

Post-Retirement Health Reimbursement Account (HRA) Program

- Retirees eligible for the Subsidy HRA

***Summary Plan Description for the
Duke Energy Corporation Post-Retirement
Health Reimbursement Account Program
as in Effect on January 1, 2021***

(Retirees Eligible for the Subsidy HRA)

IMPORTANT NOTICE

This booklet is the Summary Plan Description (“SPD”) for the Duke Energy Corporation Post-Retirement Health Reimbursement Account Program (“HRA Program”) for retirees who are eligible for the Subsidy Health Reimbursement Account (the “Subsidy HRA”). This SPD describes the HRA Program for retirees eligible for the Subsidy HRA as in effect on January 1, 2021. This SPD replaces all prior descriptions of the HRA Program applicable to retirees eligible for the Subsidy HRA. It is intended to provide an easy-to-understand explanation of the HRA Program benefits available to retirees who are eligible for the Subsidy HRA.

This SPD contains important information about the HRA Program, such as eligibility for the Subsidy HRA available under the HRA Program, eligibility for Subsidy HRA benefits and how eligible retirees can access their Subsidy HRA benefits. It also contains information such as who provides coverage, who administers the Subsidy HRA, who decides claims for benefits, ERISA rights and Duke Energy Corporation’s right to amend or terminate the HRA Program.

Although this SPD describes the principal features of the HRA Program that are generally applicable to retirees who are eligible for the Subsidy HRA, it is only a summary.

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Highlights of Your HRA Program Coverage

Duke Energy Corporation (“Duke Energy”) offers the HRA Program to assist with the payment of qualified health care expenses. Under the HRA Program, a bookkeeping account that grows through monthly subsidy credits is established for each eligible retiree. Amounts credited to a Subsidy HRA can be used to pay for qualified health care expenses. The HRA Program is administered by Alight Solutions.

The following is a brief overview of the Subsidy HRA benefits available under the HRA Program.

HRA Program Benefits Overview

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| <p>Subsidy HRA Participation Requirements</p> | <ul style="list-style-type: none"> • Generally, you become a participant in the HRA Program if you are eligible for the Subsidy HRA (as described below), you are age 55 or older and have at least 10 years of retiree eligibility service after age 45 when your employment with Duke Energy and its affiliates ends and you make an opt-in election to access amounts credited to your Subsidy HRA • If your employment with Duke Energy and its affiliates ends before you reach age 55 or before you satisfy the 10 years of retiree eligibility service requirement, you will not be eligible for a Subsidy HRA and no Subsidy HRA will be established for you |
| <p>How the Subsidy HRA Grows</p> | <ul style="list-style-type: none"> • If a Subsidy HRA is established for you in retirement, monthly subsidy credits will be applied to your Subsidy HRA based on the following schedule: <ul style="list-style-type: none"> For non-union employees and employees represented by IBEW 1347, IBEW 962, IBEW 962T, IBEW SCU-8 and USW 7202 <ul style="list-style-type: none"> ▪ If you were age 50 or older on January 1, 2015, your monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner) ▪ If you were not yet age 50 by January 1, 2015, your monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner) For employees represented by UWUA <ul style="list-style-type: none"> ▪ If you were age 50 or older on October 1, 2015, your monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner) ▪ If you were not yet age 50 by October 1, 2015, your monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner) For employees represented by USW 12049 and USW 5541-06 <ul style="list-style-type: none"> ▪ If you were age 50 or older on November 1, 2016, your monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner) ▪ If you were not yet age 50 by November 1, 2016, your monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner) |

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|---|--|
| | <p>For Legacy Piedmont Employees¹</p> <ul style="list-style-type: none"> ▪ If you were age 50 or older on January 1, 2018, your monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner) ▪ If you were not yet age 50 by January 1, 2018, your monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner) <p>For employees represented by IBEW 1393</p> <ul style="list-style-type: none"> ▪ If you were age 50 or older on January 1, 2019, your monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner) ▪ If you were not yet age 50 by January 1, 2019, your monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner) <ul style="list-style-type: none"> • Your monthly subsidy credits will begin once your Subsidy HRA is established during the month in which you retire • Monthly subsidy credits for your spouse/domestic partner will begin once your Subsidy HRA is established and your spouse's/domestic partner's eligibility has been verified through the dependent verification process |
| <p>When two Duke Energy employees/retirees are married to each other</p> | <ul style="list-style-type: none"> • You will not receive the monthly subsidy credits to your Subsidy HRA for your spouse/domestic partner if your spouse/domestic partner is (i) an employee of Duke Energy or its affiliates or (ii) eligible for Duke Energy support toward the cost of post-retirement health care coverage based on his/her own status as a Duke Energy retiree |
| <p>Where I can see my Subsidy HRA balance</p> | <ul style="list-style-type: none"> • While you are an active employee, there is no Subsidy HRA balance to view • If a Subsidy HRA is established for you in retirement, you will be able to view the amounts credited to your Subsidy HRA on the <i>Your Spending Account™</i> (YSA) website after your employment with Duke Energy and its affiliates ends |
| <p>How the Subsidy HRA can be used</p> | <ul style="list-style-type: none"> • Amounts credited to your Subsidy HRA can be used to pay qualified health care expenses as defined by the IRS for you and your eligible dependents |

Duke Energy myHR™ Service Center

If you have any questions about the HRA Program, the Subsidy HRA or the information in this SPD, contact the Duke Energy myHR Service Center at 888-465-1300. Information also is

¹ When used in this booklet, the term “Legacy Piedmont Employee” refers to an individual who (1) was employed by Piedmont Natural Gas Company Inc. and its subsidiaries (collectively, “Piedmont”) immediately prior to the acquisition of Piedmont by Duke Energy Corporation effective on October 3, 2016 or (2) was hired by Piedmont following such acquisition but prior to 2018.

available through the YSA website once you become a participant in the HRA Program as described in *Participation in HRA Program* below.

Eligibility

Eligible Retirees

To be eligible for the Subsidy HRA, you must satisfy each of the following requirements:

- you are employed by Duke Energy or an affiliated Duke Energy company that is participating in the HRA Program (individually or collectively referred to with Duke Energy as the “Company,” as applicable) in one of the employment classifications specified in the chart below when your employment with Duke Energy and its affiliates ends;
- you satisfy the eligibility criteria specified for your employment classification in the chart below;
- you properly elected the Subsidy HRA, to the extent that you were required to elect between the HRA Program’s Subsidy HRA and the HRA Program’s Cinergy Health Reimbursement Account (“Cinergy HRA”);
- your employment with Duke Energy and its affiliates ends (i) on or after January 1, 2015, (ii) on or after October 1, 2015 for employees represented by UWUA, (iii) on or after November 1, 2016 for employees represented by USW 12049 and USW 5541-06, (iv) on or after January 1, 2018 for Legacy Piedmont Employees hired on or after January 1, 2008 (on or after January 1, 2009 for Legacy Piedmont Employees covered under the Nashville bargaining unit contract), (v) on or after January 1, 2019 for employees represented by IBEW 1393, (vi) on or after January 1, 2020 for Legacy Piedmont Employees hired before January 1, 2008 (before January 1, 2009 for Legacy Piedmont Employees covered under the Nashville bargaining unit contract) or (vi) on or after the effective date of your election to choose between the Subsidy HRA and the Cinergy HRA if your employee classification changes because of a job transfer;
- you are at least age 55 with at least 10 years of retiree eligibility service after age 45 when your employment with Duke Energy and its affiliates ends; and
- you are not a participant in the HRA Program who has access to a Cinergy HRA for reimbursement of qualified health care expenses.

| EMPLOYMENT CLASSIFICATION | ELIGIBILITY CRITERIA* |
|---|--|
| All Duke Energy Employees ² except for Duke Energy Employees represented by IBEW 1347, IBEW 1393, USW 12049, USW 5541-06, UWUA, IBEW 1902 and PPF 702 (Nashville bargaining unit contract) | Hired before January 1, 2009* |
| All Legacy Progress Energy Employees ³ , except for Legacy Progress Energy Employees represented by IBEW 1347, IBEW 1393, USW 12049, USW 5541-06, UWUA, IBEW SCU-8, IBEW 1902 and PPF 702 | Hired before January 1, 2002 and you either were at least age 40 or completed at least 5 years of retiree eligibility service by December 31, 2001 |
| All Legacy Piedmont Employees, except for Legacy Piedmont Employees represented by IBEW 1347, IBEW 1393, USW 12049, USW 5541-06, UWUA and IBEW SCU-8 | Hired before January 1, 2018* |
| Employees represented by IBEW 1347 | Hired before January 1, 2010* |
| Employees represented by IBEW SCU-8 | Hired before January 1, 2009* |
| Employees represented by UWUA | Hired before January 1, 2013* |
| Employees represented by USW 12049 and USW 5541-06 | Hired before January 1, 2012* |
| Employees represented by IBEW 1393 | Hired before January 1, 2011* |

**If you are an eligible retiree and you are rehired on or after the applicable date specified for your employment classification in the chart above, when you subsequently terminate your employment with Duke Energy and its affiliates, you are eligible for a Subsidy HRA only if, upon your previous termination of employment, you satisfied the eligibility requirements for a Subsidy HRA in effect at the time of such termination of employment, including but not limited to the requirement that such termination of employment occur on or after January 1, 2015 (on or after October 1, 2015 for employees represented by UWUA, on or after November 1, 2016 for employees represented by USW 12049 and USW 5541-06, on or after January 1, 2018 for Legacy Piedmont Employees hired on or after January 1, 2008 (on or after January 1, 2009 for Legacy Piedmont Employees covered under the Nashville bargaining unit contract), on or after January 1, 2019 for employees represented by IBEW 1393 or on or after January 1, 2020 for Legacy Piedmont Employees hired before January 1, 2008 (before January 1, 2009 for Legacy Piedmont Employees covered under the Nashville bargaining unit contract)). If you did not satisfy the eligibility requirements for a Subsidy HRA in effect at the time of your previous termination but did satisfy the eligibility requirements for Company contributions toward the cost of retiree medical coverage in effect at the time of your previous termination, your Company contributions toward the cost of retiree medical coverage will be provided in the same form, if any, as are provided to similarly situated retirees.*

Excluded Retirees

You are not eligible for the Subsidy HRA if:

²When used in this booklet, the term “Duke Energy Employee” refers to an individual who was employed by Duke Energy or an entity which was an affiliate of Duke Energy prior to January 1, 2009.

³When used in this booklet, the term “Legacy Progress Energy Employee” refers to an individual who was employed by Progress Energy, Inc., Duke Energy Progress, Inc. f/k/a Progress Energy Carolinas, Inc., Duke Energy Florida, Inc. f/k/a Progress Energy Florida, Inc., Progress Energy Service Company, LLC or their affiliates or predecessors prior to January 1, 2002.

- you are not employed by the Company in an employment classification specified in the chart above when your employment with Duke Energy and its affiliates ends;
- you do not satisfy the eligibility criteria specified for your employment classification in the chart above;
- you did not properly elect the Subsidy HRA, to the extent that you were required to elect between the HRA Program's Subsidy HRA and the HRA Program's Cinergy HRA;
- your employment with Duke Energy and its affiliates ended prior to January 1, 2015 (prior to October 1, 2015 for employees represented by UWUA, prior to November 1, 2016 for employees represented by USW 12049 and USW 5541-06, prior to January 1, 2018 for Legacy Piedmont Employees hired on or after January 1, 2008 (on or after January 1, 2009 for Legacy Piedmont Employees covered under the Nashville bargaining unit contract), prior to January 1, 2019 for employees represented by IBEW 1393) or prior to January 1, 2020 for Legacy Piedmont Employees hired before January 1, 2008 (before January 1, 2009 for Legacy Piedmont Employees covered under the Nashville bargaining unit contract);
- you are covered by a collective bargaining agreement, unless the collective bargaining agreement in effect expressly provides for participation in the Subsidy HRA (a copy of your applicable collective bargaining agreement can be obtained from your union steward, union hall, Duke Energy Labor Relations contact or immediate supervisor);
- you are not at least age 55 when your employment with Duke Energy and its affiliates ends;
- you do not have at least 10 years of retiree eligibility service after age 45 when your employment with Duke Energy and its affiliates ends; or
- you are a participant in the HRA Program who has access to a Cinergy HRA for reimbursement of qualified health care expenses.

Duke Energy Corporation reserves the right to amend, modify or terminate the Subsidy HRA and/or the HRA Program at any time, including termination of eligibility.

Eligibility Requirements for Spouse/Domestic Partner Subsidy Credits

If you satisfy the Subsidy HRA eligibility requirements described above, monthly subsidy credits will be applied to your Subsidy HRA for your eligible spouse or your eligible domestic partner.

Spouse Eligibility

Your spouse is a person to whom you are legally married under applicable state law and any related federal guidance, which may include "common law marriage" and "same-sex marriage."

If your spouse is not already on file (for example, not covered under a Duke Energy-sponsored plan or designated as a beneficiary at the time of your retirement), in order to receive monthly subsidy credits to your Subsidy HRA for your spouse, you will be required to provide evidence of spouse eligibility, such as, but not limited to, tax returns, marriage license and/or proof of joint residency during the retirement process. You will not receive any monthly subsidy credits to your Subsidy HRA for your spouse until your spouse's eligibility is verified. If your spouse's eligibility is

verified within 60 calendar days of your retirement effective date, monthly subsidy credits for your spouse will be made retroactively to your retirement effective date beginning as soon as practicable after your spouse's eligibility is properly verified. If your spouse's eligibility is verified more than 60 calendar days after your retirement effective date, monthly subsidy credits for your spouse will be made on a prospective basis only beginning as soon as practicable after your spouse's eligibility is properly verified.

You must immediately report any spouse who loses eligibility for the monthly subsidy credits to your Subsidy HRA within 31 calendar days of the loss of eligibility. See *If Your Marriage/Domestic Partnership Ends* below for a description of what happens if your spouse's loss of eligibility is not reported within 31 calendar days of the loss of eligibility. To report your spouse's loss of eligibility for the monthly subsidy credits to your Subsidy HRA, you should contact the Duke Energy myHR Service Center.

Domestic Partner Eligibility

If you are eligible for a Subsidy HRA, monthly subsidy credits will be applied to your Subsidy HRA for your eligible same- or opposite-sex domestic partner. You and your domestic partner must continuously:

- be each other's sole domestic partner, and intend to remain so indefinitely;
- be at least 18 years of age and mentally competent to enter into a legal contract;
- have lived together in a common household for the immediately preceding 6 consecutive months;
- share financial obligations of, and be jointly responsible for, the common household;
- not be legally married to or legally separated from anyone else, nor in a domestic partnership with anyone else; and
- not be related by blood or marriage to a degree of closeness that would prohibit marriage to one another in your current state of residence.

If your domestic partner is not already on file (for example, not covered under a Duke Energy-sponsored plan or designated as a beneficiary at the time of your retirement), in order to receive monthly subsidy credits to your Subsidy HRA for your domestic partner, you will be required to provide evidence of domestic partner eligibility, such as, but not limited to, an Affidavit of Domestic Partnership and proof of joint ownership during the retirement process. You will not receive any monthly subsidy credits to your Subsidy HRA for your domestic partner until your domestic partner's eligibility is verified. If your domestic partner's eligibility is verified within 60 calendar days of your retirement effective date, monthly subsidy credits for your domestic partner will be made retroactively to your retirement effective date beginning as soon as practicable after your domestic partner's eligibility is properly verified. If your domestic partner's eligibility is verified more than 60 calendar days after your retirement effective date, monthly subsidy credits for your domestic partner will be made on a prospective basis only beginning as soon as practicable after your domestic partner's eligibility is properly verified.

You must immediately report any domestic partner who loses eligibility for the monthly subsidy credits to your Subsidy HRA within 31 calendar days of the loss of eligibility. See *If Your Marriage/Domestic Partnership Ends* below for a description of what happens if your domestic partner's loss of eligibility is not reported within 31 calendar days of the loss of eligibility. To

report your domestic partner's loss of eligibility for the monthly subsidy credits to your Subsidy HRA, you should contact the Duke Energy myHR Service Center.

Cost of Coverage

Duke Energy pays the entire cost of coverage under the HRA Program. You are not permitted to make any contributions to a Subsidy HRA.

How Your Subsidy HRA Grows

Amount of Monthly Subsidy Credits

If a Subsidy HRA is established for you when your employment with Duke Energy and its affiliates ends, monthly subsidy credits will be applied to your Subsidy HRA based on the applicable schedule below.

For non-union employees and employees represented by IBEW 1347, IBEW 962, IBEW 962T, IBEW SCU-8 and USW 7202

- If you were age 50 or older on January 1, 2015, the monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner).
- If you were not age 50 or older by January 1, 2015, the monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner).

For employees represented by UWUA

- If you were age 50 or older on October 1, 2015, the monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner).
- If you were not age 50 or older by October 1, 2015, the monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner).

For employees represented by USW 12049 and USW 5541-06

- If you were age 50 or older on November 1, 2016, the monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner).
- If you were not age 50 or older by November 1, 2016, the monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner).

For Legacy Piedmont Employees

- If you were age 50 or older on January 1, 2018, your monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner).

- If you were not yet age 50 by January 1, 2018, your monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner).

For employees represented by IBEW 1393

- If you were age 50 or older on January 1, 2019, your monthly subsidy credit will be \$350 per month (\$175 per month for your spouse/domestic partner).
- If you were not yet age 50 by January 1, 2019, your monthly subsidy credit will be \$250 per month (\$125 per month for your spouse/domestic partner).

You will not receive the monthly subsidy credits to your Subsidy HRA for your spouse/domestic partner if your spouse/domestic partner is (i) an employee of Duke Energy or its affiliates or (ii) eligible for Company support toward the cost of post-retirement health care coverage based on his/her own status as a Company retiree.

When Monthly Subsidy Credits Begin

For You

If you satisfy the Subsidy HRA eligibility requirements described in *Eligibility* above, a Subsidy HRA is automatically established for you in the month after your employment with Duke Energy and its affiliates ends in the form of an individual bookkeeping account that grows through monthly subsidy credits. Your monthly subsidy credits will begin during the month in which you retire.

In order to access amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses you must make an Opt-In Election (see *Participation in HRA Program* below).

For your Spouse/Domestic Partner

If you have a spouse/domestic partner when you retire, monthly subsidy credits for your spouse/domestic partner will begin as soon as administratively practicable after your spouse's/domestic partner's eligibility has been verified through the dependent verification process as described in *Eligibility Requirements for Spouse/Domestic Partner Subsidy Credits* above.

If you satisfy the Subsidy HRA eligibility requirements described in *Eligibility* above, are over age 65 when your employment with Duke Energy and its affiliates ends and have an eligible spouse/domestic partner who is younger than age 65, you will not receive monthly subsidy credits to your Subsidy HRA for yourself. However, monthly subsidy credits for your spouse/domestic partner will begin once your spouse's/domestic partner's eligibility for monthly subsidy credits has been verified through the dependent verification process as described in *Eligibility Requirements for Spouse/Domestic Partner Subsidy Credits* above.

When Monthly Subsidy Credits End

For You

Your monthly subsidy credits to the Subsidy HRA will end:

- when you reach age 65; or

- if you die before reaching age 65 (refer to *In the Event of a Death* below for additional information about the impact of death on your Subsidy HRA).

For Your Spouse/Domestic Partner

Monthly subsidy credits to your Subsidy HRA for your spouse/domestic partner will end:

- when your spouse/domestic partner reaches age 65;
- when your marriage/domestic partnership ends (refer to *If Your Marriage/Domestic Partnership Ends* below for additional information about the impact of a divorce/end of domestic partnership on your Subsidy HRA); or
- if your spouse/domestic partner dies before reaching age 65 (refer to *In the Event of a Death* below for additional information about the impact of death on your Subsidy HRA).

Participation in HRA Program

You will become a participant in the HRA Program and able to access amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses only if you satisfy the HRA Program eligibility requirements described in *Eligibility* above and you make an affirmative opt-in election to access amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses (your “Opt-In Election”) as described in this Section.

After you make your Opt-In Election, if you do not want to have access to amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses during any following calendar year, you will need to make an opt-out election to suspend access to amounts credited to your Subsidy HRA (your “Opt-Out Election”) during a subsequent annual election period as described in this Section.

Initial Election Period

If you satisfy the Subsidy HRA eligibility requirements described in *Eligibility* above, after your employment with Duke Energy and its affiliates ends and your Subsidy HRA is established, you will need to make an Opt-In Election to access amounts credited to your Subsidy HRA.

When you retire, you will receive a notice asking whether or not you wish to make your Opt-In Election. You must contact *Your Spending Account (YSA)* within 31 calendar days of the date your notice is sent (the “Initial Election Period”) to make your Opt-In Election at that time. If you make an Opt-In Election during the Initial Election Period, you will become a participant and be able to access amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses incurred on or after the date you make your Opt-In Election.

If you do not make your Opt-In Election during the Initial Election Period, you will be deemed to have elected to suspend access to your Subsidy HRA (i.e., deemed to have made an Opt-Out Election). This means that you will not become a participant in the HRA Program and you will not be able to access amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses until you make your Opt-In Election during a subsequent annual election period, as described below.

The election (or deemed election) you make during the Initial Election Period will remain in effect throughout the remainder of the calendar year and you cannot change your election (or deemed

election) during the remainder of the calendar year even if your situation changes (for example, your employment changes). You will have to wait until the next Annual Election Period to change your election.

Annual Election Period

Each December, you will have the opportunity to make an Opt-In Election or an Opt-Out Election for the following calendar year (“Annual Election Period”). Election changes will be effective January 1 of the following calendar year.

If you make an Opt-In Election during the Annual Election Period, you will become a participant in the HRA Program on January 1 of the following calendar year and will be able to access amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses incurred during the following calendar year.

If you make an Opt-Out Election during the Annual Election Period, you will not be able to access amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses incurred during the following calendar year. The amounts credited to your Subsidy HRA will remain in your Subsidy HRA for future use when you make a subsequent Opt-In Election to access the amounts credited to your Subsidy HRA.

If you do not make an Opt-In Election or an Opt-Out Election during the Annual Election Period, your current election (or deemed election) will remain in effect throughout the following calendar year and you cannot change your election (or deemed election) during the following calendar year even if your situation changes (for example, your employment changes). You will have to wait until the next Annual Election Period to change your election.

No Mid-Year Elections

A mid-year election outside of the Initial Election Period and outside of the Annual Election Period is not permitted even if your situation changes (for example, your employment changes). Once the applicable election period closes, you are not permitted to change your election (or deemed election) during the calendar year and will have to wait until the next Annual Election Period to change your election.

It’s important that you understand these deadlines if you want to gain or suspend access to the amounts credited to your Subsidy HRA. If you miss the applicable election deadline, there is no recourse or appeal.

Significance of Opt-In Election

The decision to make an Opt-In Election is an important one, because under current IRS guidance, neither you nor your spouse can make or receive contributions to a Health Savings Account while you also have access to your Subsidy HRA for reimbursement of qualified health care expenses. In addition, you and/or your spouse may not be eligible to receive premium tax credits that may otherwise be available to you for health insurance coverage purchased through a federal or state Marketplace while you also have access to your Subsidy HRA for reimbursement of qualified health care expenses.

For example, if you are employed by another employer after you leave Duke Energy and you have access to a Health Savings Account through your new employer, you cannot make or receive contributions to that Health Savings Account if you have access to your Subsidy HRA for reimbursement of qualified health care expenses. Similarly, if your spouse remains employed by Duke Energy after you leave Duke Energy and has access to a Health Savings Account through Duke Energy, your spouse cannot make or receive contributions to that Health Savings Account if you have access to your Subsidy HRA for reimbursement of qualified health care expenses.

The decision to “opt in” to your Subsidy HRA can give you access to funds to help with your health care expenses, but that decision can potentially limit opportunities to make or receive contributions to a Health Savings Account and to receive premium tax credits. Therefore, it is important to consider your decision carefully. Consult with your tax advisor for additional information regarding eligibility to make or receive contributions to a Health Savings Account and/or eligibility to receive premium tax credits for health insurance coverage purchased through a federal or state Marketplace.

Impact of Reemployment following Participation

If you satisfy the participation requirements and make an Opt-In Election as described above, and you are subsequently rehired by Duke Energy or its affiliates, you will cease to be a participant and you will not be eligible to use any amounts credited to your Subsidy HRA for reimbursement of your qualified health care expenses or those of your eligible dependents incurred while you are employed on or after your rehire date.

Following your subsequent termination of employment with Duke Energy and its affiliated companies, you will be required to make an Opt-In Election in order to access amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses (see *Participation in HRA Program* above).

Reimbursement of Qualified Health Care Expenses

If you satisfy the HRA Program eligibility requirements described in *Eligibility* above and make an Opt-In Election as described in *Participation in HRA Program* above, you may use amounts credited to your Subsidy HRA to pay for qualified health care expenses incurred by you and your eligible dependents.

Eligible Dependents

Because the HRA Program provides a form of tax-free health coverage (that is, you are not taxed on amounts reimbursed from your Subsidy HRA) reimbursement is restricted to qualified health care expenses for you and your eligible dependents as defined under the Internal Revenue Code of 1986, as amended, and the regulations and other applicable guidance issued thereunder. **Expenses incurred by your same or opposite gender domestic partner who is not your tax dependent for federal income tax purposes cannot be reimbursed from your Subsidy HRA.**

In addition, due to certain plan changes made in connection with the Affordable Care Act, active Duke Energy employees cannot participate in Duke Energy’s retiree health coverage. **As a result, if your eligible dependent is an active employee of Duke Energy or its affiliates, expenses incurred by your eligible dependent who is an active employee of Duke Energy or its affiliates cannot be reimbursed from your Subsidy HRA.**

Each time you submit a claim for reimbursement, whether by submitting a paper claim form or by using a debit card, you are certifying that the claim is for a qualified health care expense incurred by yourself or your eligible dependent.

Qualified Health Care Expenses

Below are some examples of qualified health care expenses (these amounts are not eligible for reimbursement to the extent they are reimbursable under any other company benefit plan or any other plan). For a complete list, refer to IRS Publication 502, available from the Internal Revenue Service (1-800-829-3676 or www.irs.gov). You also may want to consult a tax advisor.

- Acupuncture
- Alcohol/drug rehabilitation – payment to a treatment center (inpatient only) for alcohol or drug addiction
- Ambulance
- Birth control pills (prescribed by a physician) or birth prevention surgery
- Braille books and magazines - reimbursement is limited to those costs that exceed the cost of regular printed editions
- Chiropractors – services within the scope of their license
- Christian Science practitioner services
- Contact lenses
- Deductibles and office visit copays you pay to a company health plan or another health plan (such as a plan in which your spouse or an eligible dependent participates) that are not reimbursed by any other group medical plan
- Dental fees – X-rays, fillings, braces, extractions, dentures and other treatments not covered by any group dental plan
- Eyeglass prescriptions not covered by any group health or vision plan
- Health care expenses in excess of your health care benefits coverage whether a company health plan or another health plan (such as a plan in which your spouse or other dependent participates)
- Hearing aids – including batteries
- Lead-based paint removal – to prevent a child at home who has or has had lead poisoning from eating lead paint
- Legal fees needed to authorize medical treatment for mental illness
- Menstrual products
- Nursing home – for medical care expenses
- Over-the-counter medicine and drugs
- Over-the-counter supplies such as bandages
- Oxygen equipment
- Premiums for long-term care insurance

- Premiums paid on an after-tax basis for any type of medical insurance coverage, including premiums for private insurance not provided by an employer
- Smoking cessation programs
- Special education devices for visual disabilities
- Special equipment needed for hearing disabilities (includes visual display equipment of television programs)
- Transportation – automobile mileage, parking fees and tolls incurred when traveling for health care services
- Vision correction surgery
- Wheelchairs for disabilities and extra automobile costs to accommodate wheelchairs

Expenses Not Covered

Health care expenses are not eligible for reimbursement from your Subsidy HRA if they do not qualify for a deduction for federal tax purposes or if they are covered under another health plan. Under no circumstances may future or projected qualified health care expenses be paid in advance, nor may expenses incurred before you become a participant in the HRA Program be paid.

Examples of specific expenses not eligible for reimbursement are noted below.

- Cosmetic surgery expenses, including dental procedures to whiten or cap teeth, and any other procedures that are strictly cosmetic
- Funeral expenses
- Any portion of a health care expense payable by a group insurance plan or by any other health or accident plan
- Any portion of an expense you claim as a tax deduction or credit
- Health club memberships
- Maternity clothes or diaper services

If you have questions about a Subsidy HRA expense, please call the Duke Energy myHR Service Center. You also may contact the IRS directly (1-800-829-3676) or visit the IRS website (www.irs.gov) to obtain a copy of Publication 502 for a complete list of eligible expenses.

Reimbursement of Subsidy HRA Expenses

When you or your eligible dependents incur a qualified health care expense, you file a claim by completing and submitting a request for reimbursement form in accordance with the procedures established by the Plan Administrator.

Claims for reimbursement must be accompanied by:

- a signed claim form (this form is located on the YSA website, or you can get a form by calling the Duke Energy myHR Service Center);

- a written statement from an independent third party stating the type of expense that has been incurred, the date it was incurred and the amount (for example, an explanation of benefits or a cash register receipt); and
- a signed statement (included on the claim form) that the medical expense has not been reimbursed and is not reimbursable under any other health plan.

In those instances where the cash register receipt does not have all the required information, you must have a store employee write the missing information on the receipt (the item's name must be clearly identified with the item's price), sign the receipt, and date the signature.

If a claim is filed and (1) the receipt does not include the required information or (2) a completed and signed claim form is not provided, the claim will be denied and you will receive an Explanation of Benefits stating that the claim has been received and denied.

If a claim is filed and the amounts credited to your Subsidy HRA at the time your claim is filed are not sufficient to provide reimbursement for the amount of the claim, the claim will be denied, and you will receive an Explanation of Benefits stating that the claim has been received and denied. The claim will then be reviewed again after the next monthly subsidy credit is made to your Subsidy HRA to determine whether it is a qualified health care expense that is reimbursable from your Subsidy HRA.

All claims submitted will be carefully reviewed and the eligibility of an expense may be denied if it appears not to meet the IRS guidelines. Reimbursement for expenses that are determined to be qualified health care expenses will be made as soon as practicable after the claim is received and processed and will be mailed to your home or directly deposited into a bank account of your choosing if that payment option is selected. Reimbursements may not be made directly to the service provider unless you use the debit card provided to you (YSA card). Amounts credited to your Subsidy HRA will be reduced by the amount reimbursed with respect to your and your eligible dependents' qualified health care expenses. If the expense is determined to not be a "qualified health care expense," you will receive notification of this determination.

Repayment of Excess Reimbursements

If it is later determined that you and/or your eligible dependent(s) received an overpayment or that an expense for which you received reimbursement was not a qualified health care expense, you will be required to return the overpayment or erroneous reimbursement to the HRA Program. In addition, if you are asked to substantiate that an expense for which you received reimbursement was a qualified health care expense by providing applicable documentation, and you are unable to do so, you will be required to return the improper reimbursement to the HRA Program.

If you do not refund the overpayment, erroneous payment or improper reimbursement, it will be treated as taxable income to you and reported on Form W-2. In addition, the HRA Program reserves the right to offset future reimbursements equal to the overpayment, erroneous payment or improper reimbursement or take other appropriate actions. With respect to overpayments, erroneous payments and improper reimbursements, the HRA Program has an equitable lien under which it has the right to recover from you. In addition, if it is determined that you have submitted a fraudulent claim, your coverage under the HRA Program may be terminated.

Coordination with the Duke Energy Health Care Spending Account Plan

If you have elected COBRA continuation coverage under the Duke Energy Health Care Spending Account Plan, your Health Care Spending Account must be exhausted first before any amounts are available for reimbursement from your Subsidy HRA.

Situations Impacting Your Coverage

If You Are Rehired

If a Subsidy HRA is established for you when your employment with Duke Energy and its affiliates ends and you are subsequently reemployed with Duke Energy and its affiliates, the monthly subsidy credits being made to your Subsidy HRA will cease and you will not be eligible to use any amounts credited to your Subsidy HRA to pay for your qualified health care expenses or those of your eligible dependents incurred while you are employed on or after your rehire date.

Monthly subsidy credits to your Subsidy HRA will commence upon any subsequent termination of employment with Duke Energy and its affiliates, but you will be required to make an Opt-In Election in order to access amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses (see *Participation in HRA Program* above).

If You Get Married or Enter into a New Domestic Partnership

If you get married or enter into a new domestic partnership, in order to receive monthly subsidy credits to your Subsidy HRA for your new spouse or domestic partner, you must notify the Duke Energy myHR Service Center of your new marriage/domestic partnership within 31 calendar days of the date of your new marriage/domestic partnership. You will be required to provide evidence of spouse/domestic partner eligibility, as described in *Eligibility Requirements for Spouse/Domestic Partner Subsidy Credits* above, within 30 calendar days following the date you report your new marriage/domestic partnership to the Duke Energy myHR Service Center.

If you report your new marriage/domestic partnership to the Duke Energy myHR Service Center within 31 calendar days of the date of the new marriage/domestic partnership and your spouse's/domestic partner's eligibility is timely verified through the dependent verification process as described above, monthly subsidy credits for your spouse/domestic partner will begin as soon as practicable after you properly verify your spouse/domestic partner and will be made retroactively to the first month following the date of the new marriage/domestic partnership.

If you report your new marriage/domestic partnership to the Duke Energy myHR Service Center more than 31 calendar days after the date of the new marriage/domestic partnership or your spouse's/domestic partner's eligibility is not timely verified through the dependent verification process as described above, monthly subsidy credits for your spouse/domestic partner will begin as soon as practicable after you properly verify your spouse/domestic partner, but will be made on a prospective basis only.

If Your Marriage/Domestic Partnership Ends

If your marriage/domestic partnership ends, you must notify the Duke Energy myHR Service Center of the divorce/end of domestic partnership immediately, and no more than 31 calendar days after the divorce/end of domestic partnership. When you report the divorce/end of domestic

partnership within 31 calendar days of the divorce/end of the domestic partnership, monthly subsidy credits to your Subsidy HRA for your spouse/domestic partner will end after the date of the divorce/end of domestic partnership.

If you do not inform the Duke Energy myHR Service Center of the divorce/end of domestic partnership within 31 calendar days after the divorce/end of domestic partnership, you are not eligible for any monthly subsidy credits to your Subsidy HRA for your spouse/domestic partner after the date of the divorce/end of domestic partnership. In addition:

- any amounts credited to your Subsidy HRA for your spouse/domestic partner after the date of the divorce/end of domestic partnership (“Excess Spouse/Domestic Partner Credit”) will be reversed and removed from your Subsidy HRA, if available; and
- if there is not enough available in your Subsidy HRA to remove the Excess Spouse/Domestic Partner Credit, Duke Energy can take such action as it deems appropriate in its sole discretion to recover the Excess Spouse/Domestic Partner Credit, including but not limited to suspending **your** monthly subsidy credits until the full amount of the Excess Spouse/Domestic Partner Credit is recovered.

In the Event of a Death

Impact of Death on Subsidy HRAs

If you die before your employment with Duke Energy and its affiliates ends, no Subsidy HRA will be established for you.

If you die after your employment with Duke Energy and its affiliates ends and a Subsidy HRA has been established for you, your monthly subsidy credits to your Subsidy HRA will cease after your death. In addition:

- if you had an Opt-In Election in effect at the time of your death, any remaining amounts previously credited to your Subsidy HRA may be used to reimburse qualified health care expenses you incurred prior to your death;
- if your eligible dependents make an Opt-In Election following your death, they will be able to use the remaining amounts credited to your Subsidy HRA, if any, for reimbursement of qualified health care expenses they incur after your death and while the Opt-In Election is in effect;
- if you have an eligible spouse/domestic partner who is under age 65, a new Subsidy HRA will be established for your spouse/domestic partner; and
- the monthly subsidy credits to the new Subsidy HRA for your spouse/domestic partner, if any, will continue until your spouse/domestic partner reaches age 65 as long as your spouse/domestic partner does not remarry or begin a new domestic partnership and continues to meet any applicable eligibility requirements.

If you do not have an Opt-In Election in place at the time of your death and you do not have any surviving eligible dependents at the time of your death, the amounts credited to your Subsidy HRA will be forfeited.

If your spouse/domestic partner dies after your employment with Duke Energy and its affiliates ends and a Subsidy HRA has been established for you, monthly subsidy credits to your Subsidy HRA for your spouse/domestic partner will cease after your spouse's/domestic partner's death.

Notice Requirements if You Die

If you die after your employment with Duke Energy and its affiliates ends and a Subsidy HRA has been established for you, your death must be reported to the Duke Energy myHR Service Center within 31 calendar days of your death. If the Duke Energy myHR Service Center is not notified of your death within 31 calendar days after your death, you will not be eligible for any monthly subsidy credits to your Subsidy HRA after your death. In addition:

- any amounts credited to your Subsidy HRA after your death (“Excess Retiree Credit”) will be reversed and removed from your Subsidy HRA, if available; and
- if there is not enough in your Subsidy HRA to remove the Excess Retiree Credit, Duke Energy can take such action as it deems appropriate in its sole discretion to recover the Excess Retiree Credit, including but not limited to suspending **your spouse's/domestic partner's** monthly subsidy credits, if any, until the full amount of the Excess Retiree Credit is recovered.

Notice Requirements if Your Spouse/Domestic Partner Dies

If your spouse/domestic partner dies after a Subsidy HRA has been established for you, you should report your spouse's/domestic partner's death to the Duke Energy myHR Service Center immediately, and no more than 31 calendar days after your spouse's/domestic partner's death. If you do not notify the Duke Energy myHR Service Center of your spouse's/domestic partner's death within 31 calendar days after your spouse's/domestic partner's death, you will not be eligible for monthly subsidy credits to your Subsidy HRA for your spouse/domestic partner after your spouse's/domestic partner's death. In addition:

- any amounts credited to your Subsidy HRA for your spouse/domestic partner after your spouse/domestic partner dies (“Excess Spouse/Domestic Partner Credit”) will be reversed and removed from your Subsidy HRA, if available; and
- if there is not enough available in your Subsidy HRA to remove the Excess Spouse/Domestic Partner Credit, Duke Energy can take such action as it deems appropriate in its sole discretion to recover the Excess Spouse/Domestic Partner Credit, including but not limited to suspending **your** monthly subsidy credits until the full amount of the Excess Spouse/Domestic Partner Credit is recovered.

COBRA Continuation Coverage under the HRA Program

COBRA generally requires employers to offer covered employees and certain covered family members the opportunity for a temporary extension of health care coverage (called “Continuation Coverage”) in certain instances where coverage under the group health plan would otherwise end during a specified period (a “Qualifying Event”). Because the HRA Program continues to reimburse expenses through the COBRA Continuation Coverage period, a Qualifying Event generally will not occur with respect to the Subsidy HRA. If a Qualifying Event were to occur, notice would be provided to affected parties.

Qualified Medical Child Support Orders (QMCSOs)

If the Company receives notification that, as a result of a QMCSO, you are required to provide coverage under the HRA Program for a dependent child, the Company will:

- notify you (and any other person named in the order) of receipt of the order; and
- within a reasonable period of time (up to 30 days), determine if the child is eligible for benefits under the HRA Program and notify you in writing of the decision.

As appropriate to the court order, the child will be eligible for benefits, unless there are legal proceedings that dispute the determination. If the court order is disputed, claims processing will be delayed until the dispute is resolved.

If the child's covered expenses are paid by a custodial parent or legal guardian who is not a participant in the HRA Program, reimbursement of these expenses will be made directly to the custodial parent or legal guardian if required by the order. Custodial parents and legal guardians also may sign claim forms.

If you do not comply with the procedures required by the order, the Company may change your coverage status to that required by the court order.

Cessation of Participation

Your participation in the HRA Program will end when all amounts credited to your Subsidy HRA for reimbursement of qualified health care expenses are exhausted and you are not entitled to any further credits to your Subsidy HRA.

Other Important Information

Plan Sponsor

Duke Energy Corporation is the sole sponsor of the HRA Program. The Company address, telephone number and employer identification number (EIN) are:

Duke Energy Corporation
550 South Tryon Street
Charlotte, NC 28202
980-373-8649
EIN: 20-2777218

Identification Numbers

If you need to correspond with the federal government about the HRA Program and/or the Subsidy HRA, you should include in the correspondence the Duke Energy Corporation EIN and the plan number assigned to the HRA Program. The HRA Program is a component plan under the Duke Energy Retiree Health & Welfare Benefit (Financed) Plans, plan number 503.

Funding

The following funding vehicles are, or may be, used to accumulate assets from which HRA Program claims may be paid: (i) Section 401(h) medical account under the Duke Energy Retirement Cash Balance Plan, (ii) Section 401(h) medical account under the Duke Energy Legacy Pension Plan, (iii) Duke Energy Corporation Welfare Benefits Trust VEBA I, (iv) Duke Energy Corporation Post-Retirement Medical Benefits Trust VEBA II, (v) Piedmont Natural Gas Co., Inc. 501(c)(9) Trust for Retired Non-Bargaining Employees and/or (vi) Piedmont Natural Gas Co., Inc. 501(c)(9) Trust for Retired Bargaining Unit Employees. Duke Energy also may provide benefits under the HRA Program from its general assets.

The trustee for the Section 401(h) medical accounts is:

Duke Energy Corporation Master Retirement Trust
The Northern Trust Company, Trustee
50 South LaSalle Street
Chicago, IL 60675

The trustee for the VEBAs and the Piedmont 501(c)(9) Trusts is:

Bank of New York Mellon
BNY Mellon Center
500 Grant Street
Pittsburgh, PA 15258

Plan Administrator

The Plan Administrator for the HRA Program is the Duke Energy Benefits Committee (the “Benefits Committee”). The Benefits Committee has responsibility and authority to control and manage the operation and administration of the HRA Program, except to the extent delegated or assigned to others.

The Benefits Committee may assign or delegate any of its authority or duties to others. The Benefits Committee has appointed Duke Energy Human Resources to serve as the Initial Claim Administrator and the Duke Energy Claims Committee (the “Claims Committee”) to serve as Denied Claim Reviewer for claims as to whether an individual is eligible to participate in or obtain coverage under, or whether an eligible individual is enrolled for participation in or coverage under, the HRA Program. The Benefits Committee, the Claims Committee and Duke Energy Human Resources may be contacted as follows:

Benefits Committee
Duke Energy Corporation
550 South Tryon Street, DEC38D
Charlotte, NC 28202
704-382-4703

Claims Committee
Duke Energy Corporation
550 South Tryon Street, DEC38D
Charlotte, NC 28202
704-382-4703

Duke Energy Human Resources
Duke Energy Corporation
550 South Tryon Street, DEC38D
Charlotte, NC 28202
704-382-4703

The Benefits Committee has appointed Alight Solutions to serve as Initial Claim Administrator and Denied Claim Reviewer for claims for benefits under the HRA Program. Alight Solutions may be contacted at the address listed below. You also can obtain additional information by contacting the Duke Energy myHR Service Center.

The Benefits Committee, the Claims Committee, Duke Energy Human Resources and Alight Solutions, and/or any delegate thereof, each within its area of authority and responsibility, have power and discretion to construe and interpret the HRA Program and to make factual determinations.

Investment Committee

The named fiduciary for the maintenance and investment of the plan assets that are held in the Duke Energy Corporation Welfare Benefits Trust VEBA I, the Duke Energy Corporation Post-Retirement Medical Benefits Trust VEBA II, the Piedmont Natural Gas Co., Inc. 501(c)(9) Trust for Retired Non-Bargaining Employees, the Piedmont Natural Gas Co., Inc. 501(c)(9) Trust for Retired Bargaining Unit Employees and the 401(h) medical accounts under the Duke Energy Corporation Master Retirement Trust is the Duke Energy Investment Committee. The Board of Directors of Duke Energy Corporation appointed the Chairman of the Investment Committee, who in turn appoints the other members of the Investment Committee. Any successor Chairman of the Investment Committee is appointed by the Finance and Risk Management Committee of the Board of Directors of Duke Energy Corporation.

The Investment Committee may be contacted through the following address:

Investment Committee
Director, Long Term Investments
Duke Energy Corporation
550 South Tryon Street, DEC40A
Charlotte, NC 28202

Plan Year

The plan year for the HRA Program is January 1 through December 31.

Service of Legal Process

The person designated for service of legal process upon the HRA Program is:

Corporate Secretary
Duke Energy Corporation
550 South Tryon Street, DEC45A
Charlotte, North Carolina 28202

Legal process also may be served upon the HRA Program's trustee, if applicable, or upon the Benefits Committee as Plan Administrator.

Affiliated Employers of the Company That Have Adopted the HRA Program

Contact the Duke Energy myHR Service Center for information regarding affiliated employers of Duke Energy that have adopted the HRA Program.

Claim Determination Procedures

The following are two different types of claims that may be made under the HRA Program...
Claims for HRA Program Benefits and Eligibility or Enrollment Claims.

Claims for HRA Program Benefits are claims made in accordance with the HRA Program's procedures for filing benefit claims.

Eligibility or Enrollment Claims are claims as to whether an individual is eligible to participate in or obtain coverage under, or whether an eligible individual is enrolled for participation in or coverage under, the HRA Program made in accordance with the HRA Program's procedures for filing eligibility or enrollment claims. An Eligibility or Enrollment Claim does not include (i) requests to change your Subsidy HRA participation due to your failure to take action during the applicable election period or (ii) requests to change your Subsidy HRA participation based solely on a change in your preferred status (i.e., an Opt-In Election versus an Opt-Out Election).

Claims for HRA Program Benefits

The Benefits Committee has appointed Alight Solutions to process initial Claims for HRA Program Benefits.

The Benefits Committee has appointed Alight Solutions Claims and Appeals Management to perform the fair and impartial review of appeals of Claims for HRA Program Benefits. The Company has no discretionary authority with respect to Alight Solutions Claims and Appeals Management's final determinations regarding Claims for HRA Program Benefits on appeal.

To file a valid Claim for HRA Program Benefits, you (or your authorized representative) must follow the claims submission procedures for the HRA Program set forth in this SPD and any updating materials.

Initial Claims

Requests for reimbursement of qualified health care expenses not made through a debit card must be filed on an HRA claim form, which is available from the YSA website or from the Duke Energy myHR Service Center (888-465-1300). Claims for reimbursement must be accompanied by the information specified in *Reimbursement of Subsidy HRA Expenses* above.

You or your representative will be notified of the determination within 30 days after the request for reimbursement is received. However, if more time is needed to make a determination due to matters beyond the HRA Program's control, you or your representative will be notified within 30 days after the request for reimbursement is received. The extension notice will include a description of the circumstances requiring the extension and the date a determination can be expected, which will be no more than 45 days after receipt of the request.

If more time is needed because necessary information is missing from the request, the notice also will specify what information is needed. The determination period will be suspended on the date the HRA Program sends such a notice of missing information, and the determination period will resume on the date you or your representative responds to the notice. You will have at least 45 days to respond to the request for information.

In the event of an adverse benefit determination, in whole or in part, you (or your authorized representative) will be notified of the adverse determination in writing.

An adverse benefit determination notification for a Claim for HRA Program Benefits will contain:

- the specific reason or reasons for the adverse determination;
- specific references to the pertinent provisions on which the adverse determination is based;
- a description of any additional information or material necessary to perfect the Claim for HRA Program Benefits and an explanation of why such information or material is necessary;
- an explanation of the HRA Program's claims review process and the time limits applicable, including a statement of your right to bring a civil action under Section 502(a) of ERISA following an adverse determination on review;
- if an internal rule, guideline, protocol or other similar criterion was relied on in making the adverse determination, a statement that such a rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol, or other similar criterion is available free of charge upon request; and
- if denial of the claim is based on medical necessity or experimental or investigative treatment, or a similar exclusion or limitation, a statement that you will be provided, upon request and free of charge, an explanation of the scientific or clinical judgment, applying the terms of the HRA Program to your medical circumstances.

Appeals of Denied Claims

If you disagree with an adverse benefit determination with respect to the HRA Program, you (or your authorized representative) can request a review of the initial benefit determination by submitting a written request to Alight Solutions Claims and Appeals Management within 180 calendar days after receipt of the adverse benefit determination. To do so, you must submit an

appeal initiation form. This form can be obtained by calling the Duke Energy myHR Service Center. If your appeal is not filed within this period, the claim will be deemed permanently waived and abandoned, and you will be precluded from reasserting it.

Note: The period from March 1, 2020 through the date that is 60 days after the announced end of the national emergency related to the COVID-19 pandemic, or such other date announced by federal agencies (the “Outbreak Period”), will be disregarded in determining the deadline for requesting a review of an adverse benefit determination, in accordance with applicable legal guidance.

An appeal request to Alight Solutions Claims and Appeals Management must be submitted in writing to:

Alight Solutions Your Spending Account Claims and Appeals Management
P.O. Box 7105
Rantoul, IL 61866-7105

You may request to examine and receive copies of all documents, records and other information relevant to the claim. Alight Solutions Claims and Appeals Management will review the appeal without granting any deference to the initial decision regarding the claim. Also, no reviewer may be a person that was involved in making the initial decision regarding the claim, or a subordinate to that person. In addition, if the claim was based in whole or in part on a medical judgment, Alight Solutions Claims and Appeals Management will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. This person will not be a person (or a subordinate of a person) consulted by the Initial Claim Administrator in deciding the initial claim. When reviewing an adverse benefit determination that has been appealed, any new information that you provide that was not available or utilized when the initial determination was made will be considered.

You will be notified regarding the decision on your appeal within 60 days after receipt of the appeal. The determination of your appeal will be in writing and, if adverse, will contain the following:

- the specific reason or reasons for the adverse determination;
- specific references to the pertinent provisions on which the adverse determination is based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to and copies of all documents, records and other information relevant to the Claim for HRA Program Benefits;
- a statement about your right to bring a civil action under Section 502(a) of ERISA following an adverse determination on your appeal, any time limits for filing such a civil action and any available voluntary alternative dispute resolution options;
- if an internal rule, guideline, protocol or other similar criterion was relied on in making the adverse determination, a statement that such a rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol, or other similar criterion is available free of charge upon request;
- if the adverse determination is based on medical necessity or experimental treatment, or a similar exclusion or limitation, a statement that you will be provided, upon request and free of charge, an explanation of the scientific or clinical judgment, applying the terms of the HRA Program to your medical circumstances; and

- the following statement: “You and your plan may have other voluntary dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your state insurance regulatory agency.”

After completing all mandatory appeal levels, you have the right to further appeal adverse benefit determinations by bringing a civil action under ERISA. Please refer to the *Statement of ERISA Rights* section below.

Eligibility or Enrollment Claims

The Benefits Committee has appointed Duke Energy Human Resources to decide Eligibility or Enrollment Claims as the Initial Claim Administrator. Duke Energy Human Resources has delegated its authority to decide Eligibility or Enrollment Claims to Alight Solutions Claims and Appeals Management.

The Benefits Committee has appointed the Claims Committee to perform the fair and impartial review of denied Eligibility or Enrollment Claims on appeal as the Denied Claim Reviewer. The Company has no discretionary authority with respect to the Claims Committee’s final determinations regarding Eligibility or Enrollment Claims on appeal.

To file a valid Eligibility or Enrollment Claim, you (or your authorized representative) must follow the claim submission procedures for the HRA Program as described in this Summary Plan Description and any updating materials.

Initial Claim

If you have an Eligibility or Enrollment Claim, you (or your authorized representative) must submit a claim initiation form. This form can be obtained by calling the Duke Energy myHR Service Center.

The claim form must be submitted in writing to the address on the form and include:

- a statement that the claim is a “Claim for Eligibility/Enrollment” and identification of the HRA Program;
- your name, Social Security number, mailing address and daytime telephone number;
- a complete description of the claim, including the eligibility/enrollment issue presented;
- dependent information, if applicable; and
- any additional information you want considered.

A “Claim for Eligibility/Enrollment” must be received by Alight Solutions Claims and Appeals Management within 12 months after the date on which you are claiming eligibility/enrollment should have occurred. If your claim is not filed within this period, your claim will be deemed permanently waived and abandoned, and you will be precluded from reasserting it.

Note: The Outbreak Period will be disregarded in determining the deadline for filing a Claim for Eligibility/Enrollment, in accordance with applicable legal guidance.

Alight Solutions Claims and Appeals Management will notify you or your representative of the determination within 30 days after receiving the request. However, if more time is needed to make a determination due to matters beyond Alight Solutions Claims and Appeals Management's control, it will notify you or your representative within 30 days after receiving the request. The extension notice will include a description of the circumstances requiring the extension and the date a determination can be expected, which will be no more than 45 days after receipt of the request.

If more time is needed because necessary information is missing from the request, the notice also will specify what information is needed. The determination period will be suspended on the date Alight Solutions Claims and Appeals Management sends such a notice of missing information, and the determination period will resume on the date you or your representative responds to the notice. You will have at least 45 days to respond to the request for information.

Adverse Determination

In the event of an adverse eligibility or enrollment determination, in whole or in part, you (or your authorized representative) will be notified of the adverse determination in writing.

An adverse determination notification for an Eligibility or Enrollment Claim will contain:

- the specific reason or reasons for the adverse determination;
- specific references to the pertinent HRA Program provisions on which the adverse determination is based;
- a description of any additional information or material necessary to perfect the claim and an explanation of why such information or material is needed;
- an explanation of the claims review process and the time limits applicable to such process, including a statement of your right to bring a civil action under Section 502(a) of ERISA following an adverse determination on review and any time limits for filing such a civil action;
- if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, a statement that such a rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol or other similar criterion is available free of charge upon request; and
- if denial of the claim is based on medical necessity or experimental treatment, or a similar exclusion or limitation, a statement that Alight Solutions Claims and Appeals Management will, upon request, provide you, free of charge, an explanation of the scientific or clinical judgment, applying the terms of the HRA Program to your medical circumstances.

Appeal of Adverse Determination

If you disagree with an adverse eligibility or enrollment determination, you (or your authorized representative) can request a review of the initial determination by submitting a written request to the Claims Committee within 180 calendar days after receipt of the adverse determination. If your appeal is not filed within this period, your claim will be deemed permanently waived and abandoned, and you will be precluded from reasserting it.

Note: The Outbreak Period will be disregarded in determining the deadline for requesting a review of an adverse eligibility or enrollment determination, in accordance with applicable legal guidance.

A request to the Claims Committee must be submitted in writing to:

Claims Committee
Duke Energy Corporation
550 South Tryon Street, DEC38D
Charlotte, NC 28202

You may request to examine and receive copies of all documents, records and other information relevant to the claim. The Claims Committee will review the appeal without granting any deference to the initial decision regarding the claim. Also, no reviewer may be a person that was involved in making the initial decision regarding the claim, or a subordinate to that person. In addition, if the claim was based in whole or in part on a medical judgment, the Claims Committee will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. This person will not be a person (or a subordinate of a person) consulted by Alight Solutions Claims and Appeals Management in deciding the initial claim. When reviewing an adverse determination that has been appealed, any new information that you provide that was not available or utilized when the initial determination was made will be considered.

You will be notified regarding the decision on your appeal within 60 days after receipt of the appeal.

The determination of your appeal will be in writing and, if adverse, will contain:

- the specific reason or reasons for the adverse determination;
- specific references to the pertinent HRA Program provisions on which the adverse determination is based;
- a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to the claim;
- a statement about your right to bring a civil action under Section 502(a) of ERISA and any time limits for filing such a civil action;
- if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, a statement that such a rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination and that a copy of such rule, guideline, protocol or other similar criterion is available free of charge upon request;
- if denial of the claim is based on medical necessity or experimental treatment, or a similar exclusion or limitation, a statement that the Plan Administrator or its designee will, upon request, provide you, free of charge, an explanation of the scientific or clinical judgment, applying the terms of the HRA Program to your medical circumstances; and
- the following statement: ‘You and your plan may have other voluntary alternative dispute resolution options, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your state insurance regulatory agency.’

For additional information on filing an Eligibility or Enrollment Claim or filing an appeal of an adverse determination, you should contact the Claims Committee.

Legal Action

You have the right to bring a civil action under Section 502(a) of ERISA if you are not satisfied with the outcome of the claim and appeal procedure. You may not initiate a legal action against the Claims Administrator, the HRA Program, the Company, or the Plan Administrator until you have completed the appeal processes. No legal action may be brought more than one year following a final decision on the claim under the appeal processes. If a civil action is not filed within this period, your claim will be deemed permanently waived and abandoned, and you will be precluded from reasserting it.

Discretionary Authority

Authority to decide initial claims (including claims for HRA Program benefits) under the HRA Program and denied claims on review (including denied claims for HRA Program benefits on review) under the HRA Program includes the full power and discretion to interpret HRA Program provisions and to make factual determinations, with the Initial Claim Administrators' and Denied Claim Reviewers' decisions, interpretations and factual determinations controlling. Requests for information regarding individual claims, or review of a denied claim, are to be directed in writing and properly addressed to the particular entity identified as having the authority to decide the initial claim or to decide the denied claim on review, as applicable.

Right to Change or Terminate the HRA Program

Duke Energy Corporation reserves the right to amend or terminate the HRA Program, including, but not limited to, the Subsidy HRA available under the HRA Program, in any respect and at any time. For example, the HRA Program may be discontinued in part or in its entirety, or what the HRA Program covers or what benefits it provides may be changed.

The amendment or termination of the HRA Program may affect the benefits or benefit coverage not only of active employees (and their dependents), but also of former active employees who retired, became disabled, died or whose Company employment has otherwise terminated (and their dependents), and also of any covered person who began receiving benefit coverage or payments prior to the amendment or termination. If such a termination or amendment occurs, affected participants will be notified. The right to amend or terminate the HRA Program may be exercised by Duke Energy Corporation, or its authorized delegates, and any amendment shall be in writing.

In the event of a complete termination of the HRA Program, eligible claims for HRA Program benefits will be paid by the Duke Energy Corporation Welfare Benefits Trust VEBA I, the Duke Energy Corporation Post-Retirement Medical Benefits Trust VEBA II and/or the Duke Energy Corporation Master Retirement Trust – 401(h) Account, as applicable, to the extent that funds are available.

Statement of Rights

Participants in the HRA Program are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all HRA Program participants shall be entitled to:

Receive Information About Your HRA Program and Benefits

- examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the HRA Program, including collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the HRA Program with the U.S. Department of Labor and available at the Public Disclosure room of the Employee Benefits Security Administration.
- obtain, upon written request to the Plan Administrator, copies of documents governing the HRA Program, including collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- receive a summary of the HRA Program's annual financial report. The Plan Administrator is required by law to furnish each participant in the HRA Program with a copy of this summary financial report.
- obtain a copy of the HRA Program's procedures for determining a qualified medical child support order (QMCSO).

Continue Group Health Plan Coverage

- continue health care coverage for yourself, your spouse or dependents if there is a loss of coverage under the HRA Program as a result of a qualifying event. You or your dependents may have to pay for such coverage. Review this summary plan description and the documents governing the HRA Program on the rules governing your federal continuation coverage rights.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people responsible for the operation of the HRA Program. The people who operate your HRA Program, called "fiduciaries" of the HRA Program, have a duty to do so prudently and in the interest of you and other HRA Program participants and beneficiaries. No one, including the Company, your union, or any other person may fire you or otherwise discriminate against you in any way to prevent you from obtaining a welfare benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a welfare benefit is denied or ignored, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of HRA Program documents or the latest annual report from the HRA Program and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court once you have exhausted the HRA Program's claims procedures.

In addition, if you disagree with the HRA Program's decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in federal court. If it should happen that plan fiduciaries misuse the HRA Program's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about the HRA Program, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

Keep Us Informed

It is your responsibility to make sure that your benefits records are correct and that the personal information needed to administer your benefits is current. Promptly review any confirmation and other benefit statements carefully, and immediately advise the Duke Energy myHR Service Center if you believe there is an error.

A Final Note

Although this SPD describes the principal features of the HRA Program that are generally applicable to retirees who are eligible for the Subsidy HRA, it is only a summary. The complete provisions of the HRA Program are set forth in the plan documents, which are available upon request from Duke Energy Human Resources. An SPD is an overview and is written to be read in its entirety. Descriptions of HRA Program features should not be taken out of context. Inquiries about specific situations should be directed to Duke Energy Human Resources. Changes to the HRA Program, pending revision of the SPD, will be communicated in benefit newsletters, letters, and/or enrollment materials. In the event of a conflict between this SPD or any other communication regarding the HRA Program and the plan documents themselves, the plan documents control. Remember, the HRA Program may not be amended by oral or written communications.

The HRA Program, this SPD and your HRA Program participation are not employment contracts and do not give any employee the right to continue to be employed by the Company. Employees may resign and are subject to discipline, discharge or layoff as if the SPD had never been published and the HRA Program had never gone into effect.

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