GAS UTILITIES

FOCUSED ON LONG-TERM VALUE CREATION

- Committed to maximizing 2021 returns for shareholders using all tools at our disposal
- Regulated rate base CAGR of ~6% gives confidence in 4%-6% long-term EPS growth[(2)] rate, underscored by $56 billion capital plan

(1) As most recently reaffirmed in the 2Q 2020 Earnings Review and Business Update on August 10, 2020
(2) Based on adjusted EPS

Update on key rate cases

FAIR AND CONSTRUCTIVE OUTCOME IN INDIANA

- Indiana Utility Regulatory Commission approved:
  - Strategic investments to generate cleaner electricity and improve reliability
  - 9.7% ROE, 53% equity capital structure
  - Recovery of and on coal ash investments
  - Shortened depreciable lives for coal plants
  - Edwardsport book value and operating costs in base rates
  - Annual increase of $159 million effective August 2020 (step 1) and 2Q 2021 (step 2)
    - Forward test year rate base of $10.2 billion as of December 2020

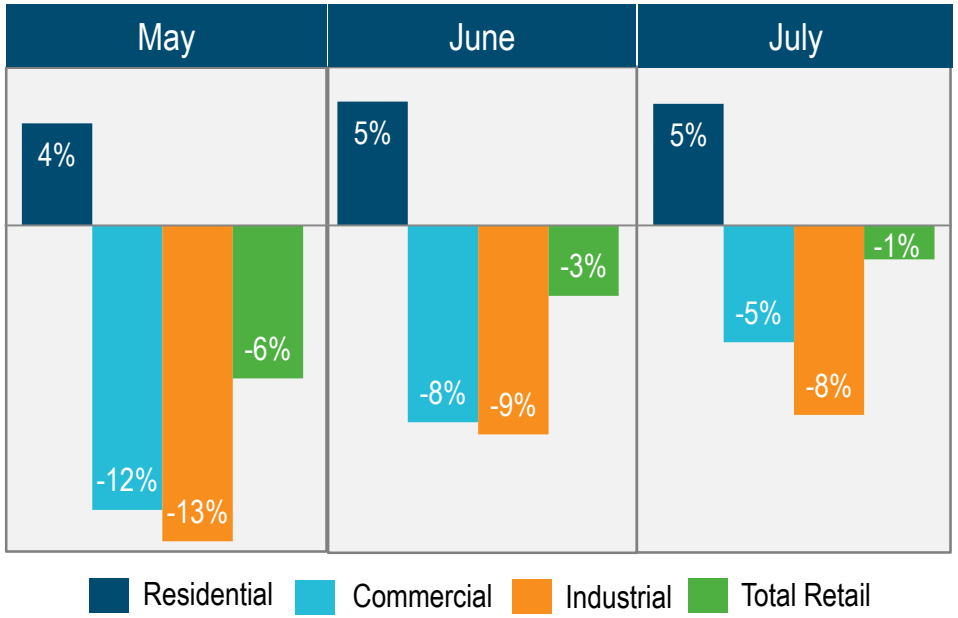
NORTH CAROLINA RATE CASES UNDERWAY

- Hearings begin Aug. 24; expect final order by year-end 2020
- Favorable settlements with a broad group of intervenors highlight constructive regulatory environment in NC:
  - 9.6% ROE and 52% equity capital structure
  - Deferral treatment on ~$1.3 billion in grid improvement investments
  - Flowback of unprotected EDIT over five years, mitigating customer rate impacts while accelerating growth in rate base
  - Capital investments and other key inputs updated through May 31, increasing revenue request by ~$70 million
- Interim rates for DEC and DEP to be effective Aug. 2020 and Sept. 2020, respectively
  - Protects 2020 earnings from impact of rate case delay in hearings while keeping customer rates unchanged until final order is received

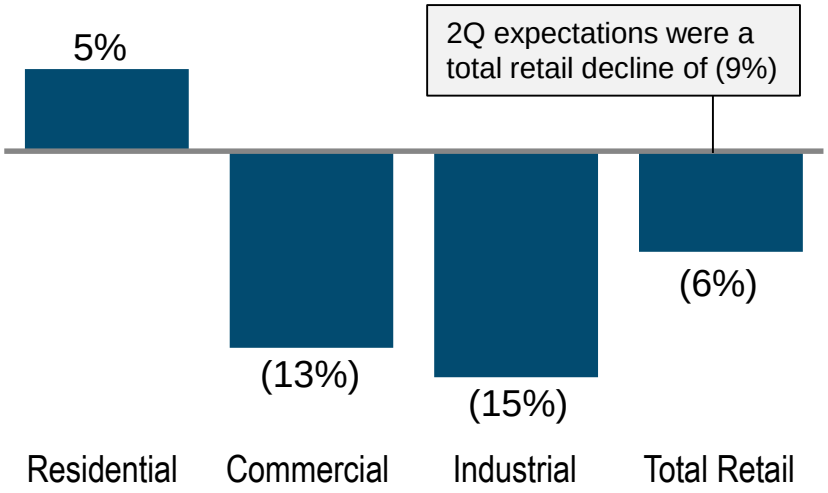
OUR REGULATORY JURISDICTIONS HAVE A TRACK RECORD OF BALANCING AFFORDABILITY FOR OUR CUSTOMERS AND SUPPORTING THE FINANCIAL HEALTH OF OUR UTILITIES

Retail electric volumes and full year expectations[1]

2020 RETAIL ELECTRIC VOLUMES BY MONTH[1]

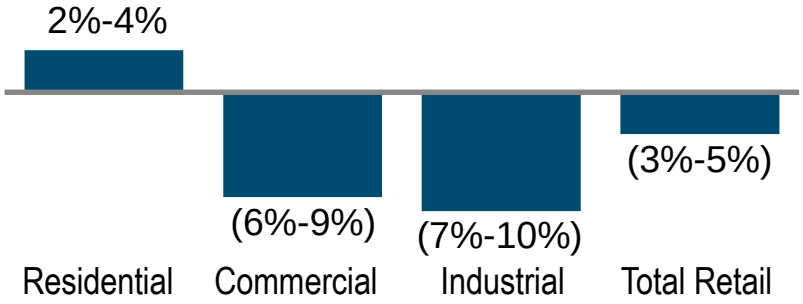


2Q 2020 RETAIL ELECTRIC VOLUMES



FORECASTED FULL YEAR 2020 RETAIL ELECTRIC VOLUMES[2]

(based on company's current economic assumptions)



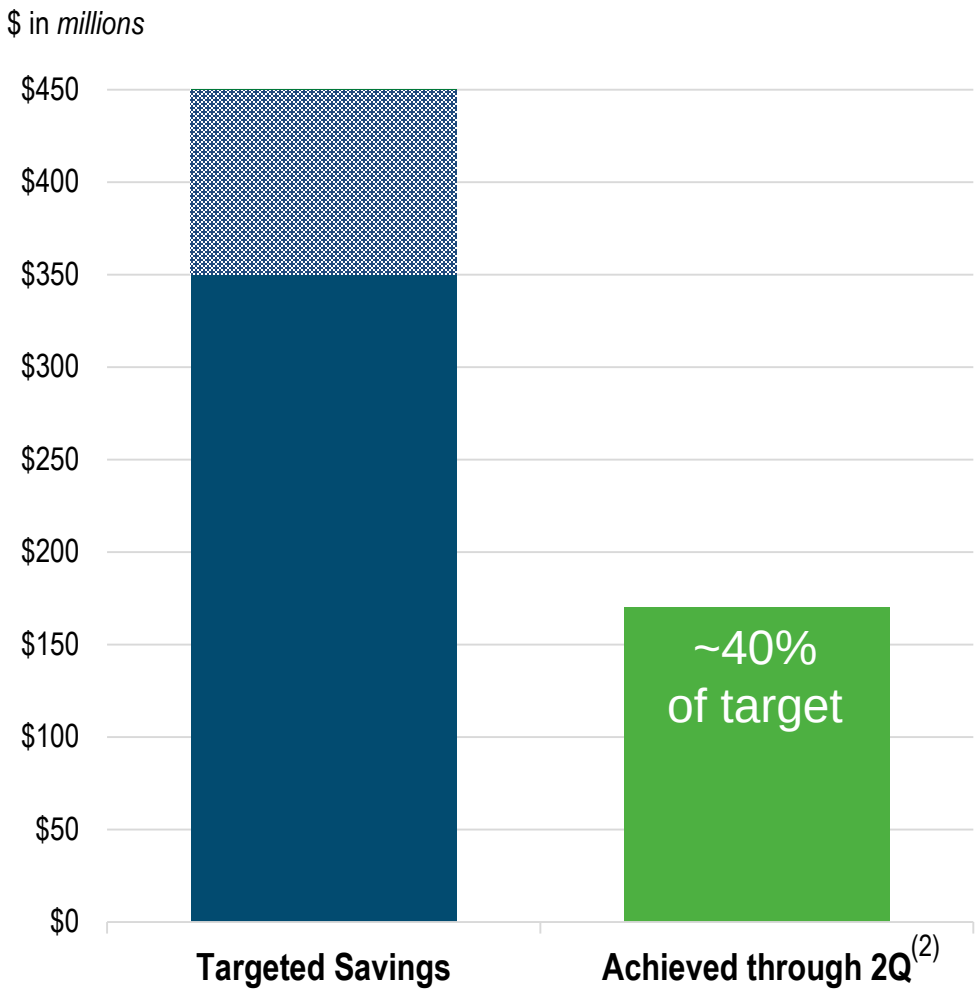
2020 FULL YEAR VOLUME EXPECTATIONS

- Forecasting retail volumes to decline 3%-5% for full year 2020, but with potential upside based on 2Q results
  - Recent favorability compared to original COVID-19 expectations; with resurgence of virus cases, continue to monitor impact on economy
  - YTD impact of ($0.08) EPS compared to Feb. plan
- Continue to estimate a ($0.25-$0.35) impact to 2020 EPS from retail load declines, based on current assumptions

(1) Weather-normal, compared to 2019 actuals. July 2020 residential volumes increased 6.5% on a billed basis.
(2) As of 2Q 2020 Earnings Review and Business Update on August 10, 2020

O&M cost savings underway with measurable impacts to 2Q results

- Highly confident in achieving a $350-$450 million reduction in O&M and other expenses to mitigate 2020 headwinds(1)
  - Unparalleled capability to mitigate headwinds given our size, scale and agility
- Clear line-of-sight of savings initiatives to achieve targets
  - Revised scope and timing of generation outages
  - Contract and employee labor costs, including overtime and variable compensation
  - Employee expenses reductions
  - Lower corporate costs such as IT expenditures
  - Lower interest expense due to well-timed capital market transactions
- Achieved $170 million in savings through 2Q, with ability to deliver near the high end of mitigation range
  - Rapid response ability is a core competency
  - Business transformation team is developing solutions to make many of these initiatives sustainable for 2021 and beyond



(1) As of Earnings Review and Business Update on August 10, 2020.
(2) Remaining cost mitigation efforts are expected to be more heavily weighted to the 4th quarter than the 3rd quarter.

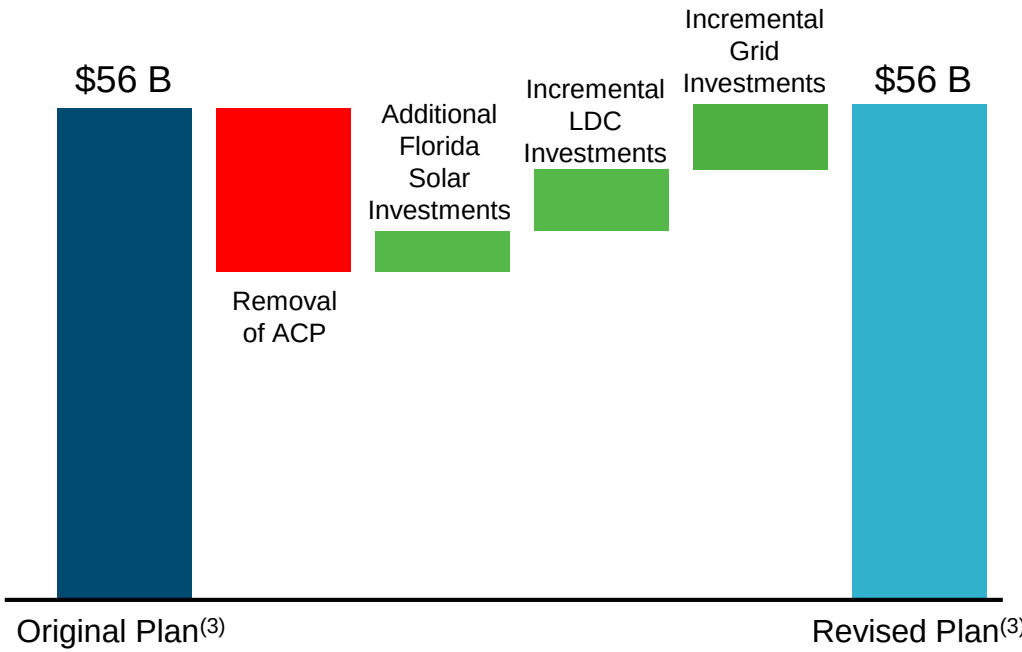
DEMONSTRATED TRACK RECORD OF CONSISTENTLY DELIVERING O&M AND OTHER COST SAVINGS IN AN AGILE FASHION SINCE 2015

Early considerations regarding 2021 earnings outlook

- 2021 earnings per share, prior to cancellation of ACP, were trending to ~$5.50(1)
  - ACP was expected to contribute ~$0.35 of EPS in 2021
  - Regulated utilities and commercial renewables operations remain on track for 2021(2)
- 2021 provides a clean slate for long-term EPS guidance
  - First full year without ACP uncertainty
  - Clarity from three major rate cases in 2020
  - Committed to offset COVID-19 economic effects, as we have in 2020
- Equity forward of $2.5 billion priced in Nov. 2019 expected to be settled by year-end 2020
  - No additional block equity issuances expected
- We will provide 2021 earnings drivers in Nov. and an updated 2021 guidance range in Feb., along with detailed 5-year capital plan

(1) Based on adjusted EPS
(2) Inclusive of dilution from $2.5 billion equity, expected to be settled by year-end 2020
(3) For illustrative purposes, total amounts are not to scale

$56 BILLION, 5-YEAR CAPITAL PLAN REMAINS INTACT



- Long-term earnings growth of 4% - 6% off a 2021 base is anchored by low-risk and highly visible regulated investments(1)
  - Regulated rate base CAGR of ~6% gives confidence in long-term earnings growth rate

ANCHORED IN 2021, LONG-TERM GROWTH RATE IS HIGHLY VISIBLE WITH ~95% OF OUR EARNINGS COMING FROM OUR REGULATED ELECTRIC AND GAS UTILITIES

Upcoming Carolinas IRPs will illustrate multiple pathways to a **cleaner energy future**

Collaborating with **Stakeholders** to help shape **path to achieve** our climate goals

PROGRESS ON THE PATH TO A NET ZERO-CARBON FUTURE

- Carolinas Integrated Resource Plans (IRP) to be filed Sept. 2020
  - IRPs will explore several solutions to further accelerate the realization of a cleaner energy future in NC and SC
  - Scenarios will include earlier retirement of coal plants as well as accelerated deployment of renewables and battery storage
  - Includes potential pathway to 70% carbon reductions by 2030, in line with the NC Governor's GHG reduction goal for electric sector
- All scenarios will maintain reliability standards
- Grid modernization will be key to the accelerated deployment of renewables and battery storage



DESTINATION

=> 50% REDUCTION IN CO_2 EMISSIONS BY 2030 AND

NET-ZERO BY 2050

ESG ANALYST DAY TO BE HELD VIA LIVE WEBCAST ON OCT. 9, 2020

Our investor value proposition

DUK LISTED NYSE

A STRONG LONG-TERM RETURN PROPOSITION

DUK LISTED NYSE

4.7%

DIVIDEND YIELD(1) WITH LONG-TERM DIVIDEND **GROWTH COMMITMENT**(2)

~8-10%

ATTRACTIVE RISK-ADJUSTED **TOTAL SHAREHOLDER RETURN**(3)

4-6%

LONG-TERM **EPS GROWTH** ANCHORED BY LOW-RISK REGULATED INVESTMENTS(4)

CONSTRUCTIVE JURISDICTIONS, LOW-RISK REGULATED INVESTMENTS AND BALANCE SHEET STRENGTH

(1) As of Aug.18, 2020
(2) Subject to approval by the Board of Directors
(3) Total shareholder return proposition at a constant P/E ratio
(4) As most recently reaffirmed in the 2Q 2020 Earnings Review and Business Update; and based on adjusted EPS



*BUILDING A **SMARTER** ENERGY FUTURE ®*

For additional information on Duke Energy,
please visit: duke-energy.com/investors

Duke Energy Corporation
Non-GAAP Reconciliations
UBS Midwest Utilities Virtual Conference

Adjusted Earnings per Share (EPS)

The materials for the UBS Midwest Utilities Virtual Conference include a discussion of adjusted EPS.

The non-GAAP financial measure, adjusted EPS, represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items. Special items represent certain charges and credits, which management believes are not indicative of Duke Energy's ongoing performance.

Management believes the presentation of adjusted EPS provides useful information to investors, as it provides them with an additional relevant comparison of Duke Energy's performance across periods. Management uses this non-GAAP financial measure for planning and forecasting and for reporting financial results to the Duke Energy Board of Directors, employees, stockholders, analysts and investors. Adjusted EPS is also used as a basis for employee incentive bonuses. The most directly comparable GAAP measure for adjusted EPS is reported basic EPS available to Duke Energy Corporation common stockholders.

Adjusted EPS Guidance

The materials for the UBS Midwest Utilities Virtual Conference include a reference to the forecasted 2020 adjusted EPS guidance range of $5.05 to $5.45 per share. In addition, the materials reference the midpoint of forecasted 2021 adjusted EPS prior to the cancellation of ACP of approximately $5.50 less the $0.35 per share contribution from ACP for a preliminary estimate of 2021 Adjusted EPS of approximately $5.15, with refinements to the estimate to be made through the rest of the year, considering analysis of economic conditions and other factors. The materials also reference the long-term range of annual growth of 4% - 6% off 2021 earnings. The forecasted adjusted EPS is a non-GAAP financial measure as it represents basic EPS available to Duke Energy Corporation common stockholders (GAAP reported EPS), adjusted for the per share impact of special items, as discussed above under Adjusted EPS. Due to the forward-looking nature of this non-GAAP financial measure for future periods, information to reconcile it to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items for future periods, such as legal settlements, the impact of regulatory orders or asset impairments.

Business Mix Percentage

The materials for the UBS Midwest Utilities Virtual Conference reference ninety-five percent of earnings coming from the regulated electric and gas utilities as a percentage of the total projected 2020 adjusted net income (i.e. business mix), excluding the impact of Other. Duke Energy's regulated electric and gas utilities are included in the Electric Utilities and Infrastructure and Gas Utilities and Infrastructure segments, respectively.

Adjusted segment income (loss) is a non-GAAP financial measure, as it represents reported segment income (loss) adjusted for special items as discussed above. Due to the forward-looking nature of any forecasted adjusted segment income (loss), information to reconcile this non-GAAP financial measure to the most directly comparable GAAP financial measure is not available at this time, as management is unable to project all special items, as discussed above under Adjusted EPS Guidance.