PROPOSAL 3: ADVISORY VOTE TO APPROVE DUKE ENERGY'S NAMED EXECUTIVE OFFICER COMPENSATION

At the 2011 and 2017 Annual Meetings, Duke Energy's shareholders recommended that our Board hold say-on-pay votes on an annual basis. As a result, we are providing our shareholders with the opportunity to approve, on a nonbinding, advisory basis, the compensation of our NEOs as disclosed in this proxy statement. This proposal gives our shareholders the opportunity to express their views on the compensation of our NEOs.

In connection with this proposal, the Board encourages shareholders to review, in detail, the description of the compensation program for our NEOs that is set forth in the Compensation Discussion and Analysis beginning on page 36, as well as the information contained in the compensation tables and narrative discussion in this proxy statement.

As described in more detail in the Compensation Discussion and Analysis section, the guiding principle of our compensation philosophy is that pay should be linked to performance and that the interests of our executives and shareholders should be aligned. Our compensation program is designed to provide significant upside and downside potential depending on actual results as compared to predetermined measures of success. A significant portion of our NEOs' TDC is directly contingent upon achieving specific results that are important to our long-term success and growth in shareholder value. We supplement our pay for performance program with a number of compensation policies that are aligned with the long-term interests of Duke Energy and our shareholders.

We are asking our shareholders to indicate their support for the compensation of our NEOs as disclosed in this proxy statement by voting "FOR" the following resolution:

"RESOLVED, that the shareholders of Duke Energy approve, on an advisory basis, the compensation paid to Duke Energy's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K of the Securities Act, including the Compensation Discussion and Analysis, the compensation tables, and the narrative discussion in Duke Energy's 2019 Proxy Statement."

The approval of a majority of shares represented in person or by proxy at the Annual Meeting is required to approve this proposal. Because your vote is advisory, it will not be binding on the Board, the Compensation Committee or Duke Energy. The Compensation Committee, however, will review the voting results and take them into consideration when making future decisions regarding the compensation of our NEOs.

For the Above Reasons, the Board of Directors Recommends a Vote "FOR" This Proposal.

REPORT OF THE COMPENSATION COMMITTEE

The Compensation Committee is responsible for the oversight of Duke Energy's compensation programs and compensation of Duke Energy's executives per the Compensation Committee's charter, which is available on our website at *duke-energy.com/our-company/investors/corporate-governance/board-committee-charters/compensation.*

The Compensation Committee of Duke Energy has reviewed and discussed the Compensation Discussion and Analysis with management and, based on such review and discussions, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement.

Compensation Committee
E. Marie McKee, Chair
Michael G. Browning
John H. Forsgren
Carlos A. Saladrigas

Section 1: Executive Summary

The purpose of this Compensation Discussion and Analysis is to provide information about Duke Energy's compensation objectives and policies for our NEOs, who, for 2018 are:

Name	Title
Lynn J. Good	Chairman, President and Chief Executive Officer
Steven K. Young	Executive Vice President and Chief Financial Officer
Dhiaa M. Jamil	Executive Vice President and Chief Operating Officer
Julia S. Janson	Executive Vice President, External Affairs and Chief Legal Officer
Lloyd M. Yates	Executive Vice President, Customer and Delivery Operations and President, Carolinas Region

Compensation Objectives and Principles for 2018

- Our compensation program is designed to link pay to performance, with the goal of attracting and retaining talented executives, rewarding individual performance, encouraging long-term commitment to our business strategy, and aligning the interests of our management team with those of shareholders.
- Our compensation program provides significant upside and downside potential depending on actual results, as compared to predetermined measures of success.
- In setting executive compensation for 2018, we sought to balance the need to recognize the evolving nature of our business strategy with Duke Energy's focus on maximizing shareholder value.

Shareholder Engagement

We have a longstanding history of engaging with shareholders and value the deep relationships we have built. The feedback our shareholders have provided over time has greatly informed our compensation and governance programs as well as our environmental and social initiatives. We received 80.7% favorable support from our shareholders for our executive compensation program pursuant to the "say on pay" vote at our 2018 Annual Meeting. In response, we continued our shareholder outreach program in 2018, reaching out to holders of approximately one-third of our outstanding shares and held meetings with the holders of approximately 20% of our outstanding shares. Our outreach team included members of our Board as well as management who represented the Investor Relations, Human Resources, and Legal Departments, among others.

The focus of these meetings was to provide an update on our strategic vision, operational priorities, and the strength of our leadership team, as well as to discuss our governance and executive compensation program, our CEO's compensation for 2018, and several disclosure and governance enhancements the Compensation Committee had approved. During these conversations, shareholders thanked us for our proactive approach and indicated that they appreciated that we have evolved the design of our LTI program over the last several years to incorporate strategic and operational measures in addition to TSR, as well as the enhanced disclosure of our executive compensation program. Shareholders also were pleased that safety metrics have been incorporated into the incentive plans. No significant changes were made to the design of our compensation plans in 2018 as a result of our engagement program.

We greatly value the input shareholders provided and will continue our outreach efforts on a variety of topics – including executive compensation – as our compensation program evolves in the future.

Business Highlights: Compensation Decisions in Context

Advancing Our Strategic Vision

We continue to advance our strategic vision as indicated below.

Core Areas of Focus

Our value proposition is to be the leading energy infrastructure company. Under the leadership of Ms. Good, who became our CEO in July 2013, we have intensified our focus on serving our customers and communities, while leading the way to a safe, secure, and responsible energy future. Our strategy for the next decade is clear. We see great opportunities ahead and remain focused on investing in infrastructure our customers value and delivering sustainable growth for our investors. We will do this while building on our foundation of customer satisfaction and stakeholder engagement, all while remaining focused on safety, operational excellence, employee engagement, and the environment.

Duke Energy is committed to creating value for our shareholders while building trust and transforming our energy future. We continuously strive to achieve this core purpose of creating shareholder value in all that we do, but with a particular emphasis on the following areas:

- Modernizing the energy grid
- Generating cleaner energy
- Expanding our natural gas infrastructure

2018 Business Highlights

We had an outstanding year during 2018. We met our near-term financial commitments and positioned Duke Energy for sustainable long-term growth. We continued to advance a growth strategy focused on investments to modernize our energy grid, generate cleaner energy, and expand our natural gas infrastructure – all built on a foundation of customer service, operational excellence, and employee and stakeholder engagement.

- ***Operational Excellence***
  - Safety remains our top priority. Our employees delivered strong safety results in 2018, consistent with our industry-leading performance levels from 2016 and 2017. Although we fell short of our employee target for TICR, we will continue to learn and use each incident as an opportunity to improve enterprise safety practices. As an indication of our commitment to safety, we include safety metrics in both the STI and LTI plans, and the STI plan payments for our NEOs were reduced by a 5% safety penalty in 2018, as explained in more detail on page 44.
  - We demonstrated progress on our commitment to generate cleaner energy, including the completion of highly efficient combined cycle natural gas plants in Florida and South Carolina, and the advancement of renewable energy in both our regulated and commercial businesses.
  - 2018 was a year of intense storm activity, with Hurricane Florence and Hurricane Michael impacting our service territories. Our employees and utility partners worked tirelessly to restore three million outages during the hurricane season.
  - We outperformed our target for Reportable Environmental Events in 2018 and continued to advance our efforts to permanently close coal ash basins in ways that protect people and the environment.
- ***Financial Performance***
  - Our results exceeded our 2018 earnings target and we took proactive steps to strengthen our balance sheet. We advanced capital projects and regulatory initiatives that support our 4% to 6% EPS growth trajectory, and addressed key uncertainties including federal tax reform treatment and North Carolina rate case outcomes.
  - Our 2018 TSR of 7.4% exceeded the TSR of the S&P 500 and the UTY, which was −4.4% and 3.5% respectively in 2018.
  - During 2018, we increased our dividend payment for the 12th consecutive year.

Chief Executive Officer Compensation

No Changes to CEO Compensation

Ms. Good's leadership has been instrumental to the evolution of Duke Energy. Since becoming our CEO in July 2013, Ms. Good has led the development of our strategy (focused on modernizing the energy grid, generating cleaner energy, and expanding our natural gas infrastructure), driven industry-leading operational performance, and guided us through several major transactions as we restructured our portfolio of businesses to reduce risk and improve returns. As we seek to advance our strategic vision and execution in the coming years, Ms. Good's leadership will continue to be critical to the organization.

When Ms. Good became our CEO in 2013, her compensation was significantly below the market. To address this gap, each year the Compensation Committee conducted a detailed review of Ms. Good's compensation and analyzed her pay relative to the competitive market, within and outside the utility sector. The Compensation Committee took into account the size and complexity of Duke Energy and our ability to compete for talent against multiple industries, and relied heavily on data from its independent compensation consultant.

The Compensation Committee gradually increased Ms. Good's compensation levels over the past several years to bring Ms. Good's compensation in line with the competitive market. This step-like approach provided flexibility to make pay decisions based on Ms. Good's contributions to the performance of Duke Energy, her experience in the role, and the evolving market data.

After conducting its review of the market data, the Compensation Committee determined that Ms. Good's compensation continued to be competitive with the market data, and, therefore, the committee did not increase her compensation levels in 2018.

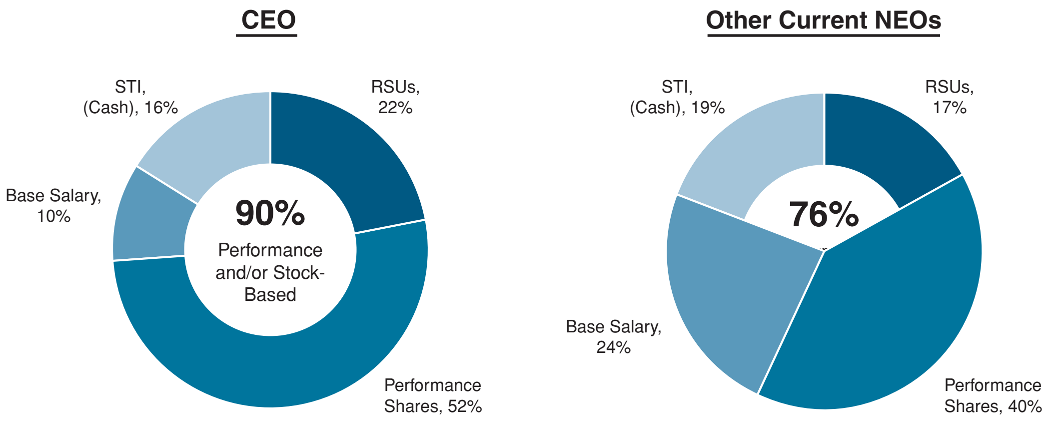
Core Compensation Structure and Incentive Metrics in 2018

- Our core compensation program consists of base salary, STI and LTI (performance shares and RSUs), as outlined in the table below. There have been no significant changes to the following metrics since 2017.

	Element	Performance Metrics Aligned to Strategy
Base Salary	• Cash	
Annual Incentive	• Short-Term Cash Incentive	• Adjusted EPS • Operational Excellence • Customer Satisfaction • Individual Objectives • Safety (targets set on an absolute basis)
Long-Term Equity Incentive	• Performance Shares (70%)	• Cumulative Adjusted EPS • Relative TSR • Safety (targets set on a relative basis)
	• RSUs (30%)	• Service-based with three-year pro rata vesting

- The following chart illustrates the components of the target TDC opportunities provided to our CEO and other NEOs.

Target Compensation Mix
(consisting of base salary, short-term incentives, and long-term incentives)



90% of CEO pay is performance and/or stock-based (both short-term and long-term) which creates strong alignment with our shareholders and reinforces our pay for performance culture

Executive Compensation Best Practices

Following are key features of our executive compensation program:

AT DUKE ENERGY WE...	AT DUKE ENERGY WE DO NOT...
✔ Require significant stock ownership, including 6x base salary for our CEO and 3x base salary for other NEOs	✘ Provide tax gross-ups to NEOs
✔ Maintain a stock retention policy	✘ Permit hedging or pledging of Duke Energy securities
✔ Tie equity and cash-based incentive compensation to a clawback policy	✘ Provide “single trigger” severance upon a change in control
✔ Maintain a shareholder approval policy for severance agreements that provide severance in excess of 2.99 annual compensation	✘ Provide employment agreements to a broad group
✔ Comply with an equity award granting policy	✘ Encourage excessive or inappropriate risk-taking through our compensation program
✔ Use an independent compensation consultant retained by and reporting directly to the Compensation Committee to advise on compensation matters	✘ Provide excessive perquisites
✔ Review tally sheets on an annual basis	✘ Provide dividend equivalents on unearned performance shares
✔ Consider shareholder feedback and the prior year’s “say-on-pay” vote	
✔ Require that equity awards must be subject to a one-year minimum vesting period, subject to limited exceptions	
✔ Disclose performance targets for the open performance share cycle granted in the most recent year	

Section 2: Compensation Program

Overall Design

We design our compensation program so that it motivates our executives to focus on our core business priorities and aligns the interests of executives and shareholders.

Elements of Our Total Direct Compensation Program

As discussed in more detail below, during 2018, the components of TDC for our NEOs were: base salary, STI compensation, and LTI compensation.

Base Salary

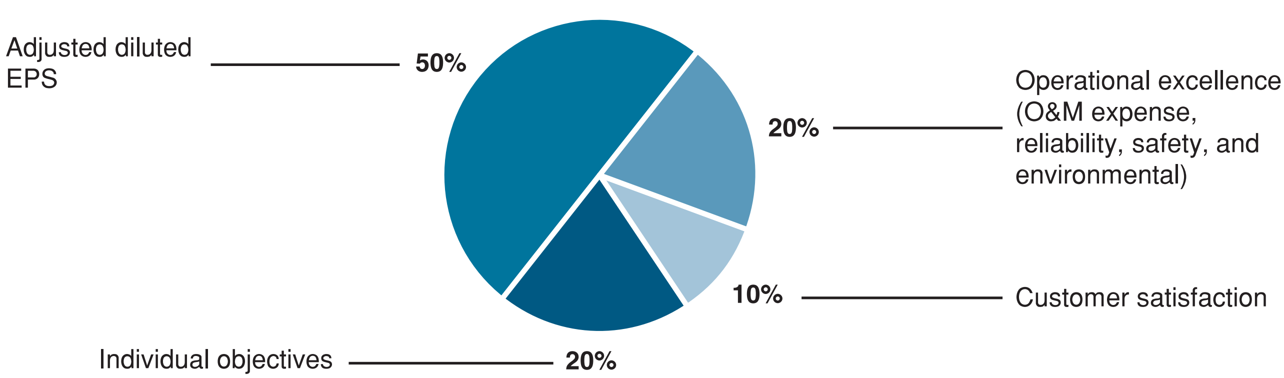
The salary for each NEO is based, among other factors, upon job responsibilities, level of experience, individual performance, comparisons to the salaries of executives in similar positions obtained from market surveys, and internal comparisons. The Compensation Committee considers changes in the base salaries of our NEOs annually. In 2018, the Compensation Committee approved merit increases, effective as of March 1, 2018, of 2.5% for Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates to further close the gap between their respective salaries and the peer group median. No changes were made to Ms. Good's base salary in 2018.

Short-Term Incentive Compensation

STI opportunities are provided to our NEOs under the Duke Energy Corporation Executive Short-Term Incentive Plan to promote the achievement of annual performance objectives. Each year, the Compensation Committee establishes the target annual incentive opportunity for each NEO, which is based on a percentage of his or her base salary. No changes were made to the target incentive opportunities of our NEOs in 2018.

Name	Target STI Opportunity (as a % of base salary)
Lynn J. Good	155%
Steven K. Young	80%
Dhiaa M. Jamil	80%
Julia S. Janson	80%
Lloyd M. Yates	80%

As discussed in more detail below, the Compensation Committee established the following objectives under the STI plan in February 2018 with the STI target opportunity allocated between corporate and individual objectives.



In order to emphasize the importance of the EPS objective, the Compensation Committee established a performance floor or circuit-breaker providing that if an adjusted diluted EPS performance level of at least $4.15 was not achieved, our NEOs would not have received any payout under the 2018 STI plan. To encourage a continued focus on safety, the Compensation Committee also included a potential safety penalty (executives only) and adder (all employees), each in the amount of 5% of a participant's entire STI payment.

Depending on actual performance, NEOs were eligible to earn up to 183.75% of the amount of their STI target opportunity, based on a potential maximum payout of 200% for the EPS objective, a 150% potential maximum payout for the operational excellence, customer satisfaction and individual objectives, and the potential 5% safety adder.

Corporate Objectives (80% of total)

The 2018 corporate objectives and the related target and performance results were as follows and are defined below:

Objective[1]	Weight	Threshold (50%)	Target (100%)	Maximum[2]	Result	Sub-Total	Payout
Adjusted Diluted EPS[3]	50%	$ 4.50	$ 4.70	$ 4.90	$ 4.72		110.0%
Operational Excellence[4]	20%						101.2%
(a) O&M Expense		$ 5.060B	$ 4.910B	$ 4.760B	$ 4.974B	79%	
(b) Reliability[5]							
Nuclear Optimized Reliability		207.78	203.41	199.11	198.49	150%	
Fossil/Hydro Optimized Reliability		64.57	63.28	62.00	59.54	150%	
System Average Interruption Duration Index (Less Planned Outages)		160	145	130	155	67%	
Renewables Availability		93.5%	94.5%	96.0%	95.3%	127%	
Natural Gas Business Outage Factor		4	2	1	3	0%[6]	
(c) Safety/Environmental[7]							
TICR:							
Employees		0.50	0.38	0.35	.43	79%	
Contractors		0.95	0.85	0.80	.74	150%	
Reportable Environmental Events		44	35	31	32	138%	
Customer Satisfaction	10%	783	793	803	796		115%

(1) For additional information about the calculation of the EPS and O&M expense control objectives, see page 51.

(2) A payout of up to 200% of the target opportunity is available for the adjusted diluted EPS objective and a payout of up to 150% of the target opportunity is available for the operational excellence and customer satisfaction objectives.

(3) If an adjusted diluted EPS performance level of at least $4.15 was not achieved (*i.e.*, a performance floor or circuit-breaker), the NEOs would not have received a payout under the 2018 STI plan.

(4) Each of the three primary operational excellence objectives contains an equal weighting of one-third of the aggregate weighting of 20%.

(5) Each reliability metric contains an equal weighting of one-fifth of the aggregate weighting of the reliability objective.

(6) The performance for the Natural Gas Business Outage Factor did not achieve the threshold level because of the occurrence of an outage that impacted at least 500 customers.

(7) Each safety/environmental metric contains an equal weighting of one-half of the aggregate weighting of the safety/environmental objective.

Corporate Metrics	Description/Rationale
Financial Metrics	
Adjusted Diluted EPS	A widely accepted, easily understood, and important metric used to evaluate the success of our performance and the market value of our common stock.
Operational Excellence	Motivates our executive officers to achieve operational excellence, which is valued by our customers. This measure aligns with our strategic business goals and provides an incentive for achieving operational efficiencies.
Reliability Metrics	
Nuclear Optimized Reliability	A measure of the linkage between financial investment and reliability of the nuclear fleet.
Fossil/Hydro Optimized Reliability	A measure of the linkage between financial investment and reliability of the fossil/ hydro fleet.
System Average Interruption Duration Index (Less Planned Outages)	A measure of the number of outage minutes experienced during the year per customer served from both transmission and distribution systems, excluding planned outages, calculated in accordance with applicable guidelines.
Renewables Availability	A renewables energy yield metric, calculated by comparing actual generation to expected generation based on the wind speed measured at the turbine and by calculating the actual generation to expected generation based on solar intensity measures at the panels.
Natural Gas Business Outage Factor	A measure of the number of outages in the natural gas business. For this purpose, an “outage” is defined as an event that causes a loss of natural gas service for at least 100 customers, where such event is not caused by a third party. If a single event causes a loss of natural gas service for at least 500 customers, that event automatically results in less than minimum performance for this measure.
Safety/Environmental Metrics	
TICR	Measures the number of occupational injuries and illnesses per 100 workers. This objective emphasizes our focus on achieving an event-free and injury-free workplace.
Reportable Environmental Events	Environmental events that require notification to, or enforcement action by, a regulatory agency. This objective emphasizes service reliability and the mitigation of environmental risks associated with our operations.
Customer Satisfaction Metric	
CSAT	A composite of customer satisfaction results for each regulated utility. Results are based on external surveys by third parties, including J.D. Power, and internal surveys of our customers.

Individual Objectives (20% of total)

The 2018 individual objectives for our NEOs were divided into the following three equally-weighted areas:

- Focus on operational excellence and performance with an emphasis on safety, reliability, sustainable efficiency, and event-free operations
- Achieve risk-informed growth and financial results
- Foster a high performance, engaged, diverse and inclusive culture built on strong leadership and behaviors aligned with Duke Energy's Leadership Imperatives

Safety Component

In order to emphasize a continued focus on safety, the Compensation Committee included the following measures in the 2018 STI plan:

- ***Safety Penalty.*** The STI plan payments for each of our NEOs were subject to a safety penalty of 5% if Duke Energy experienced more than five LAIs or there was a significant operational event (including a controllable work-related Duke Energy employee or contractor fatality).
- ***Safety Adder.*** The STI plan payments of our NEOs, along with other eligible employees, were also eligible for a safety adder that could result in an increase of 5% if: (i) there were no controllable work-related fatalities of any Duke Energy employee or contractor during 2018; (ii) there were four or fewer LAIs during 2018; and (iii) there were no significant operational events.

We did not achieve our goal of no work-related fatalities during 2018, and, therefore, the safety adder did not apply and the safety penalty applied such that total payments under the 2018 STI plan for our NEOs were decreased by 5%.

Payouts

Based on the aggregate corporate and individual performance results, including the 5% safety penalty, each NEO's aggregate payout under the 2018 STI plan was equal to:

Name	Target STI Opportunity ($)	Achievement of Corporate Objectives (80% Weighting)	Achievement of Individual Objectives (20% Weighting)	Overall Achievement as a % of Target STI Opportunity*	Payout* ($)
Lynn J. Good	2,092,500	108.4%	137%	108.4%	2,268,961
Steven K. Young	565,950	108.4%	140%	109.0%	616,903
Dhiaa M. Jamil	643,125	108.4%	140%	109.0%	701,026
Julia S. Janson	510,417	108.4%	150%	110.9%	566,067
Lloyd M. Yates	560,848	108.4%	130%	107.1%	600,685

* Values have been reduced by 5% to reflect the safety penalty.

Long-Term Incentive Compensation

Our LTI program is designed to provide our NEOs with appropriate balance to the STI plan and to align executive and shareholder interests in an effort to maximize shareholder value.

Each year, the Compensation Committee establishes the target LTI opportunity for each NEO, which is based on a percentage of his or her base salary. No changes were made to the LTI opportunities of our NEOs in 2018.

Name	Target LTI Opportunity (as a % of base salary)
Lynn J. Good	750%
Steven K. Young	225%
Dhiaa M. Jamil	275%
Julia S. Janson	225%
Lloyd M. Yates	225%

The Compensation Committee reviews the allocation between performance shares and RSUs annually with its compensation consultant, which confirmed that the present mix of performance shares (70% allocation) and RSUs (30% allocation) was consistent with market benchmarking among both utility peers and the general industry. The Compensation Committee believes that this allocation strikes an appropriate balance to both incentivize and retain our executive officers, and aligns with our strong pay for performance philosophy.

2018-2020 Performance Shares (70% of LTI Program)

Our Compensation Committee has evolved the design of our performance shares over the last three years to reflect shareholder feedback requesting a focus on multiple core metrics linked to our long-term success and balancing relative and absolute performance comparisons. As indicated in the following chart, we added a cumulative adjusted EPS metric in 2016, and in 2017 we added a safety metric to further strengthen our pay for performance alignment.

	Evolution of Core Metrics
2015–2017 Performance Share Award	• 100% Relative TSR
2016–2018 Performance Share Award	• 50% Cumulative Adjusted EPS • 50% Relative TSR
2017–2019 Performance Share Award 2018–2020 Performance Share Award	• 50% Cumulative Adjusted EPS • 25% Relative TSR • 25% Safety (targets set on a relative basis)

In order to emphasize pay for performance, the 2018-2020 performance shares vest at the end of the three-year performance period based on (i) our cumulative adjusted EPS compared to pre-established targets (50% weighting); (ii) our relative TSR compared to the companies in the UTY (25% weighting); and (iii) a safety measure based on our TICR compared to pre-established targets (25% weighting). These performance measures were selected to emphasize their importance in aligning the interests of our executives and shareholders.

Each of the three performance measures for the 2018-2020 performance shares is described below, along with a table that sets forth the performance targets and payout levels.

Cumulative Adjusted EPS (50% Weighting)
- Payout is based on adjusted EPS over a three-year performance period compared to pre-established levels
- EPS is a core financial metric for Duke Energy

The first performance measure is based on Duke Energy's three-year cumulative adjusted EPS measured against pre-established target levels. The Compensation Committee established the EPS target for the three-year cycle in February 2018 at a level that is challenging, but achievable with strong long-term performance. The following table provides the EPS target levels and corresponding payout levels:

Cumulative Adjusted EPS	Percent Payout of Target 2018-2020 Performance Shares
$15.60 or Higher	200%
$15.00 (Target)	100%
$14.40	50%
Lower than $14.40	0%

If Duke Energy's cumulative adjusted EPS during the performance period is between the minimum and target level, or between the target and maximum level, the payout for the portion of the performance shares related to this performance measure is interpolated on a straight-line basis.

TSR (25% Weighting)
- Payout is based on relative TSR performance compared to the companies in the UTY
- Target payout requires relative TSR performance at the 55th percentile
- Payout is capped at target level if TSR is negative

The second performance measure is based on the percentile ranking of Duke Energy's TSR for the three-year performance period beginning January 1 in the year of grant compared to the TSR of each company in the UTY for the same period. The target amount is not earned unless Duke Energy's TSR is at least at the 55th percentile of the UTY. The following table provides the percentile ranking and corresponding payout levels:

Relative TSR Performance Percentile	Percent Payout of Target 2018-2020 Performance Shares*
90th or Higher	200%
55th (Target)	100%
25th	50%
Below 25th	0%

* If Duke Energy's TSR is negative during the performance period, the payout is limited to the target level. If Duke Energy's TSR is at least 15%, the payout cannot be less than 30% of the target number of shares related to the TSR portion of the award.

If Duke Energy achieves a TSR ranking between the 25th percentile and the 55th percentile or between the 55th percentile and the 90th percentile, the number of performance shares related to this performance measure is interpolated on a straight-line basis.

To determine performance share payouts, TSR is calculated using the difference between the opening and closing value of the shares of Duke Energy and each peer in the UTY, with dividends assumed to be reinvested. For purposes of the TSR calculation, the opening value is determined based on the average closing stock price for each company's shares on each trading day during the calendar month immediately preceding the performance period, and the closing value is determined based on the average closing stock price for each company's shares on each trading day during the last calendar month in the performance period.

Safety – TICR (25% Weighting)
- The foundation for our growth and success is our continued operational excellence, the leading indicator of which is safety
- TICR is a transparent metric that is based on strict OSHA definitions.

The third performance measure is based on Duke Energy's safety as determined based on our TICR for employees, as compared to pre-established target levels. The Compensation Committee established the target levels in February 2018, based on the relative historical performance of the companies in the EEI Group 1 large company index from 2014 to 2016, with minimum performance based on the 75th percentile, target performance based on the 90th percentile, and maximum performance based on the results of the top company during the historical period. The following table provides the TICR target levels and corresponding payout levels:

TICR for Employees	Percent Payout of Target 2018-2020 Performance Shares
0.41 or Better	200%
0.54 (Target)	100%
0.71	50%
Worse than 0.71	0%

If Duke Energy's safety performance during the 2018-2020 period is between the minimum and target level, or between the target and maximum level, the payout for the portion of the performance shares related to this performance measure is interpolated on a straight-line basis.

Restricted Stock Units (30% of LTI Program)

The RSUs generally vest in equal installments on the first three anniversaries of the date of grant, provided the recipient continues to be employed by Duke Energy on each vesting date.

Payout of 2016-2018 Performance Shares

The 2016-2018 performance shares generally vest during the three-year performance period ending December 31, 2018, based on the extent to which two equally-weighted performance measures were satisfied.

The first measure was based on our relative TSR for the three-year period as compared to the companies in the UTY, as follows:

Relative TSR Performance Percentile	Percent Payout of Target 2016-2018 Performance Shares	Result	Payout of Target
90th or Higher	200%		
50th (Target)	100%		
25th	30%	33.3rd Percentile	53.2%
Below 25th	0%		

The second measure was based on our cumulative adjusted EPS during the three-year period compared to pre-established targets, as follows:

Cumulative Adjusted EPS	Percent Payout of Target 2016-2018 Performance Shares	Result	Payout of Target
$14.70 or Higher	200%		
$14.10 (Target)	100%	$ 14.43	155%
$13.65	50%		
Lower than $13.65	0%		

In the aggregate, this performance corresponds to a payout of 104.1% of the target number of 2016-2018 performance shares, plus dividend equivalents earned during the performance period. The following table lists the number of 2016-2018 performance shares to which our NEOs became vested at the end of that performance cycle:

Name	2016-2018 Performance Shares Earned
Lynn J. Good	88,475
Steven K. Young	13,782
Dhiaa M. Jamil	20,053
Julia S. Janson	11,485
Lloyd M. Yates	14,586

Other Elements of Our Compensation Program

Retirement and Welfare Benefits

Our NEOs participate in the retirement and welfare plans generally available to other eligible employees. In addition, in order to attract and retain key executive talent, we believe that it is important to provide our NEOs with certain limited retirement benefits that are offered only to a select group of management. These retirement plans provided to our NEOs are described on pages 56 to 60 and are generally comparable to the benefits provided by peers of Duke Energy, as determined based on market surveys.

Duke Energy provides our NEOs with the same health and welfare benefits it provides to all other similarly-situated employees, and at the same cost charged to all other eligible employees. Our NEOs also are entitled to the same post-retirement health and welfare benefits as those provided to similarly-situated retirees.

Perquisites

In 2018, Duke Energy provided our NEOs with certain other perquisites, which are disclosed in the footnotes to the Summary Compensation Table. Duke Energy offers these perquisites as well as other benefits to certain executives in order to provide competitive total compensation packages. The cost of perquisites and other personal benefits is not part of base salary, and, therefore, does not affect the calculation of awards and benefits under Duke Energy's other compensation arrangements (*i.e.*, retirement and incentive compensation plans).

Our NEOs were eligible to receive the following perquisites and other benefits during 2018: (i) up to $2,500 for the cost of a comprehensive physical examination; (ii) reimbursement of expenses incurred for tax and financial planning services, which program is administered on a three-year cycle, such that participating executives can be reimbursed for up to $15,000 of eligible expenses during the three-year cycle; (iii) matching contributions from the Duke Energy Foundation to qualifying charitable institutions; and (iv) preferred airline status. In addition, we occasionally provide our NEOs with tickets to athletic and cultural events for personal use.

In addition, Ms. Good may use corporate aircraft for personal travel in North America. With advance approval from the CEO, the other NEOs may use the corporate aircraft for personal travel in North America. If Ms. Good or any other NEO uses the aircraft for personal travel, he or she must reimburse Duke Energy for the direct operating costs for such travel. However, Ms. Good is not required to reimburse Duke Energy for the cost of travel for her executive physical or to meetings of the board of directors of other companies on which board she serves. For additional information on the use of the corporate aircraft, see the footnotes to the Summary Compensation Table.

Employment Agreement with Ms. Good

Effective July 2013, Duke Energy entered into an employment agreement with Ms. Good that contained a three-year initial term and automatically renews for additional one-year periods at the end of the initial term unless either party provides 120 days' advance notice. In the event of a change in control of Duke Energy, the term automatically extends to a period of two years.

Upon a termination of Ms. Good's employment by Duke Energy without "cause" or by Ms. Good for "good reason" (each as defined in her employment agreement), Ms. Good would be entitled to the severance benefits described under the "Potential Payments Upon Termination or Change in Control" section of this proxy statement. Ms. Good's employment agreement does not provide for golden parachute excise tax gross-up payments.

Severance Plan

The Executive Severance Plan provides severance protection to our NEOs, other than Ms. Good, in order to provide a consistent approach to executive severance and to provide eligible executives with certainty and security while they are focusing on their duties and responsibilities. Severance compensation would only be paid in the event that an eligible executive's employment is involuntarily terminated without "cause" or is voluntarily terminated for "good reason," and is subject to compliance with restrictive covenants (*i.e.*, confidentiality and noncompetition). The severance compensation that would be paid in the event of a qualifying termination of employment to those senior executives who are identified as "Tier I Participants," including Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates, generally approximates two times his or her annual compensation and benefits. The Executive Severance Plan prohibits the payment of severance if an executive also would be entitled to severance compensation under a separate agreement or plan maintained by Duke Energy, including the Change in Control Agreements described below. The Executive Severance Plan does not provide for golden parachute excise tax gross-up payments.

The benefit levels under the Executive Severance Plan are described in more detail under the "Potential Payments Upon Termination or Change in Control" section of this proxy statement.

Change in Control Agreements

Duke Energy has entered into Change in Control Agreements with our NEOs other than Ms. Good. Under these agreements, each such NEO would be entitled to certain payments and benefits if (i) a change in control were to occur, and (ii) within two years following the change in control, (a) Duke Energy terminates the executive's employment without "cause," or (b) the executive terminates his or her employment for "good reason." The severance that would be provided by Duke Energy to these NEOs is generally two times the executive's annual compensation and benefits and becomes payable only if there is both a change in control and a qualifying termination of employment. The Compensation Committee approved the two times severance multiplier after consulting with its advisors and reviewing the severance provided by peer companies. The Change in Control Agreements do not provide for golden parachute excise tax gross-up payments.

Our RSU and performance share awards granted in 2018 provide for "double-trigger" vesting upon a qualifying termination of employment in connection with a change in control.

The Compensation Committee believes these change in control arrangements are appropriate in order to diminish the uncertainty and risk to the executives' roles in the context of a potential or actual change in control. The benefit levels under the Change in Control Agreements and equity awards are described in more detail under the "Potential Payments Upon Termination or Change in Control" section of this proxy statement.

Section 3: Competitive Market Practices

Compensation Consultant

The Compensation Committee has engaged FW Cook to report directly to the Compensation Committee as its independent compensation consultant.

The compensation consultant generally attends each Compensation Committee meeting and provides advice to the Compensation Committee at the meetings, including reviewing and commenting on market compensation data used to establish the compensation of the executive officers and directors, the terms and performance goals applicable to incentive plan awards, and analysis with respect to specific projects and information regarding trends and competitive practices. The compensation consultant also routinely meets with the Compensation Committee members without management being present. When establishing the compensation program for our NEOs, the Compensation Committee considers input and recommendations from management, including Ms. Good, who attends the Compensation Committee meetings.

The consultant has been instructed that it is to provide completely independent advice to the Compensation Committee and is not permitted to provide any services to Duke Energy other than at the direction of the Compensation Committee. With the consent of the Chair of the Compensation Committee, the consultant may meet with management to discuss strategic issues with respect to executive compensation and assist the consultant in its engagement with the Compensation Committee.

The Compensation Committee has assessed the independence of FW Cook pursuant to SEC rules and concluded that no conflict of interest exists that would prevent the consulting firm from independently advising the Compensation Committee.

Compensation Peer Group

One of our core compensation objectives is to attract and retain talented executive officers through total compensation that generally is competitive with that of other executives and key employees of similarly-sized companies with similar complexity, whether within or outside of the utility sector.

The Compensation Committee, with input and advice from its independent consultant, has developed a customized peer group for review of executive compensation levels and plan design practices.

The customized peer group consists of 21 similarly-sized companies from the utility and general sectors, with the general industry companies also having satisfied at least one of the following characteristics: (i) operates in capital intensive industry; (ii) operates in a highly regulated industry; (iii) has significant manufacturing operations; or (iv) derives more than 50% of revenue in the United States.

The customized peer group used by the Compensation Committee in February 2018 remained unchanged from 2017 (other than to exclude Dow Chemical and DuPont due to their merger in 2017) and consisted of:

Compensation Peer Group

3M	Dominion Resources*	General Dynamics	PG&E Corp.*
American Electric Power*	Eaton	International Paper	Southern*
CenturyLink	Edison International*	Lockheed Martin	UPS
Colgate-Palmolive	Exelon*	Medtronic	
Consolidated Edison*	FedEx	Monsanto**	
Deere & Co.	FirstEnergy*	NextEra Energy*	

* Utility subset consisting of nine companies in the UTY.

** Monsanto was acquired by Bayer in June 2018 and has since been removed from the peer group.

The Compensation Committee also reviews executive compensation levels against a subset of the customized peer group consisting of nine companies in the UTY, and where appropriate, the Towers Watson Energy Services Executive Compensation database and the Towers Watson General Industry Executive Compensation database.

Section 4: Executive Compensation Policies

The following is a summary of our executive compensation policies, which reinforce our pay for performance philosophy and strengthen the alignment of interests of our executives and shareholders:

Policy	Description
Stock ownership policy	We maintain meaningful stock ownership guidelines to reinforce the importance of Duke Energy stock ownership. These guidelines are intended to align the interests of executives and shareholders and to focus the executives on our long-term success. Under these guidelines, each of our current NEOs must own Duke Energy shares in accordance with the following schedule: **Leadership Position** — **Value of Shares** CEO — 6x Base Salary Other NEOs — 3x Base Salary
Stock holding policy	Each NEO is required to hold 50% of all shares acquired under the LTI program (after payment of any applicable taxes) and 100% of all shares acquired upon the exercise of stock options (after payment of the exercise price and taxes) until the applicable stock ownership requirement is satisfied. Each of our NEOs was in compliance with the stock ownership/stock holding policy during 2018.
Clawback policy	We maintain a "clawback policy," which would allow us to recover (i) certain cash or equity based incentive compensation tied to financial results in the event those results were restated due at least in part to the recipient's fraud or misconduct, or (ii) an inadvertent payment based on an incorrect calculation.
Hedging or pledging policy	We have a policy that prohibits employees (including our NEOs) and directors from trading in options, warrants, puts, calls, or similar instruments in connection with Duke Energy securities, or selling Duke Energy securities "short." In 2017, we strengthened our pledging policy to prohibit the pledging of any Duke Energy securities, regardless of where or how such securities are held.
Equity award grant policy	In recognition of the importance of adhering to specific practices and procedures in the granting of equity awards, the Compensation Committee has adopted a policy that applies to the granting of equity awards. Under this policy, annual grants to our NEOs may be made at any previously scheduled meeting, provided that reasonable efforts will be made to make such grants at the first regularly scheduled meeting of each calendar year, and annual grants to independent directors may be made by the Board at any previously scheduled meeting, provided that reasonable efforts will be made to make such grants at the regularly scheduled meeting that is held in conjunction with the Annual Meeting each year.

Policy	Description
Risk assessment policy	In consultation with the Compensation Committee, members of management from Duke Energy's Human Resources, Legal, and Risk Management Departments assessed whether our compensation policies and practices encourage excessive or inappropriate risk taking by our employees, including employees other than our NEOs. This assessment included a review of the risk characteristics of Duke Energy's business and the design of our incentive plans and policies. Management reported its findings to the Compensation Committee, and after review and discussion, the Compensation Committee concluded that our plans and policies do not encourage excessive or inappropriate risk taking.
Shareholder approval policy for severance	We have a policy generally to seek shareholder approval for any agreements with our NEOs that provide severance compensation in excess of 2.99x the executive's annual compensation or that provide for tax gross-ups in connection with a termination event.

Section 5: Tax and Accounting Implications

Deductibility of Executive Compensation

The Compensation Committee reviews and considers the deductibility of executive compensation under Section 162(m) of the Internal Revenue Code, which provides that Duke Energy generally may not deduct, for federal income tax purposes, annual compensation in excess of $1 million paid to certain employees. Prior to 2018, performance-based compensation paid pursuant to shareholder approved plans was not subject to the deduction limit as long as such compensation is approved by "outside directors" within the meaning of Section 162(m) of the Internal Revenue Code and certain other requirements are satisfied.

The Tax Cuts and Jobs Act, which was enacted on December 22, 2017, includes a number of significant changes to Section 162(m), such as the repeal of the performance-based compensation exemption and the expansion of the definition of "covered employees" (*e.g.*, by including the CFO and certain former NEOs as covered employees). As a result of these changes, except as otherwise provided in the transition relief provisions of the Tax Cuts and Jobs Act, compensation paid to any of our covered employees generally will not be deductible in 2018 or future years, to the extent that it exceeds $1 million.

The Compensation Committee has not adopted a policy that would have required all compensation to be deductible because the Compensation Committee wanted to preserve the ability to pay compensation to our executives in appropriate circumstances, even if such compensation would not be deductible under Section 162(m).

The Compensation Committee will continue to consider these implications (including the potential lack of deductibility under Section 162(m)) when making compensation decisions, but reserves the right to make compensation decisions based on other factors believed to be in the best interests of Duke Energy and our shareholders.

Accounting for Stock-Based Compensation

Stock-based compensation represents costs related to stock-based awards granted to employees and members of the Board. Duke Energy recognizes stock-based compensation based upon the estimated fair value of the awards, net of estimated forfeitures at the date of issuance. The recognition period for these costs begins at either the applicable service inception date or grant date, and continues throughout the requisite service period or, for certain share-based awards, until the employee becomes retirement eligible, if earlier. Compensation cost is recognized as expense or capitalized as a component of property, plant, and equipment.

Non-GAAP Financial Measures

As described previously in this Compensation Discussion and Analysis, Duke Energy uses various financial measures, including adjusted diluted EPS, cumulative adjusted diluted EPS, and adjusted O&M expense, in connection with short-term and long-term incentives. Adjusted diluted EPS and cumulative adjusted diluted EPS are non-GAAP financial measures that represent diluted EPS from continuing operations attributable to Duke Energy shareholders, adjusted for the per-share impact of special items. Cumulative adjusted diluted EPS is calculated based on a cumulative three-year basis. As discussed below, special items include certain charges and credits that management believes are not indicative of Duke Energy's ongoing performance. A component of the operational excellence performance metric is adjusted O&M expense. The adjusted O&M expense measure used for incentive plan purposes also is a non-GAAP financial measure as it represents GAAP O&M adjusted primarily for expenses recovered through rate riders, certain regulatory accounting deferrals, and applicable special items. Management believes that the presentation of adjusted diluted EPS provides useful information to investors, as it provides them 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 Board, employees, stockholders, analysts, and investors. The most directly comparable GAAP measures for adjusted diluted EPS and adjusted O&M expense measures used for incentive plan purposes are reported diluted EPS from continuing operations attributable to Duke Energy shareholders and reported O&M expense from continuing operations, which includes the impact of special items.

Special items for the periods presented include the following items, which management believes do not reflect ongoing costs:

- Costs to achieve mergers, which represent charges that result from strategic acquisitions.
- Regulatory and legislative impacts in 2018, which represent charges related to the Duke Energy Progress and Duke Energy Carolinas North Carolina rate case orders and the repeal of the South Carolina Base Load Review Act, and for 2017, it represents charges related to the Levy nuclear project in Florida and the Mayo Zero Liquid Discharge and Sutton combustion turbine projects in North Carolina.
- Impairment charges in 2018, which represent an asset impairment at Citrus County, a goodwill impairment at Commercial Renewables, and an other-than-temporary impairment of an investment in Constitution Pipeline Company, LLC. For 2017 and 2016, the charges represent other-than-temporary asset and goodwill impairments at Commercial Renewables.
- Sale of retired plant, which represents the loss associated with selling Beckjord, a nonregulated generating facility in Ohio.
- Impacts of the Tax Cut and Jobs Act in 2017 and 2018, which represent amounts recognized related to the tax law changes.
- Severance charges, which relate to company-wide initiatives, excluding merger integration, to standardize process and systems, leverage technology, and workforce optimization.

Adjusted earnings also include the operating results of Duke Energy International, which has been classified as discontinued operations. Management believes inclusion of the operating results of Duke Energy International within adjusted diluted EPS results in a better reflection of Duke Energy's financial performance during the period.

Adjusted EPS used in the LTI plan was adjusted for the net dilutive effect of equity issuances in 2018. Additionally, previously-approved target levels did not incorporate certain structural changes in Duke Energy's business from 2016 to 2018, including the sale of Duke Energy International and the acquisition of Piedmont. As such, adjusted EPS used in the LTI plan incorporates an expected level of operating results for Duke Energy International and removes an expected level of operating results for Piedmont, net of any transaction proceeds or financing impacts from such transactions.

Duke Energy's adjusted EPS and adjusted O&M expense may not be comparable to similarly-titled measures of another company because other companies may not calculate the measures in the same manner.

EXECUTIVE COMPENSATION

SUMMARY COMPENSATION TABLE

The following table provides compensation information for our CEO (Ms. Good), our CFO (Mr. Young) and our three other most highly compensated executive officers who were employed on December 31, 2018, (Mr. Jamil, Ms. Janson, and Mr. Yates).

Name and Principal Position	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)(2)	Change in Pension Value and Nonqualified Deferred Compensation Earnings ($)(3)	All Other Compensation ($)(4)	Total ($)
Lynn J. Good	2018	1,350,000	0	9,873,135	0	2,268,961	188,593	302,271	13,982,960
Chairman, President	2017	1,341,667	0	17,244,803	0	2,110,736	308,336	410,394	21,415,936
and Chief Executive Officer	2016	1,291,667	0	9,128,876	0	2,676,465	334,612	361,974	13,793,594
Steven K. Young	2018	707,438	0	1,558,502	0	616,903	161,336	88,576	3,132,755
Executive Vice President	2017	682,500	0	1,827,744	0	557,291	231,604	99,570	3,398,709
and Chief Financial Officer	2016	625,000	0	1,672,064	0	665,742	192,600	84,964	3,240,370
Dhiaa M. Jamil	2018	803,907	0	2,164,521	0	701,026	205,073	119,873	3,994,400
Executive Vice President	2017	781,250	0	3,191,191	0	643,863	270,064	101,834	4,988,202
and Chief Operating Officer	2016	737,500	0	3,069,081	0	832,658	224,991	81,218	4,945,448
Julia S. Janson	2018	638,021	0	1,405,548	0	566,067	0	80,040	2,689,676
Executive Vice President,	2017	608,333	0	2,172,889	0	496,731	404,315	76,282	3,758,550
External Affairs and Chief Legal Officer	2016	520,833	0	1,434,996	0	588,035	832,261	55,873	3,431,998
Lloyd M. Yates	2018	701,060	0	1,544,470	0	600,685	0	106,578	2,952,793
Executive Vice President,	2017	683,419	0	1,563,447	0	532,072	751,046	136,604	3,666,588
Customer and Delivery Operations and President, Carolinas Region	2016	661,458	0	2,254,988	0	680,129	478,811	112,466	4,187,852

(1) Grant Date Fair Value of Stock Awards for Accounting Purposes: This column does not reflect the value of stock awards that were actually earned or received by our NEOs during each of the years listed above. Rather, as required by applicable SEC rules, this column reflects the aggregate grant date fair value of the performance shares and performance-based retention grant (based on the probable outcome of the performance conditions as of the date of grant) and RSUs granted to our NEOs in the applicable year. The aggregate grant date fair value of the performance shares provided in 2018 to Ms. Good, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates, assuming that the highest level of performance would be achieved, is $13,671,304; $2,158,076; $2,997,183; $1,946,192; and $2,138,603; respectively. The aggregate grant date fair value of the awards was determined in accordance with the accounting guidance for stock-based compensation. See Note 21 of the Consolidated Financial Statements contained in our Form 10-K for an explanation of the assumptions made in valuing these awards.

(2) With respect to the applicable performance period, this column reflects amounts payable under the STI plan. Unless deferred, the 2018 amounts were paid in March 2019.

(3) This column includes the amounts listed below. The amounts listed were earned over the 12-month period ending on December 31, 2018.

	Good ($)	Young ($)	Jamil ($)	Janson ($)	Yates ($)
Change in Actuarial Present Value of Accumulated Benefit Under:					
Duke Energy Retirement Cash Balance Plan	35,722	40,753	47,773	(13,007)	2,525
Duke Energy Executive Cash Balance Plan	152,871	120,583	157,300	(5,472)	(384,453)
Total	**188,593**	**161,336**	**205,073**	**(18,479)***	**(381,928)***

* As required by applicable SEC rules, the aggregate change in the actuarial present value of Ms. Janson's and Mr. Yates' benefits under the RCBP and the ECBP are reflected in this column as $0.

(4) The All Other Compensation column includes the following for 2018:

	Good ($)	Young ($)	Jamil ($)	Janson ($)	Yates ($)
Matching Contributions Under the Duke Energy Retirement Savings Plan	16,500	16,500	16,500	16,500	16,500
Make-Whole Matching Contribution Credits Under the Executive Savings Plan	191,144	59,384	70,366	51,585	57,488
Personal Use of Airplane*	70,278	4,385	0	2,271	24,262
Charitable Contributions Made in the Name of the Executive**	5,000	5,000	15,000	4,250	0
Financial Planning Program	15,000	1,495	15,000	3,350	8,000
Other***	4,349	1,812	3,007	2,084	328
Total	**302,271**	**88,576**	**119,873**	**80,040**	**106,578**

* Regarding use of corporate aircraft, NEOs are required to reimburse Duke Energy the direct operating costs of any personal travel, except Ms. Good is not required to reimburse Duke Energy for the cost of travel to her executive physical or to meetings of the board of directors of other companies on which board she serves. With respect to flights on a leased or chartered airplane, direct operating costs equal the amount that the third party charges Duke Energy for such trip. With respect to flights on the company-owned airplane, direct operating costs include the amounts permitted by the Federal Aviation Regulations for non-commercial carriers, including hangar fees, fuel, crew travel expenses, airplane maintenance, airplane depreciation, catering, labor, and aircraft leases. NEOs are permitted to invite their spouse or other guests to accompany them on business trips when space is available; however, in such events, the NEO is imputed income in accordance with IRS guidelines. The incremental cost included in the table above is the amount of the IRS-specified tax deduction disallowance, if any, with respect to the NEO's personal travel.

** Beginning in 2018, certain executives, including our NEOs, were eligible to have charitable contributions made to the United Way of $5,000 or more matched up to a cap of $10,000. This match of United Way charitable contributions is in addition to the $5,000 match opportunity to eligible organizations that continues to be available to all Duke Energy employees. Certain charitable contributions made by our NEOs are not eligible for matching under the Matching Gifts Program, and, therefore, are not listed above.

*** Includes the cost of benefits under the executive physical exam program, an airline club membership, and occasional personal use of tickets to athletic and cultural events.

GRANTS OF PLAN-BASED AWARDS

Name	Grant Type	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards Threshold ($)	Target ($)	Maximum ($)	Estimated Future Payouts Under Equity Incentive Plan Awards Threshold (#)	Target (#)	Maximum (#)	All Other Stock Awards: Number of Shares of Stock or Units (#)	Grant Date Fair Value of Stock Awards ($)[4]
Lynn J. Good	Cash STI[1]		993,938	2,092,500	3,844,969					
	LTI Perf. Shares[2]	2/28/2018				42,333	94,074	188,148		6,835,652
	Restricted Stock Units[3]	2/28/2018							40,317	3,037,483
Steven K. Young	Cash STI[1]		268,826	565,950	1,039,933					
	LTI Perf. Shares[2]	2/28/2018				6,683	14,850	29,700		1,079,038
	Restricted Stock Units[3]	2/28/2018							6,364	479,464
Dhiaa M. Jamil	Cash STI[1]		305,485	643,125	1,181,743					
	LTI Perf. Shares[2]	2/28/2018				9,281	20,624	41,248		1,498,591
	Restricted Stock Units[3]	2/28/2018							8,839	665,930
Julia S. Janson	Cash STI[1]		242,448	510,417	937,891					
	LTI Perf. Shares[2]	2/28/2018				6,026	13,392	26,784		973,096
	Restricted Stock Units[3]	2/28/2018							5,740	432,452
Lloyd M. Yates	Cash STI[1]		266,403	560,848	1,030,558					
	LTI Perf. Shares[2]	2/28/2018				6,622	14,716	29,432		1,069,301
	Restricted Stock Units[3]	2/28/2018							6,307	475,169

(1) Reflects the STI opportunity granted to our NEOs in 2018 under the Duke Energy Corporation Executive Short-Term Incentive Plan. The information included in the "Threshold," "Target," and "Maximum" columns reflects the range of potential payouts under the plan established by the Compensation Committee. The actual amounts earned by each executive under the terms of such plan are disclosed in the Summary Compensation Table.

(2) Reflects the performance shares granted to our NEOs on February 28, 2018, under the LTI program, pursuant to the terms of the Duke Energy Corporation 2015 Long-Term Incentive Plan. The information included in the "Threshold," "Target," and "Maximum" columns reflects the range of potential payouts established by the Compensation Committee. Earned performance shares will be paid following the end of the 2018-2020 performance period, based on the extent to which the performance goals have been achieved. Any shares not earned are forfeited. In addition, following a determination that the performance goals have been achieved, participants will receive a cash payment equal to the amount of cash dividends paid on one share of Duke Energy common stock during the performance period multiplied by the number of performance shares earned.

(3) Reflects RSUs granted to our NEOs on February 28, 2018, under our LTI program, pursuant to the terms of the Duke Energy Corporation 2015 Long-Term Incentive Plan. These RSUs generally vest in equal portions on each of the first three anniversaries of the grant date, provided the recipient continues to be employed by Duke Energy on each vesting date. If dividends are paid during the vesting period, then the participants will receive a current cash payment equal to the amount of cash dividends paid on one share of Duke Energy common stock during the vesting period multiplied by the number of unvested RSUs.

(4) Reflects the grant date fair value of each RSU and performance share award (based on the probable outcome of the performance conditions as of the date of grant) granted to our NEOs in 2018, as computed in accordance with the accounting guidance for stock-based compensation.

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END

The following table shows the outstanding equity awards held by our NEOs as of December 31, 2018.

		Stock Awards			
Name	**Grant Type**	**Number of Shares or Units of Stock That Have Not Vested (#)(1)**	**Market Value of Shares or Units of Stock That Have Not Vested ($)(2)**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(3)**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)(2)**
Lynn J. Good	Restricted Stock Units	77,813	6,715,262		
	Performance Shares (2017-2019)			177,476	15,316,179
	Performance Shares (2018-2020)			188,148	16,237,172
	Performance-Based Retention Award			87,642	7,563,505
Steven K. Young	Restricted Stock Units	15,497	1,337,391		
	Performance Shares (2017-2019)			27,332	2,358,752
	Performance Shares (2018-2020)			29,700	2,563,110
	Performance-Based Retention Award			3,130	270,119
Dhiaa M. Jamil	Restricted Stock Units	30,356	2,619,723		
	Performance Shares (2017-2019)			37,960	3,275,948
	Performance Shares (2018-2020)			41,248	3,559,702
	Performance-Based Retention Award			12,520	1,080,476
Julia S. Janson	Restricted Stock Units	14,174	1,223,216		
	Performance Shares (2017-2019)			24,650	2,127,295
	Performance Shares (2018-2020)			26,784	2,311,459
	Performance-Based Retention Award			9,390	810,357
Lloyd M. Yates	Restricted Stock Units	22,186	1,914,652		
	Performance Shares (2017-2019)			27,084	2,337,349
	Performance Shares (2018-2020)			29,432	2,539,982

(1) Ms. Good, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates received RSUs on February 24, 2016, February 22, 2017, and February 28, 2018, which vest, subject to certain exceptions, in equal installments on the first three anniversaries of the date of grant. In addition, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates also received additional retention grants of RSUs on February 24, 2016, that vest in full, subject to continued employment, on the third anniversary of the grant date.

(2) Market value is based on the closing price per share of our common stock on December 31, 2018, of $86.30.

(3) Ms. Good, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates received performance shares on February 22, 2017, and on February 28, 2018, that, subject to certain exceptions, are eligible for vesting on December 31, 2019, and December 31, 2020, respectively. Ms. Good, Mr. Young, Mr. Jamil, and Ms. Janson also received additional retention grants of performance-based RSUs on February 22, 2017, that, subject to certain exceptions, are eligible for vesting on the third anniversary of the date of grant. Pursuant to applicable SEC rules, the performance shares granted in 2017 and 2018 are listed at the maximum number of shares and the performance-based retention awards are listed at target.

OPTION EXERCISES AND STOCK VESTED

Name	Stock Awards Number of Shares Acquired on Vesting (#)(1)	Value Realized on Vesting ($)(2)
Lynn J. Good	122,786	11,118,259
Steven K. Young	19,334	1,747,967
Dhiaa M. Jamil	27,652	2,506,526
Julia S. Janson	16,087	1,454,510
Lloyd M. Yates	20,331	1,840,052

(1) Includes vested RSUs, and performance shares covering the 2016-2018 performance period, for all NEOs. On February 13, 2019, the Compensation Committee certified the achievement of the applicable performance measures for the performance share cycle ending in 2018.

(2) The value realized upon vesting of stock awards was calculated based on the closing price of a share of Duke Energy common stock on the respective vesting date and includes the following cash payments for dividend equivalents on earned performance shares: Ms. Good: $854,669; Mr. Young: $133,134; Mr. Jamil: $193,712; Ms. Janson: $110,945; and Mr. Yates: $140,901. Dividend equivalents for the first quarter of 2019 are not included above but were paid due to the fact that the vested performance shares were not distributed until after the certification of performance results on February 13, 2019.

PENSION BENEFITS

Name	Plan Name	Number of Years Credited Service (#)	Present Value of Accumulated Benefit ($)	Payments During Last Fiscal Year ($)
Lynn J. Good	Duke Energy Retirement Cash Balance Plan	15.67	364,890	0
	Duke Energy Corporation Executive Cash Balance Plan	15.67	6,140,170	0
Steven K. Young	Duke Energy Retirement Cash Balance Plan	38.51	796,187	0
	Duke Energy Corporation Executive Cash Balance Plan	38.51	1,057,460	0
Dhiaa M. Jamil	Duke Energy Retirement Cash Balance Plan	37.34	831,822	0
	Duke Energy Corporation Executive Cash Balance Plan	37.34	1,428,172	0
Julia S. Janson	Duke Energy Retirement Cash Balance Plan	31.00	1,453,980	0
	Duke Energy Corporation Executive Cash Balance Plan	31.00	3,575,724	0
Lloyd M. Yates	Duke Energy Retirement Cash Balance Plan	20.03	559,475	0
	Duke Energy Corporation Executive Cash Balance Plan	20.03	4,102,405	0

Duke Energy provides pension benefits that are intended to assist our retirees with their retirement income needs. A more detailed description of the plans that comprise Duke Energy's pension program follows.

Duke Energy Retirement Cash Balance Plan

Ms. Good, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates actively participate in the RCBP, which is a noncontributory, defined benefit retirement plan that is intended to satisfy the requirements for qualification under Section 401(a) of the Internal Revenue Code. The RCBP generally covers employees of Duke Energy and affiliates, with certain exceptions for individuals employed or re-employed on or after January 1, 2014. The RCBP currently provides benefits under a "cash balance account" formula (described below are certain prior plan formulas). Ms. Good, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates have satisfied the eligibility requirements to receive his or her RCBP account benefit upon termination of employment. The RCBP benefit is payable in the form of a lump sum in the amount credited to a hypothetical account at the time of benefit commencement. Payment is also available in annuity forms based on the actuarial equivalent of the account balance.

The amount credited to the hypothetical account is increased with monthly pay credits equal to (i) for participants with combined age and service of less than 35 points, 4% of eligible monthly compensation, (ii) for participants with combined age and service of 35 to 49 points, 5% of eligible monthly compensation, (iii) for participants with combined age and service of 50 to 64 points, 6% of eligible monthly compensation, and (iv) for participants with combined age and service of 65 or more points, 7% of eligible monthly compensation. If the participant earns more than the Social Security wage base, the account is credited with additional pay credits equal to 4% of eligible compensation above the Social Security wage base. Interest credits are credited monthly. The interest rate for benefits accrued after 2012 is based on an annual interest factor of 4% and for benefits accrued before 2013 is based generally on the annual yield on the 30-year Treasury rate (determined quarterly), subject to a minimum of 4% and a maximum of 9%.

For the RCBP, eligible monthly compensation is equal to Form W-2 wages, plus elective deferrals under a 401(k), cafeteria, or 132(f) transportation plan, and deferrals under the Executive Savings Plan. Compensation does not include severance pay, payment for unused vacation (including banked vacation and banked time), expense reimbursements, allowances, cash or noncash fringe benefits, moving expenses, bonuses for performance periods in excess of one year, transition pay, LTI compensation (including income resulting from any stock-based awards such as stock options, stock appreciation rights, RSUs, or restricted stock), military leave of absence pay (including differential wage payments) and other compensation items to the extent described as not included for purposes of benefit plans or the RCBP. The benefit under the RCBP is limited by maximum benefits and compensation limits under the Internal Revenue Code.

Effective at the end of 2012, the Cinergy Plan was merged into the RCBP. The balances that Ms. Good and Ms. Janson had under the Cinergy Plan's "cash balance account" formula at the end of 2012 were credited to their hypothetical accounts under the RCBP. Prior to 2011, the Cinergy Plan also provided benefits under the Traditional Program formula, which provides benefits based on service and FAP. Pursuant to a choice program offered to all non-union participants in the Traditional Program formula in 2006, Ms. Janson elected to participate in the Cinergy Plan's cash balance account formula with the retention of her accrued benefit under the Traditional Program, which benefit is based on service through April 1, 2007, and by amendment applicable to Ms. Janson and other choice participants effective at the end of 2016, on pay through December 31, 2016, (with banked vacation taken into account at December 31, 2016). Ms. Good has always participated in the Cinergy Plan's cash balance account formula.

Under the Traditional Program, in which Ms. Janson participated prior to April 1, 2007, and which was frozen as of December 31, 2016, each participant earns a benefit under a final average pay formula, which calculates pension benefits based on a participant's "highest average earnings" and years of plan participation. The Traditional Program benefit is payable following normal retirement at age 65, following early retirement at or after age 50 with three or more years of service (with reduction in the life annuity for commencement before age 62 in accordance with prescribed factors) and at or after age 55 with combined age and service of 85 points (with no reduction in the life annuity for commencement before normal retirement age). Ms. Janson is eligible for an early retirement benefit, the amount of which would be reduced as of December 31, 2018, for early commencement. Payment to Ms. Janson is available in a variety of annuity forms and in the form of a lump sum that is the actuarial equivalent of the benefit payable to her under the Traditional Program.

The Traditional Program benefit formula is the sum of (a), (b), and (c), where (a) is 1.1% of FAP times years of participation (up to a maximum of 35 years); (b) is 0.5% times FAP in excess of monthly Social Security covered compensation times years of participation (up to a maximum of 35 years); and (c) is 1.55% of FAP times years of participation in excess of 35. The benefit under the Traditional Program will not be less than the minimum formula, which is the sum of (x) and (y), where (x) is the lesser of (i) 1.12% of FAP times years of participation (up to a maximum of 35 years) plus 0.5% times FAP in excess of monthly Social Security covered compensation times years of participation (up to a maximum of 35 years), or (ii) 1.163% of FAP times years of participation (up to a maximum of 35 years); and (y) is 1.492% of FAP times years of participation over 35 years. Social Security covered compensation is the average of the Social Security wage bases during the 35 calendar years ending in the year the participant reaches Social Security retirement age.

Under the Traditional Program, as part of the administrative record keeping process established in 1998, creditable service for Ms. Janson and similarly situated employees was established from the beginning of the year of hire. The number of actual years of service by Ms. Janson with us or an affiliated company, established from the beginning of the year of hire, is the same as the number of credited years of service under the RCBP (and the ECBP), and, therefore, no benefit augmentation resulted under the RCBP (and the ECBP) to Ms. Janson as a result of any difference in the number of years of actual and credited service. Ms. Janson's years of participation under the Traditional Program is frozen as of April 1, 2007.

FAP is the average of the participant's total pay during the three consecutive years of highest pay from the last ten years of participation at December 31, 2016, (including banked vacation taken into account at December 31, 2016, determined by multiplying the participant's weeks of unused banked vacation as of December 31, 2016, by the participant's rate of pay as of December 31, 2016). This is determined, at December 31, 2016, using the three consecutive calendar years or last 36 months of participation that yield the highest FAP. Ms. Janson's FAP under the Traditional Program is frozen as of December 31, 2016.

Total pay under the Traditional Program includes base salary or wages, overtime pay, shift premiums, work schedule recognition pay, holiday premiums, retirement bank vacation pay, performance lump-sum pay, annual cash incentive plan awards, and annual performance cash awards. Total pay does not include reimbursements or other expense allowances, imputed income, fringe benefits, moving and relocation expenses, deferred compensation, welfare benefits, long-term performance awards, and executive individual incentive awards. The benefit under the Traditional Program is limited by maximum benefits and compensation limits under the Internal Revenue Code.

Effective at the end of 2015, the Progress Plan was merged into the RCBP. The balance that Mr. Yates had under the Progress Plan's "cash balance account" formula at the end of 2015 was credited to his hypothetical account under the RCBP. After 2013, the Progress Plan provided for cash balance benefits under the same formula as the RCBP. Prior to 2014, pay credits ranged from 3% to 7% depending on the participant's age at the beginning of each plan year, plus an additional similar credit on eligible pay above 80% of the Social Security wage base. Interest credits for benefits accrued before 2014 are based on an annual interest credit rate of 4% and are added to cash balance accounts on December 31 of each year based on account balances as of January 1. At benefit commencement, an employee has several lump-sum and annuity payment options.

Duke Energy Corporation Executive Cash Balance Plan

Mr. Young, Mr. Jamil, Mr. Yates, and Ms. Janson actively participate in the ECBP, which is a noncontributory, defined benefit retirement plan that is not intended to satisfy the requirements for qualification under Section 401(a) of the Internal Revenue Code. Benefits earned under the ECBP are attributable to (i) compensation in excess of the annual compensation limit ($280,000 for 2019) under the Internal Revenue Code that applies to the determination of pay credits under the RCBP; (ii) restoration of benefits in excess of a defined benefit plan maximum annual benefit limit ($225,000 for 2019) under the Internal Revenue Code that applies to the RCBP; and (iii) supplemental benefits granted to a particular participant. Generally, benefits earned under the RCBP and the ECBP vest upon completion of three years of service, and, with certain exceptions, vested benefits generally become payable upon termination of employment with Duke Energy.

Amounts were credited to an account established for Ms. Good under the ECBP pursuant to an amendment to her prior employment agreement that was negotiated in connection with the merger of Cinergy Corp. and Duke Energy. Ms. Good will not earn any additional benefits under any nonqualified defined benefit plan (other than future interest credits under the ECBP) unless and until she continues employment with Duke Energy past age 62.

Effective as of July 2, 2012, (*i.e.*, the closing of the Duke Energy/Progress Energy merger), the portion of the Progress Energy Supplemental Plan relating to the 10 active participants in the Progress Energy Supplemental Plan, including Mr. Yates, was merged into the ECBP, resulting in the nonqualified retirement benefits that were originally to be provided to the Progress Energy participants under the Progress Energy Supplemental Plan, to be instead provided pursuant to the ECBP. The ECBP provides that Mr. Yates will participate in the ECBP and, subject to the terms and conditions of the ECBP, be entitled to nonqualified retirement benefits equal to the greater of:

- The sum of (i) the accrued benefit under the Progress Energy Supplemental Plan frozen as of July 2, 2012, (based on applicable service and compensation earned prior to July 2, 2012), and (ii) future benefits under the ECBP with respect to service and compensation levels following July 2, 2012; or
- The benefits earned under the Progress Energy Supplemental Plan, as increased by post-July 2, 2012, service and cost of living adjustments.

Mr. Yates participates in the Progress Energy Supplemental Plan formula of the ECBP and is fully vested in his benefit. Payments attributable to the Progress Energy Supplemental Plan formula generally are made in the form of an annuity, payable at age 65. The monthly payment is calculated using a formula that equates to 4% per year of service (capped at 62%) multiplied by the average monthly eligible pay (annual base salary and annual cash incentive award) for the highest completed 36 months of eligible pay within the preceding 120-month period. Benefits under the Progress Energy Supplemental Plan formula are fully offset by Social Security benefits and by benefits paid under the RCBP. An executive officer who is age 55 or older with at least 15 years of service (including Mr. Yates, who has attained age 55 with at least 15 years of service) may elect to retire prior to age 65 and his or her benefit generally will commence within 60 days of the first calendar month following retirement. The early retirement benefit will be reduced by 2.5% for each year the participant receives the benefit prior to reaching age 65. All service with Duke Energy and its affiliates is treated as eligible service for purposes of meeting the Progress Energy Supplemental Plan's eligibility requirements.

Present Value Assumptions

Because the pension amounts shown in the Pension Benefits Table are the present values of current accrued retirement benefits, numerous assumptions must be applied. The values are based on the same assumptions as used in our Annual Report, except as required by applicable SEC rules. Such assumptions include a 4.3% discount rate and an interest crediting rate of 4.25% for Duke Energy cash balance accounts for benefits accrued before 2013 and 4% for benefits accrued after 2012 and 4% for the prior Progress Plan cash balance accounts. For Ms. Good, Mr. Young, Mr. Jamil, and Ms. Janson, the assumed form of payment for the RCBP is that a lump sum will be elected 86% of the time and an annuity (*i.e.*, single life annuity, if single, and 100% joint and survivor annuity, if married) will be elected 14% of the time, and the assumed form of payment under the ECBP is a lump sum. For Mr. Yates, the assumed form of payment for the RCBP is that a lump sum will be elected 84% of the time and an annuity (*i.e.*, single life annuity, if single, and 50% joint and survivor annuity, if married) will be elected 16% of the time, and the assumed form of payment under the ECBP is the 50% joint and survivor annuity. The post-retirement mortality assumption is consistent with that used in our Form 10-K. Benefits are assumed to commence at age 55 for Ms. Janson, age 62 for Ms. Good, and at age 65 for Mr. Young, Mr. Jamil, and Mr. Yates, or the NEO's current age (if later), and each NEO is assumed to remain employed until that age.

NONQUALIFIED DEFERRED COMPENSATION

Name	Executive Contributions in Last FY ($)[1]	Registrant Contributions in Last FY ($)[2]	Aggregate Earnings in Last FY ($)	Aggregate Withdrawals/ Distributions ($)	Aggregate Balance at Last FYE ($)[3]
Lynn J. Good *Executive Savings Plan*	217,138	191,144	(99,527)	0	2,863,665
Steven K. Young *Executive Savings Plan*	60,048	59,384	(60,433)	0	1,205,307
Dhiaa M. Jamil *Executive Savings Plan*	175,257	70,366	(127,192)	0	3,582,712
Julia S. Janson *Executive Savings Plan*	72,245	51,585	(98,439)	0	1,135,010
Lloyd M. Yates *Executive Savings Plan*	56,085	57,488	(33,435)	0	3,224,157

(1) Includes $81,000, $35,372, $38,281, and $56,085 of salary deferrals credited to the plan in 2018 on behalf of Ms. Good, Mr. Young, Ms. Janson, and Mr. Yates, respectively, which are included in the salary column of the Summary Compensation Table. Includes $136,138; $24,676; $175,257; and $33,964 of STI deferrals earned in 2018 and credited to the plan in 2019 on behalf of Ms. Good, Mr. Young, Mr. Jamil, and Ms. Janson, respectively, which are included in the Non-Equity Incentive Compensation Plan column of the Summary Compensation Table.

(2) Reflects make-whole matching contribution credits made under the Executive Savings Plan, which are reported in the All Other Compensation column of the Summary Compensation Table.

(3) The aggregate balance as of December 31, 2018, for each NEO includes the following aggregate amount of prior deferrals of base salary and STI, as well as employer matching contributions, that were previously earned and reported as compensation on the Summary Compensation Table for the years 2008 through 2017: (i) Ms. Good – $2,103,720; (ii) Mr. Young – $394,732; (iii) Mr. Jamil – $1,341,774; (iv) Ms. Janson – $310,157; and (v) Mr. Yates – $486,727. These amounts have since been adjusted, pursuant to the terms of the Executive Savings Plan for investment performance (*i.e.*, earnings and losses), deferrals, contributions and distributions. The aggregate balance as of December 31, 2018, also includes amounts earned in 2018 but credited to the plan in 2019, including the amounts described in footnotes 1 and 2 above.

Duke Energy Corporation Executive Savings Plan

Under the Executive Savings Plan, participants can elect to defer a portion of their base salary and STI compensation. Participants also receive a company matching contribution in excess of the contribution limits prescribed by the Internal Revenue Code under the Retirement Savings Plan, which is the 401(k) plan in which our NEOs participate.*

In general, payments are made following termination of employment or death in the form of a lump sum or installments, as selected by the participant. Participants may direct the deemed investment of base salary deferrals, STI deferrals, and matching contributions among investment options available under the Retirement Savings Plan, including the Duke Energy Common Stock Fund. Participants may change their investment elections on a daily basis. The benefits payable under the plan are unfunded and subject to the claims of Duke Energy's creditors.

Mr. Yates previously participated in the MDCP, the MICP, and the PSSP, each of which permitted voluntary deferrals and was merged with and into the Executive Savings Plan at the end of 2013. In addition to voluntary deferrals, the MDCP also provided for employer contributions of 6% of base salary over the limits prescribed by the Internal Revenue Code under the Progress Energy 401(k) Savings and Stock Ownership Plan. With respect to the plans that were merged into the Executive Savings Plan, participants are entitled to the same benefits, distribution timing, and forms of benefit that were provided by the MDCP, MICP, and PSSP immediately prior to January 1, 2014. These pre-2014 benefits generally are payable following termination of employment or, in certain cases, on a date previously specified by the participant, in the form of a lump sum or installments, as selected by the participant.

* The Retirement Savings Plan is a tax-qualified "401(k) plan" that provides a means for employees to save for retirement on a tax-favored basis and to receive an employer matching contribution. The employer matching contribution is equal to 100% of our NEO's before-tax and Roth 401(k) contributions (excluding "catch-up" contributions) with respect to 6% of eligible pay. For this purpose, "eligible pay" includes base salary and STI compensation. Earnings on amounts credited to the Retirement Savings Plan are determined based on the performance of investment funds (including a Duke Energy Common Stock Fund) selected by each participant.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

Under certain circumstances, each NEO would be entitled to compensation in the event his or her employment terminates or upon a change in control. The amount of the compensation is contingent upon a variety of factors, including the circumstances under which he or she terminates employment. The relevant agreements that each NEO has entered into with Duke Energy are described below, followed by a table on page 64 that quantifies the amount that would become payable to each NEO as a result of his or her termination of employment.

The amounts shown assume that such termination was effective as of December 31, 2018, and are merely estimates of the amounts that would be paid to our NEOs upon their termination. The actual amounts to be paid can only be determined at the time of such NEO's termination of employment.

The table shown on page 64 does not include certain amounts that have been earned and that are payable without regard to the NEO's termination of employment. Such amounts, however, are described immediately following the table.

Under each of the compensation arrangements described below for Ms. Good, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates, "change in control" generally means the occurrence of one of the following: (i) the date any person or group becomes the beneficial owner of 30% or more of the combined voting power of Duke Energy's then outstanding securities; (ii) during any period of two consecutive years, the directors serving at the beginning of such period or who are elected thereafter with the support of not less than two-thirds of those directors cease for any reason other than death, disability, or retirement to constitute at least a majority thereof; (iii) the consummation of a merger, consolidation, reorganization, or similar corporate transaction, which has been approved by the shareholders of Duke Energy, regardless of whether Duke Energy is the surviving company, unless Duke Energy's outstanding voting securities immediately prior to the transaction continue to represent at least 50% of the combined voting power of the outstanding voting securities of the surviving entity immediately after the transaction; (iv) the consummation of a sale of all or substantially all of the assets of Duke Energy or a complete liquidation or dissolution, which has been approved by the shareholders of Duke Energy; or (v) under certain arrangements, the date of any other event that the Board determines should constitute a change in control.

Employment Agreement with Ms. Good

Effective July 1, 2013, Duke Energy entered into an employment agreement with Ms. Good that contained a three-year initial term and automatically renews for additional one-year periods at the end of the initial term unless either party provides 120 days' advance notice. In the event of a change in control of Duke Energy, the term automatically extends to a period of two years. Upon a termination of Ms. Good's employment by Duke Energy without "cause" or by Ms. Good for "good reason" (each as defined below), the following severance payments and benefits would be payable: (i) a lump-sum payment equal to a pro rata amount of her annual bonus for the portion of the year that the termination of employment occurs during which she was employed, determined based on the actual achievement of performance goals; (ii) a lump-sum payment equal to 2.99 times the sum of her annual base salary and target annual bonus opportunity; (iii) continued access to medical and dental benefits for 2.99 years, with monthly amounts relating to Duke Energy's portion of the costs of such coverage paid by Duke Energy (reduced by coverage provided by future employers, if any) and a lump-sum payment equal to the cost of basic life insurance coverage for 2.99 years; (iv) one year of outplacement services; (v) if termination occurs within 30 days prior to, or two years after a change in control of Duke Energy, vesting in unvested retirement plan benefits that would have vested during the two years following the change in control and a lump-sum payment equal to the maximum contributions and allocations that would have been made or allocated if she had remained employed for an additional 2.99 years; and (vi) 2.99 additional years of vesting with respect to equity awards and an extended period to exercise outstanding vested stock options following termination of employment.

Ms. Good is not entitled to any form of tax gross-up in connection with Sections 280G and 4999 of the Internal Revenue Code. Instead, in the event that the severance payments or benefits otherwise would constitute an "excess parachute payment" (as defined in Section 280G of the Internal Revenue Code), the amount of payments or benefits would be reduced to the maximum level that would not result in an excise tax under Section 4999 of the Internal Revenue Code if such reduction would cause Ms. Good to retain an after-tax amount in excess of what would be retained if no reduction were made.

Under Ms. Good's employment agreement, "cause" generally means, unless cured within 30 days, (i) a material failure by Ms. Good to carry out, or malfeasance or gross insubordination in carrying out, reasonably assigned duties or instructions consistent with her position; (ii) the final conviction of Ms. Good of a felony or crime involving moral turpitude; (iii) an egregious act of dishonesty by Ms. Good in connection with employment, or a malicious action by Ms. Good toward the customers or employees of Duke Energy; (iv) a material breach by Ms. Good of Duke Energy's Code of Business Ethics; or (v) the failure of Ms. Good to cooperate fully with governmental investigations involving Duke Energy. "Good reason," for this purpose, generally means, unless cured within 30 days, (i) a material reduction in Ms. Good's annual base salary or target annual bonus opportunity (exclusive of any across-the-board reduction similarly affecting substantially all similarly situated employees); or (ii) a material diminution in Ms. Good's positions (including status, offices, titles, and reporting relationships), authority, duties or responsibilities or any failure by the Board to nominate Ms. Good for re-election as a member of the Board.

Ms. Good's employment agreement contains restrictive covenants related to confidentiality, mutual no disparagement, noncompetition, and nonsolicitation obligations. The noncompetition and nonsolicitation obligations survive for two years following her termination of employment.

Other Named Executive Officers

Duke Energy entered into a Change in Control Agreement with Mr. Young effective as of July 1, 2005, and with Mr. Jamil effective as of February 26, 2008, both of which were amended and restated effective as of August 26, 2008, and subsequently amended effective as of January 8, 2011. Duke Energy entered into a Change in Control Agreement with Ms. Janson effective as of December 17, 2012, and with Mr. Yates effective as of July 3, 2014. The agreements have an initial term of two years commencing as of the original effective date, after which the agreements automatically extend, unless six months' prior written notice is provided, on a month-to-month basis.

The Change in Control Agreements provide for payments and benefits to the executive in the event of termination of employment within two years after a "change in control" by Duke Energy without "cause" or by the executive for "good reason" (each as defined below) as follows: (i) a lump-sum cash payment equal to a pro rata amount of the executive's target bonus for the year in which the termination occurs; (ii) a lump-sum cash payment equal to two times the sum of the executive's annual base salary and target annual bonus opportunity in effect immediately prior to termination or, if higher, in effect immediately prior to the first occurrence of an event or circumstance constituting "good reason;" (iii) continued medical, dental, and basic life insurance coverage for a two-year period or a lump-sum cash payment of equivalent value (reduced by coverage obtained by subsequent employers); and (iv) a lump-sum cash payment of the amount Duke Energy would have allocated or contributed to the executive's qualified and nonqualified defined benefit pension plan and defined contribution savings plan accounts during the two years following the termination date, plus the unvested portion, if any, of the executive's accounts as of the date of termination that would have vested during the remaining term of the agreement. If the executive would have become eligible for normal retirement at age 65 within the two-year period following termination, the two times multiple or two-year period mentioned above will be reduced to the period from the termination date to the executive's normal retirement date. The agreements also provide for enhanced benefits (*i.e.*, two years of additional vesting) with respect to equity awards.

Under the Change in Control Agreements, each NEO also is entitled to reimbursement of up to $50,000 for the cost of certain legal fees incurred in connection with claims under the agreements. In the event that any of the payments or benefits provided for in the Change in Control Agreement otherwise would constitute an "excess parachute payment" (as defined in Section 280G of the Internal Revenue Code), the amount of payments or benefits would be reduced to the maximum level that would not result in excise tax under Section 4999 of the Internal Revenue Code if such reduction would cause the executive to retain an after-tax amount in excess of what would be retained if no reduction were made. In the event a NEO becomes entitled to payments and benefits under a Change in Control Agreement, he or she would be subject to a one-year noncompetition and nonsolicitation provision from the date of termination, in addition to certain confidentiality and cooperation provisions.

The Executive Severance Plan provides certain executives, including Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates with severance payments and benefits upon a termination of employment under certain circumstances. Pursuant to the terms of the Executive Severance Plan, Tier I Participants, which include our NEOs, would be entitled, subject to the execution of a waiver and release of claims, to the following payments and benefits in the event of a termination of employment by (a) Duke Energy other than for "cause" (as defined below), death or disability, or (b) the participant for "good reason" (as defined below): (i) a lump-sum payment equal to a pro rata amount of the participant's annual bonus for the year that the termination of employment occurs, determined based on the actual achievement of performance goals under the applicable performance-based bonus plan; (ii) a lump-sum payment equal to two times the sum of the participant's annual base salary and target annual bonus opportunity in effect immediately prior to termination of employment or, if higher, in effect immediately prior to the first occurrence of an event or circumstance constituting "good reason;" (iii) continued access to medical and dental insurance for a two-year period following termination of employment, with monthly amounts relating to Duke Energy's portion of the costs of such coverage paid to the participant by Duke Energy (reduced by coverage provided to the participant by future employers, if any) and a lump-sum payment equal to the cost of two years of basic life insurance coverage; (iv) one year of outplacement services; and (v) two additional years of vesting with respect to equity awards and an extended period to exercise outstanding vested stock options following termination of employment.

The Executive Severance Plan also provides that, in the event any of the payments or benefits provided for in the Executive Severance Plan otherwise would constitute an "excess parachute payment" (as defined in Section 280G of the Internal Revenue Code), the amount of payments or benefits would be reduced to the maximum level that would not result in an excise tax under Section 4999 of the Internal Revenue Code if such reduction would cause the executive to retain an after-tax amount in excess of what would be retained if no reduction were made. In the event a participant becomes entitled to payments and benefits under the Executive Severance Plan, he or she would be subject to certain restrictive covenants, including those related to noncompetition, nonsolicitation, and confidentiality.

Duke Energy has the right to terminate any participant's participation in the Executive Severance Plan but must provide the participant with one year's notice and the participant would continue to be eligible for all severance payments and benefits under the Executive Severance Plan during the notice period. Any employee who is eligible for severance payments and benefits under a separate agreement or plan maintained by Duke Energy (such as a Change of Control Agreement) would receive compensation and benefits under such other agreement or plan (and not the Executive Severance Plan).

For purposes of the Change in Control Agreements and the Executive Severance Plan, "cause" generally means, unless cured within 30 days, (i) a material failure by the executive to carry out, or malfeasance or gross insubordination in carrying out, reasonably assigned duties or instructions consistent with the executive's position; (ii) the final conviction of the executive of a felony or crime involving moral turpitude; (iii) an egregious act of dishonesty by the executive in connection with employment, or a malicious action by the executive toward the customers or employees of Duke Energy; (iv) a material breach by the executive of Duke Energy's Code of Business Ethics; or (v) the failure of the executive to cooperate fully with governmental investigations involving Duke Energy. "Good reason," for this purpose, generally means (i) a material reduction in the executive's annual base salary or target annual bonus opportunity as in effect either immediately prior to the change in control or the termination under the Executive Severance Plan (exclusive of any across-the-board reduction similarly affecting substantially all similarly situated employees); or (ii) a material diminution in the participant's positions (including status, offices, titles, and reporting relationships), authority, duties, or responsibilities as in effect either immediately prior to the change in control or immediately prior to a Tier I Participant's termination of employment under the Executive Severance Plan.

Equity Awards – Consequences of Termination of Employment

As described above, each year Duke Energy grants long-term incentives to our executive officers, and the terms of these awards vary somewhat from year to year. The following table summarizes the consequences under Duke Energy's LTI award agreements, without giving effect to Ms. Good's employment agreement, the Change in Control Agreements or the Executive Severance Plan described above, that would generally occur with respect to outstanding equity awards in the event of the termination of employment of Ms. Good, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates.

Award Type	Event	Consequences
RSUs	Retirement*	Unvested RSUs prorated and vest
	Voluntary termination**	Unvested RSUs are forfeited
	Death or disability	Unvested RSUs immediately vest
	Change in control	No impact absent termination of employment; immediate vesting of unvested RSUs if involuntarily terminated after a change in control
Performance Share Awards	Retirement* Death & Disability	Prorated portion vests based on actual performance
	Voluntary termination**	Award is forfeited
	Change in control	Awards granted after 2017: No impact absent termination of employment; prorated portion vests based on actual performance if involuntarily terminated after a change in control Awards granted prior to 2018: Prorated portion of award vests based on target performance
Performance-Based Retention Awards	Retirement* Voluntary termination**	Award is forfeited
	Death or disability	Award immediately vests
	Change in control	No impact absent termination of employment; immediate vesting of unvested RSUs if involuntarily terminated after a change in control

* Age 55 with at least 10 years of service

** Not retirement eligible

POTENTIAL PAYMENTS UPON TERMINATION OR A CHANGE IN CONTROL

Name and Triggering Event	Cash Severance Payment ($)(1)	Incremental Retirement Plan Benefit ($)(2)	Welfare and Other Benefits ($)(3)	Stock Awards ($)
Lynn J. Good				
• Voluntary termination without good reason	0	0	0	11,638,634
• Involuntary or good reason termination under Employment Agreement	10,293,075	0	66,910	33,131,682
• Involuntary or good reason termination after a change in control	10,293,075	695,543	66,910	32,030,129
• Death or Disability(4)	0	0	0	23,792,766
Steven K. Young				
• Voluntary termination without good reason	0	0	0	1,809,594
• Involuntary or good reason termination under Executive Severance Plan	2,557,170	0	35,260	4,409,343
• Involuntary or good reason termination after a change in control	2,557,170	424,039	39,468	4,296,432
• Death or Disability(4)	0	0	0	3,000,205
Dhiaa M. Jamil				
• Voluntary termination without good reason	0	0	0	2,522,360
• Involuntary or good reason termination under Executive Severance Plan	2,905,877	0	35,572	7,696,930
• Involuntary or good reason termination after a change in control	2,905,877	483,319	39,780	7,517,342
• Death or Disability(4)	0	0	0	5,700,782
Julia S. Janson				
• Voluntary termination without good reason	0	0	0	0
• Involuntary or good reason termination under Executive Severance Plan	2,306,250	0	38,228	4,632,541
• Involuntary or good reason termination after a change in control	2,306,250	381,383	43,600	4,512,411
• Death or Disability(4)	0	0	0	3,342,992
Lloyd M. Yates				
• Voluntary termination without good reason	0	0	0	1,802,736
• Involuntary or good reason termination under Executive Severance Plan	2,534,116	0	34,232	4,669,845
• Involuntary or good reason termination after a change in control	2,534,116	420,120	54,430	4,566,593
• Death or Disability(4)	0	0	0	3,269,562

(1) The amounts listed under "Cash Severance Payment" are payable under (i) the terms of Ms. Good's employment agreement; (ii) the Change in Control Agreements of Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates; or (iii) the Executive Severance Plan.

(2) The amounts listed under "Incremental Retirement Plan Benefit" are payable under the terms of Ms. Good's employment agreement and the Change in Control Agreements of Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates. They represent the additional amount that would have been contributed to the RCBP, ECBP, Retirement Savings Plan, and the Executive Savings Plan in the event the NEO had continued to be employed by Duke Energy for (i) 2.99 years for Ms. Good or (ii) two additional years after the actual date of termination for the other NEOs.

(3) The amounts listed under "Welfare and Other Benefits" include the amount that would be paid to each NEO in lieu of providing continued welfare benefits and basic life coverage. This continued coverage represents (i) 2.99 years for Ms. Good or (ii) two years for the other NEOs. In addition to the amounts shown above, access to outplacement services for a period of up to one year after termination will be provided to Ms. Good if terminating under her employment agreement or to any NEO terminating under the Executive Severance Plan.

(4) In the event of a termination of employment due to long-term disability, because the payment of RSUs would be delayed for an additional six months as required by applicable tax rules, additional dividend equivalent payments would be made in the amount of $108,859; $23,214; $48,510; $21,423; and $35,554 for Ms. Good, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates, respectively.

Assumptions and Other Considerations

The amounts listed on the previous page have been determined based on a variety of assumptions, including with respect to the limits on qualified retirement plan benefits under the Internal Revenue Code. The actual amounts to be paid out can only be determined at the time of each NEO's termination of employment. The amounts described in the table do not include compensation to which each NEO would be entitled without regard to his or her termination of employment, including (i) base salary and STI that have been earned but not yet paid; (ii) amounts that have been earned, but not yet paid, under the terms of the plans listed under the Pension Benefits and Nonqualified Deferred Compensation tables; (iii) unused vacation; and (iv) the potential reimbursement of legal fees.

The amounts shown on the previous page do not reflect the fact that, under Ms. Good's employment agreement and under the Change in Control Agreements that Duke Energy has entered into with Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates, in the event that payments to any such executive in connection with a change in control otherwise would result in a golden parachute excise tax and lost tax deduction under Sections 280G and 4999 of the Internal Revenue Code, such amounts would be reduced to the extent necessary so that such tax would not apply under certain circumstances.

The amounts shown above with respect to stock awards were calculated based on a variety of assumptions, including the following: (i) the NEO terminated employment on December 31, 2018; (ii) a stock price for Duke Energy common stock equal to $86.30, which was the closing price on December 31, 2018; (iii) the continuation of Duke Energy's dividend at the rate in effect during the first quarter of 2019; and (iv) performance at the target level with respect to performance shares.

Potential Payments Due Upon a Change in Control

Other than as described below, the occurrence of a change in control of Duke Energy would not trigger the payment of benefits to the NEOs absent a termination of employment. If a change in control of Duke Energy occurred on December 31, 2018, with respect to each NEO, the outstanding performance share awards granted by Duke Energy prior to 2018, including dividend equivalents, would be paid on a prorated basis assuming target performance. As of December 31, 2018, these prorated shares, including dividend equivalents, would have had a value of $5,586,089, $860,306, $1,194,760, $775,890 and $852,469, for Ms. Good, Mr. Young, Mr. Jamil, Ms. Janson, and Mr. Yates, respectively.

CEO Pay Ratio

As required by SEC rules, we are providing the following information about the ratio of the 2018 annual total compensation of Lynn Good, our CEO, to the annual total compensation of our median employee.

We estimated the median of the 2018 annual total compensation of our employees, excluding our CEO, to be $117,132. The annual total compensation of our CEO was $13,982,960. The ratio of the annual total compensation of our CEO to the estimated median of the annual total compensation of our employees was 119 to 1.

The SEC rules permit us to identify our median employee once every three years. If, however, we determine it is not appropriate to use the median employee identified in one year (2017) in a subsequent year (2018) because of a change in circumstances that would result in a significant change in the pay ratio disclosure, then we are permitted to select another median employee whose compensation is substantially similar to the original median employee. We determined it would not be appropriate to use the median employee we identified for 2017 (the "2017 Median Employee") for the 2018 pay ratio disclosure because there was a significant change in that employee's pay from 2017 to 2018 attributable to a large decline in pension value. As a result, we identified a new median employee for 2018 (the "2018 Median Employee") by selecting another individual whose compensation was also at the median of our employee population.

To identify the 2018 Median Employee, we reviewed our employee population as of October 31, 2017, which was the date we used to identify the 2017 Median Employee. We used wages reported in Box 1 of IRS Form W-2 during the ten-month period ending on October 31, 2017, as a consistently applied compensation measure. We did not annualize the wages or make cost of living adjustments. Based on this methodology, we identified a group of employees whose compensation was at the median of the employee data. From this group, we selected another individual who we reasonably believed represented our median employee.

Once we identified the 2018 Median Employee, we calculated the annual total compensation using the rules applicable to the Summary Compensation Table. With respect to the annual total compensation of our CEO, we used the amount reported in the "Total" column for 2018 in the Summary Compensation Table.

The pay ratio rules provide companies with flexibility to select the methodology and assumptions used to identify the median employee, calculate the median employee's compensation and estimate the pay ratio. As a result, our methodology may differ from those used by other companies, which likely will make it very difficult to compare pay ratios with other companies, including those within our industry.