



ENERGY FORWARD

PPL 1st Quarter Investor Update | May 5, 2022

Cautionary Statements and Factors That May Affect Future Results



Statements made in this presentation about future operating results or other future events, including the anticipated effects of the recent sale of PPL Corporation’s U.K. business, the anticipated acquisition of The Narragansett Electric Company (Narragansett) from National Grid, and the impact of each transaction on PPL Corporation, are forward-looking statements under the Safe Harbor provisions of the Private Securities Litigation Reform Act of 1995. Actual results may differ materially from the forward-looking statements. A discussion of some of the factors that could cause actual results or events to vary is contained in the Appendix to this presentation and in the Company’s SEC filings.

Management utilizes non-GAAP financial measures such as, “earnings from ongoing operations” and “adjusted gross margins” or “margins” in this presentation. For additional information on non-GAAP financial measures and reconciliations to the appropriate GAAP measures, refer to the Appendix of this presentation and PPL’s SEC filings.

Agenda



- | | |
|--------------------------------------|---------------|
| I. Strategic and Operational Updates | Vince Sorgi |
| II. Financial Update | Joe Bergstein |
| III. Closing Remarks | Vince Sorgi |
| IV. Q&A | |

Strategic and Operational Update

- **Delivered Q1 2022 results in line with expectations**
 - Reported Q1 2022 GAAP results of \$0.37 per share; Ongoing earnings of \$0.41 per share
- **Advanced acquisition of Narragansett Electric**
 - Received approval from the Rhode Island Division of Public Utilities and Carriers (DPUC)⁽¹⁾
 - Oral arguments made in front of Judge Stern on April 26th related to the Rhode Island Attorney General's (RIAG) appeal of the DPUC approval
 - RIAG's office requested Judge Stern to remand with instruction versus vacate the DPUC approval decision
- **Focused on closing acquisition as quickly as possible**
 - Anticipate timely ruling from Judge Stern based on oral arguments
 - Actively engaged in settlement discussions with RIAG
 - Remain prepared to close promptly with National Grid

Note: See Appendix for the reconciliation of reported earnings to earnings from ongoing operations.

(1) On April 1, 2022, the Rhode Island Superior Court stayed the order approving the transaction. Favorable resolution of the appeals process in Rhode Island is the final pending approval needed to close the transaction.

Strategic and Operational Update



- **Advanced several clean energy initiatives in Kentucky, supporting state's economic development**
 - ✓ Joined the Kentucky Energy and Environment Cabinet's Hydrogen Hub initiative
 - ✓ Filed the transmission CPCN application related to the Ford battery park project in Glendale, Kentucky⁽¹⁾

- **Both PA and KY utilities recently recognized by EPRI for leadership in technology and innovation**
 - ✓ PPL Electric Utilities recognized for Distribution Protection Assessment Tool
 - ✓ LG&E and KU recognized for identifying electrification opportunities for industrial and commercial customers to reduce emissions and lower costs

- **Recognized as a leader in digital customer experience in study of 36 largest utilities in the U.S.**
 - ✓ PPL Electric Utilities ranked 1st in the J.D. Power 2022 Utility Digital Experience Study
 - ✓ Received significant improvement in score compared to last year, while 21 of 36 companies declined

- **Progressed on key ESG initiatives as outlined in PPL's 2021 Sustainability Report**
 - ✓ Expanded on commitment to net-zero carbon emissions by 2050; will not burn unabated coal by 2050⁽²⁾
 - ✓ Created a chief diversity officer position to lead efforts across PPL
 - ✓ Added corporate political contributions to the oversight function of the board's Governance, Nominating and Sustainability Committee (GNSC)⁽³⁾

(1) CPCN: Certificate of Public Convenience and Necessity.

(2) PPL is economically transitioning coal-fired generation and will stop burning unabated coal by 2050.

(3) The GNSC is responsible for overseeing PPL's sustainability strategy and ESG practices and positions.

1st Quarter Financial Results

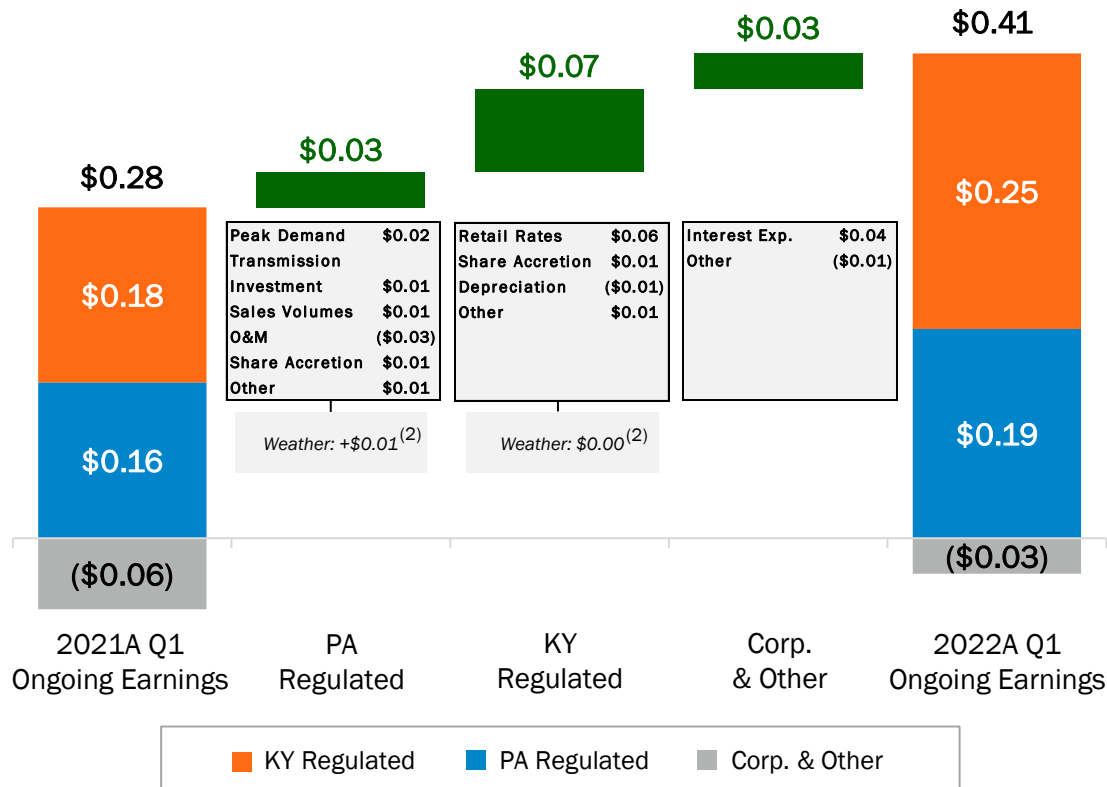


Key Earnings Highlights

- **Reported Q1 2022 GAAP EPS of \$0.37; ongoing EPS of \$0.41**
 - Special items of (\$0.04) per share, primarily related to Rhode Island acquisition integration costs
- **Pennsylvania Regulated:**
 - + Higher peak transmission demand
 - + Returns on additional capital investments in transmission
 - + Higher sales volumes
 - Higher O&M, primarily due to storm and support costs
- **Kentucky Regulated:**
 - + Higher base rates effective July 1, 2021
 - Higher depreciation related to additional assets placed into service
- **Corp. & Other:**
 - + Lower long-term debt balance
- **Share accretion of \$0.02**
 - Q1 weighted average shares of 736M in 2022 vs. 771M in 2021

Ongoing Earnings – Q1 2022 vs. Q1 2021 ⁽¹⁾

(Earnings Per Share)



Note: See Appendix for the reconciliation of reported earnings to earnings from ongoing operations.

(1) Ongoing earnings excludes special items. For 2021A Q1, earnings related to the U.K. utility business sold on June 14, 2021 were treated as a special item.

(2) Reflects estimated period-over-period impact of weather on sales.

Closing Remarks

- **We continue to work diligently through the state appeals process in Rhode Island**
 - ✓ Remain confident in the merits of the transaction; with significant expected future benefits for Rhode Island customers and PPL shareholders
 - ✓ Ready and eager to begin integration activities immediately following deal closing

- **We look forward to introducing a new PPL**
 - ✓ Positioned to deliver competitive earnings and dividend growth
 - ✓ Equipped with one of the strongest balance sheets in our sector
 - ✓ Fortified by a track record of innovative, best-in-class operational excellence
 - ✓ Poised to lead the clean energy transition, while keeping energy service affordable and reliable for our customers

- **We will share a comprehensive strategic update, including long-term growth projections, at an investor day shortly after Rhode Island closing**



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Narragansett Electric Acquisition

Regulatory approvals required



<u>Acquisition of Narragansett</u>	<u>Status</u>
<i>Federal Approvals:</i>	
Hart-Scott-Rodino (DOJ)	✓ Waiting Period Expired 6/2/2021
Federal Communications Commission (FCC)	✓ Approval Received 7/14/2021
Federal Energy Regulatory Commission (FERC)	✓ Approval Received 9/23/2021
<i>State Approvals:</i>	
Rhode Island Division of Public Utilities and Carriers ⁽¹⁾	✓ Approval Received 2/23/2022 Appeal Pending
Massachusetts Department of Public Utilities (waiver) ⁽²⁾	✓ Granted 7/16/2021

(1) On April 1, 2022, the Rhode Island Superior Court stayed the February 23rd order approving the transaction. Favorable resolution of the appeals process in Rhode Island is the final pending approval needed to close the transaction.

(2) National Grid obligation for Massachusetts Department of Public Utilities waiver relating to its foreign utility change in control provision.

Electricity Sale Volumes

2022 sales vs. 2021 sales by operating segment



Weather-Normalized Electricity Sales Volume Variance (2022 vs. 2021) in GWh

Pennsylvania			
	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>% Change</u>
Residential	4,612	4,613	(0.0%)
Commercial	3,510	3,414	2.8%
Industrial	2,033	1,995	1.9%
Other	21	22	NM*
Total	10,176	10,043	1.3%

Kentucky			
	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>% Change</u>
Residential	2,977	3,082	(3.4%)
Commercial	1,869	1,813	3.1%
Industrial	2,143	2,104	1.8%
Other	648	626	NM*
Total	7,636	7,626	0.1%

Actual Electricity Sales Volume Variance (2022 vs. 2021) in GWh

Pennsylvania			
	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>% Change</u>
Residential	4,596	4,462	3.0%
Commercial	3,507	3,382	3.7%
Industrial	2,033	1,995	1.9%
Other	21	22	NM*
Total	10,157	9,861	3.0%

Kentucky			
	<u>Q1 2022</u>	<u>Q1 2021</u>	<u>% Change</u>
Residential	2,983	3,022	(1.3%)
Commercial	1,859	1,821	2.1%
Industrial	2,143	2,104	1.8%
Other	645	624	NM*
Total	7,629	7,572	0.8%

*NM: Not Meaningful

Debt Maturities



(\$ in millions)	2022	2023	2024	2025	2026	2027 and Beyond	Total
PPL Capital Funding	\$0	\$0	\$0	\$0	\$650	\$1,396	\$2,046
PPL Electric Utilities ⁽¹⁾	\$474	\$340	\$650	\$0	\$0	\$3,075	\$4,539
Louisville Gas & Electric ⁽¹⁾	\$0	\$0	\$0	\$300	\$90	\$1,634	\$2,024
Kentucky Utilities ⁽¹⁾	\$0	\$13	\$0	\$250	\$164	\$2,215	\$2,642
Total Debt Maturities⁽²⁾	\$474	\$353	\$650	\$550	\$904	\$8,320	\$11,251

Note: As of March 31, 2022.

(1) Amounts include the timing of any put option on municipal bonds that may be put by the holders before the bonds' final maturities.

(2) Does not reflect unamortized debt issuance costs, unamortized premiums (discounts), and fair market valuation adjustments. At March 31, 2022, this represented a total amount of (\$109 million).

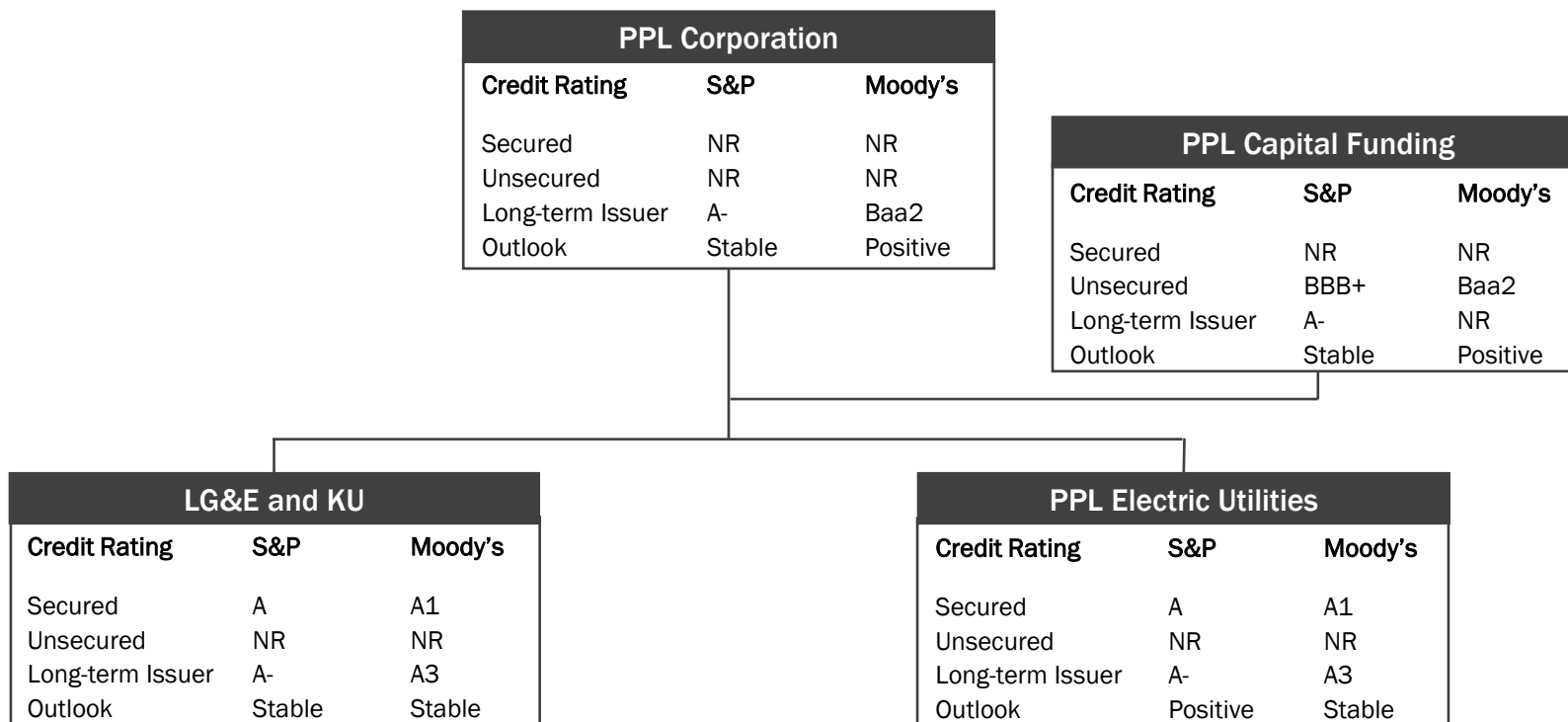
Liquidity Profile



Entity	Facility	Expiration Date	Capacity (\$ in millions)	Borrowed (\$ in millions)	Letters of Credit & Commercial Paper Issued (\$ in millions)	Unused Capacity (\$ in millions)
PPL Capital Funding	Syndicated Credit Facility	Dec-2026	\$1,250	\$0	\$347	\$903
	Bilateral Credit Facility	Mar-2023	100	0	0	100
	Uncommitted Credit Facility	Mar-2023	100	0	15	85
			\$1,450	\$0	\$362	\$1,088
PPL Electric Utilities	Syndicated Credit Facility	Dec-2026	\$650	\$0	\$1	\$649
Louisville Gas & Electric	Syndicated Credit Facility	Dec-2026	\$500	\$0	\$353	\$147
Kentucky Utilities	Syndicated Credit Facility	Dec-2026	\$400	\$0	\$285	\$115
	Total Credit Facilities		\$3,000	\$0	\$1,001	\$1,999

Note: As of March 31, 2022.

PPL's Credit Ratings



Note: As of March 31, 2022.

Reconciliation of Segment Reported Earnings to Earnings From Ongoing Operations



After-Tax (Unaudited) (\$ in millions)	Year-to-Date March 31, 2022			
	KY Reg.	PA Reg.	Corp. & Other	Total
Reported Earnings⁽¹⁾	\$ 179	\$ 143	\$ (49)	\$ 273
Less: Special Items (expense) benefit:				
Talen litigation costs, net of tax of \$1			(4)	(4)
Strategic corporate initiatives, net of tax of \$1, \$0, \$1	(4)		(4)	(8)
Acquisition integration, net of tax of \$6 ⁽²⁾			(21)	(21)
Solar panel impairment, net of tax of \$0			1	1
Total Special Items	<u>(4)</u>	<u>-</u>	<u>(28)</u>	<u>(32)</u>
Earnings from Ongoing Operations	<u>\$ 183</u>	<u>\$ 143</u>	<u>\$ (21)</u>	<u>\$ 305</u>

After-Tax (Unaudited) (per share - diluted)	Year-to-Date March 31, 2022			
	KY Reg.	PA Reg.	Corp. & Other	Total
Reported Earnings⁽¹⁾	\$ 0.24	\$ 0.19	\$ (0.06)	\$ 0.37
Less: Special Items (expense) benefit:				
Strategic corporate initiatives	(0.01)			(0.01)
Acquisition integration ⁽²⁾			(0.03)	(0.03)
Total Special Items	<u>(0.01)</u>	<u>-</u>	<u>(0.03)</u>	<u>(0.04)</u>
Earnings from Ongoing Operations	<u>\$ 0.25</u>	<u>\$ 0.19</u>	<u>\$ (0.03)</u>	<u>\$ 0.41</u>

(1) Reported Earnings represents Net Income.

(2) Represents costs related to the integration of Narragansett Electric, including approximately \$9 million of IT systems implementation costs and approximately \$12 million primarily related to other external consultant costs. PPL does not expect to recover these costs.

Reconciliation of Segment Reported Earnings to Earnings From Ongoing Operations



After-Tax (Unaudited) (\$ in millions)	Year-to-Date March 31, 2021				
	KY Reg.	PA Reg.	Corp. & Other	Disc. Ops. ⁽²⁾	Total
Reported Earnings ⁽¹⁾	\$ 146	\$ 113	\$ (56)	\$ (2,043)	\$ (1,840)
Less: Special Items (expense) benefit:					
Loss from Discontinued Operations				(2,047)	(2,047)
Talen litigation costs, net of tax of \$1			(3)		(3)
Valuation allowance adjustment	4		(4)	4	4
Transmission formula rate return on equity reduction, net of tax of \$6		(13)			(13)
Total Special Items	<u>4</u>	<u>(13)</u>	<u>(7)</u>	<u>(2,043)</u>	<u>(2,059)</u>
Earnings from Ongoing Operations	<u>\$ 142</u>	<u>\$ 126</u>	<u>\$ (49)</u>	<u>\$ -</u>	<u>\$ 219</u>

After-Tax (Unaudited) (per share - diluted)	Year-to-Date March 31, 2021				
	KY Reg.	PA Reg.	Corp. & Other	Disc. Ops. ⁽²⁾	Total
Reported Earnings ⁽¹⁾	\$ 0.19	\$ 0.14	\$ (0.07)	\$ (2.65)	\$ (2.39)
Less: Special Items (expense) benefit:					
Loss from Discontinued Operations				(2.66)	(2.66)
Valuation allowance adjustment	0.01		(0.01)	0.01	0.01
Transmission formula rate return on equity reduction		(0.02)			(0.02)
Total Special Items	<u>0.01</u>	<u>(0.02)</u>	<u>(0.01)</u>	<u>(2.65)</u>	<u>(2.67)</u>
Earnings from Ongoing Operations	<u>\$ 0.18</u>	<u>\$ 0.16</u>	<u>\$ (0.06)</u>	<u>\$ -</u>	<u>\$ 0.28</u>

(1) Reported Earnings represents Net Income.

(2) PPL sold its U.K. utility business on June 14, 2021, and its earnings were treated as a special item.

Adjusted Gross Margins Summary



(Unaudited) (millions of dollars, except share data)	Three Months Ended March 31,			Per Share Diluted (after-tax)
	2022	2021 ⁽¹⁾	Change	
Kentucky Adjusted Gross Margins	\$ 659	\$ 570	\$ 89	\$ 0.09
Pennsylvania Adjusted Gross Margins				
Distribution	\$ 265	\$ 247	\$ 18	\$ 0.02
Transmission	183	156	27	0.02
Total Pennsylvania Adjusted Gross Margins	\$ 448	\$ 403	\$ 45	\$ 0.04

(1) Excludes U.K. utility business due to the completed sale announced on June 14, 2021.

Reconciliation of Adjusted Gross Margins to Operating Income



(Unaudited) (millions of dollars)	Three Months Ended March 31, 2022				Three Months Ended March 31, 2021 ⁽¹⁾			
	KY Adjusted Gross Margins	PA Adjusted Gross Margins	Other	Operating Income	KY Adjusted Gross Margins	PA Adjusted Gross Margins	Other	Operating Income
Operating Revenues	\$ 1,004	\$ 775	\$ 3	\$ 1,782	\$ 885	\$ 624	\$ (11)	\$ 1,498
Operating Expenses								
Fuel	212	-	-	212	177	-	-	177
Energy purchases	96	256	-	352	71	149	-	220
Other operation and maintenance	24	29	380	433	25	25	317	367
Depreciation	13	6	252	271	40	17	210	267
Taxes, other than income	-	36	24	60	2	30	20	52
Total Operating Expenses	345	327	656	1,328	315	221	547	1,083
Total	\$ 659	\$ 448	\$ (653)	\$ 454	\$ 570	\$ 403	\$ (558)	\$ 415

(1) Excludes U.K. utility business due to the completed sale announced on June 14, 2021.

Forward-Looking Information Statement



Statements contained in this presentation, including statements with respect to future earnings, cash flows, dividends, financing, regulation and corporate strategy, including the anticipated acquisition of Narragansett from National Grid, and its impact on PPL Corporation, are “forward-looking statements” within the meaning of the federal securities laws. Although PPL Corporation believes that the expectations and assumptions reflected in these forward-looking statements are reasonable, these statements are subject to a number of risks and uncertainties, and actual results may differ materially from the results discussed in the statements. The following are among the important factors that could cause actual results to differ materially from the forward-looking statements: asset or business acquisitions and dispositions, including the expected acquisition of Narragansett Electric, and our ability to realize expected benefits from them; the COVID-19 pandemic or other pandemic health events or other catastrophic events, including severe weather, and their effect on financial markets, economic conditions, supply chains and our businesses; the outcome of rate cases or other cost recovery or revenue proceedings; the direct and indirect effects on PPL or its subsidiaries or business systems of cyber-based intrusion or threat of cyberattacks; market demand for energy in our service territories; weather conditions affecting customer energy usage and operating costs; the effect of any business or industry restructuring; the profitability and liquidity of PPL Corporation and its subsidiaries; new accounting requirements or new interpretations or applications of existing requirements; operating performance of our facilities; the length of scheduled and unscheduled outages at our generating plants; environmental conditions and requirements, and the related costs of compliance; system conditions and operating costs; development of new projects, markets and technologies; performance of new ventures; receipt of necessary government permits and approvals; capital market and economic conditions, including interest rates and inflation, and decisions regarding capital structure; the impact of state, federal or foreign investigations applicable to PPL Corporation and its subsidiaries; the outcome of litigation involving PPL Corporation and its subsidiaries; stock price performance; the market prices of debt and equity securities and the impact on pension income and resultant cash funding requirements for defined benefit pension plans; the securities and credit ratings of PPL Corporation and its subsidiaries; changes in political, regulatory or economic conditions in states, regions or countries where PPL Corporation or its subsidiaries conduct business, including any potential effects of threatened or actual cyberattack, terrorism, or war or other hostilities; new state, federal or applicable foreign legislation or regulatory developments, including new tax legislation; and the commitments and liabilities of PPL Corporation and its subsidiaries. Any such forward-looking statements should be considered in light of such important factors and in conjunction with factors and other matters discussed in PPL Corporation's Form 10-K and other reports on file with the Securities and Exchange Commission.

Definitions of non-GAAP Financial Measures



Management utilizes "Earnings from Ongoing Operations" as a non-GAAP financial measure that should not be considered as an alternative to reported earnings, or net income, an indicator of operating performance determined in accordance with GAAP. PPL believes that Earnings from Ongoing Operations is useful and meaningful to investors because it provides management's view of PPL's earnings performance as another criterion in making investment decisions. In addition, PPL's management uses Earnings from Ongoing Operations in measuring achievement of certain corporate performance goals, including targets for certain executive incentive compensation. Other companies may use different measures to present financial performance.

Earnings from Ongoing Operations is adjusted for the impact of special items. Special items are presented in the financial tables on an after-tax basis with the related income taxes on special items separately disclosed. Income taxes on special items, when applicable, are calculated based on the statutory tax rate of the entity where the activity is recorded. Special items may include items such as:

- Gains and losses on sales of assets not in the ordinary course of business.
- Impairment charges.
- Significant workforce reduction and other restructuring effects.
- Acquisition and divestiture-related adjustments.
- Significant losses on early extinguishment of debt.
- Other charges or credits that are, in management's view, non-recurring or otherwise not reflective of the company's ongoing operations.

Definitions of non-GAAP Financial Measures



Management also utilizes the following non-GAAP financial measures as indicators of performance for its businesses:

"Kentucky Adjusted Gross Margins" is a single financial performance measure of the electricity generation, transmission and distribution operations of the Kentucky Regulated segment, as well as the Kentucky Regulated segment's distribution and sale of natural gas. In calculating this measure, fuel, energy purchases and certain variable costs of production (recorded in "Other operation and maintenance" on the Statements of Income) are deducted from operating revenues. In addition, certain other expenses, recorded in "Other operation and maintenance", "Depreciation" and "Taxes, other than income" on the Statements of Income, associated with approved cost recovery mechanisms are offset against the recovery of those expenses, which are included in revenues. These mechanisms allow for direct recovery of these expenses and, in some cases, returns on capital investments and performance incentives. As a result, this measure represents the net revenues from electricity and gas operations.

"Pennsylvania Adjusted Gross Margins" is a single financial performance measure of the electricity transmission and distribution operations of the Pennsylvania Regulated segment. In calculating this measure, utility revenues and expenses associated with approved recovery mechanisms, including energy provided as a PLR, are offset with minimal impact on earnings. Costs associated with these mechanisms are recorded in "Energy purchases," "Other operation and maintenance," (which are primarily Act 129, Storm Damage and Universal Service program costs), "Depreciation" (which is primarily related to the Act 129 Smart Meter program) and "Taxes, other than income," (which is primarily gross receipts tax) on the Statements of Income. This measure represents the net revenues from the Pennsylvania Regulated segment's electricity delivery operations.

These measures are not intended to replace "Operating Income," which is determined in accordance with GAAP, as an indicator of overall operating performance. Other companies may use different measures to analyze and report their results of operations. Management believes these measures provide additional useful criteria to make investment decisions. These performance measures are used, in conjunction with other information, by senior management and PPL's Board of Directors to manage operations and analyze actual results compared with budget.

Reconciliations of adjusted gross margins for future periods are not provided as certain items excluded from Operating Income are inherently subject to change and are not significant.