PPL Corp
Form DEF 14A
April 04, 2018
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement
Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
Definitive Proxy Statement
Definitive Additional Materials
Soliciting Material Pursuant to §240.14a-12

PPL CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.
Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

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(3) Per unit or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

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WILLIAM H. SPENCE

CHAIRMAN, PRESIDENT AND

CHIEF EXECUTIVE OFFICER

Message to

our Shareowners

Dear Shareowner,

On behalf of PPL s Board of Directors, I want to thank you for investing in PPL and supporting the work we do to power people s lives.

Your investment helps us to deliver essential energy services to more than 10 million customers. It supports our efforts to modernize the grid and shape the future of energy delivery in ways that benefit society. And it enables PPL to remain a force for good in the communities we serve.

Throughout 2017, we remained focused on delivering on our commitments to you and pursuing our long-term strategy for growth and success.

The key pillars of that strategy are driving best-in-sector operational performance, investing responsibly in a sustainable energy future, maintaining a strong financial foundation, and engaging and developing our people. Highlights of our 2017 performance in these areas can be found on page 1 of this document.

In short, we made significant progress. We delivered at the high end of our earnings forecast. We provided award-winning customer service. We strengthened reliability. We increased our dividend. And we invested $3.5 billion in infrastructure improvements that will benefit both customers and shareowners for years to come.

At the same time, we engaged with shareowners throughout the year and responded to shareowner requests by preparing a detailed climate assessment report that can be found at www.pplweb.com.

As we look to build on the momentum of 2017, we are guided by a diverse, independent, experienced board, one made even stronger by the recent addition of Phoebe Wood. In addition, we are led by a high-performing management team and driven by more than 12,000 dedicated professionals.

As we work together to create long-term value for you, we encourage you to review this Proxy Statement and vote your shares, and we invite you to join us at our Annual Meeting of Shareowners on Wednesday, May 16, at 9 a.m. at the PPL Center, 701 Hamilton Street, Allentown, Pa.

Thank you for the trust you have placed in us. We appreciate your continued support.

Sincerely,

William H. Spence

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PPL CORPORATION

Two North Ninth Street

Allentown, Pennsylvania 18101

Notice of Annual Meeting of Shareowners

Time and Date	9:00 a.m., Eastern Time, on Wednesday, May 16, 2018.
Place	PPL Center 701 Hamilton Street Allentown, Pennsylvania 18101
Items of Business	To elect ten directors, as listed in this Proxy Statement, for a term of one year. To conduct an advisory vote to approve the compensation of our named executive officers. To ratify the appointment of Deloitte & Touche LLP as the company s independent registered public accounting firm for the year ending December 31, 2018. To consider such other business as may properly come before the Annual Meeting and any adjournments or postponements thereof.
Record Date	You can vote if you were a shareowner of record on February 28, 2018.
Proxy Voting	Your vote is important. Please vote your shares by voting on the Internet or by telephone or by completing and returning your proxy card. For more details, see the information beginning on page 76.

On Behalf of the Board of Directors,

Joanne H. Raphael

Senior Vice President, General Counsel

and Corporate Secretary

April 4, 2018

Important Notice Regarding the Availability of Proxy

Materials for the Shareowner Meeting to Be Held on May 16, 2018:

This Proxy Statement and the Annual Report to Shareowners are available at

www.pplweb.com/PPLCorpProxy

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Proxy Summary

This summary highlights information found elsewhere in this proxy statement. It does not contain all of the information you should consider in voting your shares. Please refer to the complete proxy statement and 2017 Annual Report before you vote.

We first released this proxy statement and the accompanying proxy materials to shareowners on or about April 4, 2018.

This proxy statement and the Compensation Discussion and Analysis below contain references to earnings from ongoing operations of PPL. This is a measure of financial performance used by PPL, among other things, in making incentive compensation grants and awards to executive officers. It is not, however, a financial measure prescribed by generally accepted accounting principles, or GAAP. This non-GAAP financial measure adjusts net income (which is a GAAP financial measure) for certain special items. For a reconciliation of earnings from ongoing operations to net income, as well as a description and itemization of the special items used to derive earnings from ongoing operations, please see Annex A to this proxy statement.

Voting Matters and Board Voting Recommendations

Election of Directors ... *Page 4.*

Your Board recommends a vote FOR each nominee.

Management Proposals

Advisory vote to approve the compensation of our named executive officers ... *Page 23*.

Ratification of Deloitte & Touche LLP as independent auditor for 2018 ... *Page 71*.

Your Board recommends a vote FOR both proposals.

Performance Highlights for 2017

PPL delivered strong operational and financial results in 2017 while providing gas and electricity safely, reliably and affordably to more than 10 million customers in the U.S. and U.K.

We delivered on our earnings commitments to shareowners while increasing our dividend by 4 percent. This marked our 15th dividend increase in 16 years.

We continued to excel in customer service, delivering award-winning customer satisfaction while strengthening reliability. We invested more than $3.5 billion in the future as we worked to modernize the grid and advance a cleaner energy future. We published a Climate Assessment report, laid the groundwork for a goal announced in January 2018 to cut the company s carbon dioxide emissions 70 percent from 2010 levels by 2050 and contributed to an industry-led effort, with input from investors, to standardize sustainability-related metrics by the utility industry for its investors. PPL issued its 2016 Corporate Sustainability Report in May 2017 laying out our sustainability strategy and core commitments. We will continue to publish an annual Corporate Sustainability Report using the Global Reporting Initiative framework.

In addition, we maintained a strong balance sheet, investment grade credit ratings and strong cash flow as we positioned the company for long-term earnings growth and success.

Highest	$3.5 billion	$1 billion	Advanced
in customer satisfaction among U.K. utilities and winners of two J.D. Power awards for customer satisfaction in the U.S.	in infrastructure investment to make the grid smarter, more reliable and more resilient and to advance a cleaner energy future.	in dividends returned to shareowners.	PPL s sustainability disclosures by publishing a scenario-based Climate Assessment report.

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PROXY SUMMARY

Corporate Governance Highlights

Board elected annually, with majority vote in uncontested elections	Clear, effective process for shareowners to raise concerns to the Board	Key committees fully independent, with agendas driven by chairs
9 of 10 directors are fully independent	No supermajority voting provisions	Directors required to hold shares until they leave Board
Lead independent director	Proxy access implemented by Board in December 2015	Officers and directors prohibited from pledging/hedging PPL shares
Diverse Board; added independent director, Phoebe Wood, in 2018	Shareowner right to call a special meeting	Clawback policy in place

Director Nominees

Name	Age	Director Since	Principal Occupation	Independent	Committee Memberships(1)
Rodney C. Adkins	59	2014	President, 3RAM Group, LLC	X	AC, FC
John W. Conway	72	2000	Retired Chief Executive Officer, Crown Holdings, Inc.	Independent Lead Director	CGNC, EC, FC
Steven G. Elliott	71	2011	Retired Senior Vice Chairman, Bank of New York Mellon Corporation	X	AC, EC, FC
Raja Rajamannar	56	2011	Chief Marketing & Communications Officer, and President, Healthcare, MasterCard International Incorporated	X	AC, CGNC
Craig A. Rogerson	61	2005	Chairman, President and Chief Executive Officer, Hexion Inc.	X	AC, CGNC, EC
William H. Spence	61	2011	Chairman, President and Chief	Management	EC

			Executive Officer, PPL Corporation	Director	
Natica von Althann	67	2009	Former Senior Credit Risk Management Executive, Bank of America and former Chief Credit Officer, U.S. Trust	X	CGNC, EC, FC
Keith H. Williamson	65	2005	Executive Vice President, Secretary and General Counsel, Centene Corporation	X	AC, FC
Phoebe A. Wood	64	2018	Principal of CompaniesWood	X	CGNC
Armando Zagalo de Lima	59	2014	Retired Executive Vice President, Xerox Corporation	X	AC, FC

(1) Board Committees: AC Audit CGNC Compensation, Governance and Nominating EC Executive FC Finance

Executive Compensation Program

CEO s 2017 Target

Total Direct Compensation Mix

Overview

Our executive compensation program reflects the company s ongoing commitment to pay for performance. The compensation of our named executive officers, or NEOs, is aligned with our Corporate Strategic Framework, which links executive compensation with the interests of our shareowners. Over 59% of our NEOs compensation, and 72% of our CEO s compensation, is determined by short- and long-term company performance.

Pay for Performance

For 2017, performance-based compensation for the NEOs was primarily based on (1) earnings per share from ongoing operations, or EPS, (2) net income from ongoing operations of each business segment, (3) corporate and business segment operational goals, (4) relative total shareowner return, or TSR, and (5) corporate return on equity, or ROE. As a result of our shareowner engagement meetings, we added corporate operational goals and ROE to align with our commitment to shareowners to deliver earnings growth and shareowner value creation.

Performance in 2017 resulted in the following:

- Annual cash incentive awards ranging from 110.5% to 163.5% of target.
- Performance unit awards reflecting a payout of 25% of target for the 2015-2017 performance period.

Key Compensation Elements

Base Salary

Reviewed annually

Set to reflect performance, experience, responsibility and competitive market levels

Annual Cash Incentive

Awards range from 0% to 200% of target

Based on corporate and business segment financial and operational performance

Combination of corporate and segment performance for business segment leaders

Changes in 2017

Replaced the use of EBIT with operational goals from our business segments

Long-term Equity Incentives

Performance Units

Payable in stock

Payout range from 0% to 200% of target

Based on three-year TSR performance relative to the Philadelphia Stock Exchange Utility Index (UTY) (60% of long-term incentives (LTI))

Based on the average of PPL s annual corporate ROE for each year of a three-year performance period (20% of LTI)

Restricted Stock Units (20% of LTI)

Payable in stock

Restricted for three years from grant

Changes in 2017

- Eliminated performance-contingent restricted stock units that used backward-looking average of three-year EPS performance
- Added performance units based on a forward-looking corporate ROE
- Added time-vested restricted stock units

Other Elements

- Limited perquisites
- Retirement plans
- Deferred compensation plans

Our Commitment to Corporate Governance

Strong corporate governance practices are in place and are intended to drive results and support accountability to shareowners, as well as align interests of executive officers with those of shareowners.

What We Do	What We Don t Do
Conduct annual pay risk assessment	û No hedging or pledging of stock
Retain independent compensation consultant	û No dividend equivalents paid on unvested equity awards
Require significant equity ownership; increased CEO s required holdings from 5x to 6x base salary in 2017	û No tax gross-ups for NEO perquisites or in new change-in-control severance agreements
Adopted proxy access	û No single trigger change-in-control severance agreements
Adopted clawback policy	û No new participants in the SERP plans

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PROPOSAL 1: ELECTION OF DIRECTORS

What are you voting on? The Board of Directors is asking you to re-elect the ten director nominees listed below to hold office until the next Annual Meeting of Shareowners. Each nominee elected as a director will continue in office until his or her successor has been elected and qualified, or until his or her earlier death, resignation or retirement.

The Board of Directors has no reason to believe that any of the nominees will become unavailable for election. If, however, any nominee should become unavailable prior to the Annual Meeting, the accompanying proxy will be voted for the election of such other person as the Board of Directors may recommend in place of that nominee.

The proxies appointed by the Board of Directors intend to vote the proxy for the election of each of these nominees, unless you indicate otherwise on the proxy or ballot card.

The following pages contain biographical information about the nominees, as well as information concerning the particular experience, qualifications, attributes and/or skills that led the Compensation, Governance and Nominating Committee and the Board to determine that each nominee should serve as a director. In addition, a majority of our directors serve or have served on boards and board committees (including, in many cases, as committee chairs) of other public companies, which we believe provides them additional board leadership and governance experience, exposure to best practices, and substantial knowledge and skills that further enhance the functioning of our Board.

The table below summarizes, in no particular order, the primary experiences, qualifications and skills that our nominees for director bring to the Board.

Global Business Perspective	
Customer Relationships and Marketing	
Public Company Board Experience	
Regulated Industry	
Technology and Cybersecurity	
Finance and Accounting	
Risk Management	
Environmental	
CEO	

NOMINEES FOR DIRECTOR

RODNEY C. ADKINS	Board Committees:	Other Public Directorships:
Age: 59	Audit	Avnet, Inc.
	Finance	PayPal Holdings, Inc.
Director since: 2014		United Parcel Service, Inc.
		W.W. Grainger, Inc.
Independent Director		
		Former Public Directorships within the Last Five Years:
		Pitney Bowes Inc. (2007-2013)

Mr. Adkins is President of 3RAM Group, LLC, an investment, consulting and property management firm. He retired in December 2014 as a Senior Vice President of International Business Machines Corporation, or IBM, a globally integrated technology and consulting company. Until April 2014, Mr. Adkins served as Senior Vice President of Corporate Strategy at IBM. Prior to assuming that role in 2013, he was Senior Vice President of the Systems and Technology Group at IBM, a position he held since 2009, and was previously Senior Vice President of development and manufacturing for the Systems and Technology Group at IBM, a position he held since 2007. In his more than 33-year career with IBM, Mr. Adkins held a number of product management and executive roles, serving as general manager of Desktop PC, UNIX Systems and Pervasive Computing businesses.

Experience and Qualifications. Having served as a senior executive of a public technology company, Mr. Adkins provides critical insight to our Board in emerging technologies and services, global business operations and supply chain management.

JOHN W. CONWAY	Board Committees:	Other Public Directorships:

Age: 72	Compensation, Governance and Nominating	Crown Holdings, Inc.
Director since: 2000	Executive	
	Finance	
Independent Director		
Lead Director		

Mr. Conway retired from Crown Holdings, Inc. on December 31, 2015, having served as Chief Executive Officer since 2001 and as President from 2001 until March 2013. He continues to serve as a non-executive Chairman of the Board of Crown, a position he has held since 2001. Prior to 2001, he served as President and Chief Operating Officer of Crown. Crown is an international manufacturer of packaging products for consumer goods. Mr. Conway joined Crown in 1991 as a result of its acquisition of Continental Can International Corporation. Prior to 1991, he served as President of Continental Can and in various other management positions. Mr. Conway is the past Chairman of the Can Manufacturers Institute.

Experience and Qualifications. With years of demonstrated managerial ability as a chief executive officer and chief operating officer of a large global manufacturing company, Mr. Conway brings to our Board a wealth of knowledge regarding organizational and operational management, as well as board leadership experience, essential to a large public company.

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PROPOSAL 1: ELECTION OF DIRECTORS

STEVEN G. ELLIOTT	**Board Committees:**	**Other Public Directorships:**
Age: 71	Audit (Chair)	Huntington Bancshares Incorporated
	Executive	
Director since: 2011	Finance	**Former Public Directorships within the Last Five Years:**
Independent Director		AllianceBernstein Corporation (2011-2017)

Mr. Elliott is the retired Senior Vice Chairman of The Bank of New York Mellon Corporation, an investment management and investment servicing company. He served in that position from 1998 until his retirement in December 2010. He joined Mellon in 1987 as Executive Vice President and head of the finance department. He was named Chief Financial Officer in 1990, Vice Chairman in 1992 and Senior Vice Chairman in 1998. Before joining Mellon, he held senior officer positions at: First Commerce Corporation, New Orleans; Crocker National Bank, San Francisco; Continental Illinois National Bank, Chicago; and First Interstate Bank of California, Los Angeles.

Experience and Qualifications. With his long and distinguished career in the financial services industry, as well as his accounting background, Mr. Elliott brings to our Board a wealth of knowledge regarding organizational and operational management from a regulated industry perspective, as well as risk management expertise, essential to a large public company.

RAJA RAJAMANNAR	**Board Committees:**
Age: 56	Audit
	Compensation, Governance and Nominating
Director since: 2011	
Independent Director	

Mr. Rajamannar is the Chief Marketing & Communications Officer, and President, Healthcare, of MasterCard International Incorporated, a technology company in the global payments industry. Prior to assuming this role in January 2016, he served as Chief Marketing Officer since September of 2013, when he joined MasterCard. Before joining MasterCard, he served as the Executive Vice President, Senior Business, and Chief Transformation Officer of WellPoint, Inc., one of the nation s largest health benefits companies, from March 2012 until January 2013. Prior to joining WellPoint, he served as Senior Vice President & Chief Innovation and Marketing Officer for Humana Inc., a healthcare company that offers a wide range of insurance products and health and wellness services. He held that position from April 2009 until March 2012. Prior to joining Humana, Mr. Rajamannar had 24 years of global business management experience, including 15 years with Citigroup, the New York-based banking conglomerate. Prior to joining Citigroup in 1994, Mr. Rajamannar held marketing and sales positions at Unilever in India from 1988 to 1994 and was a senior product manager at Asian Paints Limited in India.

Experience and Qualifications. With years of demonstrated leadership and business experience in a variety of regulated industry and international positions, Mr. Rajamannar brings to our Board valuable insight into global organizational and operational management, as well as marketing experience and a keen understanding of technology issues, all of which are crucial to a large public company.

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PROPOSAL 1: ELECTION OF DIRECTORS

CRAIG A. ROGERSON	Board Committees:	Former Public Directorships within the Last Five Years:
Age: 61 **Director since:** 2005 **Independent Director**	Audit Compensation, Governance and Nominating (Chair) Executive	Chemtura Corporation (2008-2017)

Mr. Rogerson is Chairman, President and Chief Executive Officer of Hexion Inc., a position he has held since July 2017. Hexion is a global producer of thermoset resins as well as other chemical platforms serving a wide range of market applications. He is the former Chairman, President and Chief Executive Officer of Chemtura Corporation, a position he held from December 2008 until April, 2017. Chemtura was a global manufacturer and marketer of specialty chemicals, serving a broad spectrum of industrial markets until its acquisition by LANXESS Aktiengesellschaft in April 2017. Mr. Rogerson served as President, Chief Executive Officer and director of Hercules Incorporated from December 2003 until its acquisition by Ashland, Incorporated in November 2008. Hercules was a global manufacturer and marketer of specialty chemicals and related services for a broad range of business, consumer and industrial applications. Mr. Rogerson joined Hercules in 1979 and served in a number of management positions before leaving the company to serve as President and Chief Executive Officer of Wacker Silicones Corporation in 1997. In May 2000, Mr. Rogerson rejoined Hercules and was named President of its BetzDearborn Division in August 2000. Prior to being named CEO of Hercules in December 2003, Mr. Rogerson held a variety of senior management positions with the company. Mr. Rogerson serves on the boards of the American Chemistry Council and the Society of Chemical Industry, as well as the Pancreatic Cancer Action Network. He also serves on the Advisory Board of the Chemical Engineering & Materials Science College of Michigan State University.

Experience and Qualifications. With years of demonstrated managerial ability as a CEO of large global chemical manufacturing companies, Mr. Rogerson brings to our Board a wealth of knowledge of organizational and operational management, as well as board leadership experience, essential to a large public company.

WILLIAM H. SPENCE	Board Committees:	Other Public Directorships:

Age: 61	Executive (Chair)	The Williams Companies, Inc.

Director since: 2011

Management Director

Mr. Spence is Chairman, President and Chief Executive Officer of PPL Corporation. Prior to his current appointment as Chairman in April 2012, Mr. Spence was named Chief Executive Officer and appointed to the Board of Directors of PPL Corporation in November 2011, was named President and Chief Operating Officer in July 2011, and served as Executive Vice President and Chief Operating Officer since June 2006. Prior to joining PPL in June 2006, Mr. Spence had 19 years of service with Pepco Holdings, Inc. and its heritage companies, Delmarva Power and Conectiv, where he held a number of senior management positions.

Mr. Spence currently serves on the board of the Electric Power Research Institute, on the Executive Committee of the Edison Electric Institute (EEI) and as co-chairman of EEI s CEO Policy Committee on Reliability, Security and Business Continuity. He is a member of EEI s Finance and Environment and Climate CEO Policy Committees. He is also a member of EEI s Electricity Subsector Coordinating Council, which serves as the principal liaison between the federal government and the electric power sector to protect the grid from cyber and physical threats to critical infrastructure.

Experience and Qualifications. Having broad-ranging operating experience in the energy industry, Mr. Spence brings a full range of strategic and risk management expertise, a broad understanding of the issues facing a global business in the energy industry and an in-depth knowledge of the company s business and culture to the Board and the Chairman position.

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PROPOSAL 1: ELECTION OF DIRECTORS

NATICA VON ALTHANN	Board Committees:	Other Public Directorships:
Age: 67	Compensation, Governance and Nominating	FuelCell Energy, Inc.
Director since: 2009	Executive	
	Finance (Chair)	
Independent Director		

Ms. von Althann was a founding partner of C&A Advisors, a consulting firm in the areas of financial services and risk management, from 2009 until 2013. She retired in 2008 as the Senior Credit Risk Management Executive for Bank of America, and Chief Credit Officer of U.S. Trust, an investment management company. Prior to being appointed to the Bank of America position in 2007 after U.S. Trust was acquired by Bank of America, Ms. von Althann served as Chief Credit Officer of U.S. Trust since 2003. Prior to joining U.S. Trust in 2003, she served as managing director at IQ Venture Partners, an investment banking boutique. Previously, Ms. von Althann spent 26 years at Citigroup, including in a number of senior management roles. During her time at Citigroup, among other positions, she served as managing director and co-head of Citicorp s U.S. Telecommunications-Technology group, managing director and global industry head of the Retail and Apparel group and division executive and market region head for Latin America in the Citigroup private banking group. Ms. von Althann currently serves as a director of TD Bank US Holding Company and its two bank subsidiaries, TD Bank, N.A. and TD Bank USA, N.A.

Experience and Qualifications. With her extensive background in the banking industry, including operating responsibilities and senior management experience for international businesses, Ms. von Althann brings to our Board a wealth of knowledge regarding organizational and operational management from a regulated industry perspective, as well as financial and risk management expertise, essential to a large public company.

KEITH H. WILLIAMSON	Board Committees:
Age: 65	Audit
	Finance
Director since: 2005	

Independent Director

Mr. Williamson is Executive Vice President, Secretary and General Counsel of Centene Corporation. Prior to being promoted to this position in November 2012, he served as Senior Vice President, Secretary and General Counsel, a position he held since 2006. Centene Corporation is a provider of Medicaid-managed care and specialty healthcare services for under-insured and uninsured individuals. Mr. Williamson previously served as President of the Capital Services Division of Pitney Bowes Inc., a position he held from 1999 to 2006. Pitney Bowes is a global provider of integrated mail, messaging and document management solutions. He joined Pitney Bowes in 1988 and held a series of positions in the company s tax, finance and legal operations groups, including oversight of the treasury function and rating agency activity.

Experience and Qualifications. With years of demonstrated leadership and international business experience in a variety of industry positions with publicly traded companies, Mr. Williamson brings to our Board a combination of general business and finance experience, including from a regulated industry, which is crucial to a large public company.

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PROPOSAL 1: ELECTION OF DIRECTORS

PHOEBE A. WOOD	**Board Committees:**	**Other Public Directorships:**
Age: 64	Compensation, Governance and Nominating	Invesco Ltd. Leggett & Platt, Incorporated
Director since: 2018		Pioneer Natural Resources Company
Independent Director		**Former Public Directorships within the Last Five Years:**
		Coca-Cola Enterprises, Inc. (2010-2016)

Ms. Wood is principal of CompaniesWood, a consulting firm specializing in early stage investments, a position she has held since 2008. She is the former Vice Chairman and Chief Financial Officer of Brown-Forman Corporation, a diversified consumer products manufacturer, a position she held from 2006 to 2008. From 2001 to 2006, she served as Brown-Forman Corporation s Executive Vice President and Chief Financial Officer. Before joining Brown-Forman Corporation, Ms. Wood served as Vice President and Chief Financial Officer, and as a director, of Propel Corporation (a telecom subsidiary of Motorola, Inc.) from 2000 to 2001. Previously, Ms. Wood served in various financial management capacities during her almost 24-year tenure at Atlantic Richfield Company (now BP).

Experience and Qualifications. With her extensive experience as a financial executive, including in the energy industry, and board service with publicly traded companies in other industries, Ms. Wood brings to our Board a combination of general business, financial and risk management experience, essential to a large public company.

ARMANDO ZAGALO DE LIMA	**Board Committees:**
Age: 59	Audit

Finance

Director since: 2014

Independent Director

Mr. Zagalo de Lima retired in December 2015 as an Executive Vice President of Xerox Corporation, a position he held since February 2010. Xerox is a multinational enterprise for business process and document management. From January 2012 to July 2014, Mr. Zagalo de Lima also served as President of Xerox Technology and was responsible for engineering, product development, manufacturing, distribution, managed print services, sales channels and technical services to effectively manage and grow business on a global basis. From 2010 to 2012, he served as President of Global Customer Operations, responsible for worldwide sales, service and customer administration activities for Xerox s document technology, services and solutions. Prior to this role, Mr. Zagalo de Lima led Xerox Europe from 2001 to 2010, serving as Chief Operating Officer from 2001 to 2004, and then as President from 2004 to 2010, driving business activity in nearly 20 countries. He first joined Xerox in Portugal in 1983 and held sales, marketing and management positions across Europe.

Experience and Qualifications. Having served as a senior executive of a public technology company, Mr. Zagalo de Lima provides critical insight to our Board in emerging technologies and services and global business operations.

Vote Required for Approval. The affirmative vote of a majority of the votes cast, in person or by proxy, by all shareowners voting as a single class, is required to elect each director. For more information about voting, see General Information What vote is needed for these proposals to be adopted? beginning at page 78.

Your Board of Directors recommends that you vote FOR each nominee included in Proposal 1

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GOVERNANCE OF THE COMPANY

BOARD OF DIRECTORS

Attendance. The Board of Directors met six times during 2017. Each director attended at least 75% of the meetings held by the Board and the committees on which he or she served during the year. The average attendance of directors at Board and committee meetings held during 2017 was 95%. Directors are expected to attend all meetings of shareowners, the Board and the committees on which they serve. All of our directors serving during 2017 attended the 2017 Annual Meeting of Shareowners.

Independence of Directors. The Board has established guidelines to assist it in determining director independence, which conform to the independence requirements of the New York Stock Exchange, or NYSE, listing standards. In addition to applying these guidelines, which are available in the Corporate Governance section of our website (*www.pplweb.com/governance*), the Board considers all relevant facts and circumstances in making an independence determination, including transactions and relationships between each director or members of his or her immediate family and the company and its subsidiaries. The Board determined that the following nine directors, constituting all of PPL s non-employee directors, are independent from the company and management pursuant to its independence guidelines: Messrs. Adkins, Conway, Elliott, Rajamannar, Rogerson, Williamson and Zagalo de Lima, and Mses. von Althann and Wood.

Executive Sessions; Presiding and Lead Director. The independent directors meet in regular executive sessions during each Board meeting without management present. Mr. Conway serves as the presiding director in chairing these executive sessions and also serves as the independent lead director of the Board, as described more particularly in the following section.

Board Leadership Structure. The positions of Chairman and Chief Executive Officer, or CEO, are held by Mr. Spence. Mr. Conway serves as the independent lead director. The Board believes that the responsibilities delegated to the lead director are substantially similar to many of the functions typically fulfilled by a board chairman. The Board believes that its lead director position balances the need for effective and independent oversight of management with the need for strong, unified leadership. Mr. Conway is our longest serving director, and he has served with three different CEOs, as well as different management teams during his tenure, providing continuity and leadership to each CEO. In addition, PPL has been very active in strategic acquisitions and divestitures over the past decade. Having a lead director with Mr. Conway s institutional knowledge and proven track record has been instrumental in smoothly executing these strategic transactions. These transactions have also changed the composition of the PPL Board, and there has been significant and ongoing refreshment among our Board members. Maintaining an appropriate blend of seasoned and less tenured directors provides valuable perspectives when considering long-term strategy and decisions. Based on these facts and circumstances, the Board is confident that Mr. Conway continues to maintain his independence and brings a wealth of experience and unique perspective regarding changes to our company and within our industry.

Of our ten director nominees, only Mr. Spence is not independent from the company. All of our committees, with the exception of the Executive Committee on which Mr. Spence serves, are composed entirely of independent directors, and committee agendas are driven by the independent chairs through discussions with designated management liaisons. Each independent director is encouraged to, and does, regularly contact management with questions or suggestions for agenda items. The Board does not believe that the establishment of an independent chairman is necessary or recommended at the present time. The Board continues to have the right to separate those roles were it to determine that such a separation would be in the best interest of the company, its shareowners and other stakeholders.

The lead director serves in the following roles:

presides at all meetings of the Board at which the Chairman and CEO is not present, including executive sessions of the independent directors that occur at each Board meeting;

serves as an adviser to the Chairman and CEO, as well as a non-exclusive liaison between the independent directors and the Chairman and CEO;

periodically reviews or suggests meeting agendas and schedules for the Board and at least annually solicits suggestions from the Board on meeting topics, such as strategy, management performance and governance matters;

- has the authority to call meetings of the independent directors;
- responds to shareowner and other stakeholder questions that are directed to the presiding or lead director, as well as to the independent directors as a group; and
- fulfills such other responsibilities as the Board may from time to time request.

Board and Committee Evaluations. Each year, the Board and each committee, other than the Executive Committee, evaluate Board and committee performance. We use a director questionnaire to facilitate the annual evaluation of topics such as Board dynamics, Board and committee effectiveness and engagement, assessment of director performance, access to management, agenda requests and the like, encouraging a broad range of commentary from each director. Our Chairman and the Chair of the CGNC review the results and share them with the entire Board in executive session at the next Board meeting. Our Chairman also periodically meets individually with each Board member to seek additional input as to Board processes, strategy and other suggestions. While every Board member is encouraged to provide comments as to the structure and operation of Board committees, each committee conducts its own annual assessment as well.

Guidelines for Corporate Governance. The full text of our *Guidelines for Corporate Governance* can be found in the Corporate Governance section of our website (*www.pplweb.com/governance*).

Communications with the Board. Shareowners or other parties interested in communicating with the lead director, with the Board or any member of the Board or with the independent directors as a group may write to such person or persons at the following address:

c/o Corporate Secretary s Office

PPL Corporation

Two North Ninth Street

Allentown, Pennsylvania 18101

The Corporate Secretary s Office forwards all correspondence to the respective Board members, with the exception of commercial solicitations, advertisements or obvious junk mail. Concerns relating to accounting, internal controls or financial statement fraud are to be brought immediately to the attention of the Corporate Audit group and are handled in accordance with procedures established by the Audit Committee with respect to such matters.

Code of Ethics. We maintain a code of business conduct and ethics, our *Standards of Integrity,* which is applicable to all Board members and employees of the company and its subsidiaries, including the principal executive officer, the principal financial officer and the principal accounting officer of the company. You can find the full text of the *Standards of Integrity* in the Corporate Governance section of our website *(www.pplweb.com/governance)*.

Climate Assessment. At our 2017 Annual Meeting of Shareowners, a majority of our shareowners supported a shareowner proposal to publish an assessment of the potential impacts on PPL resulting from future requirements and technological advances aimed at limiting global warming to no more than 2° Celsius over pre-industrial levels. In August 2017, we committed to shareowners to prepare this scenario-based report. After meeting with our larger shareowners and the proponent of the proposal, PPL published its Climate Assessment report in November 2017, which can be found on our website at www.pplweb.com/investors/climate-assessment.

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GOVERNANCE OF THE COMPANY

BOARD COMMITTEES

The Board of Directors has four standing committees:

- Audit Committee;
- Compensation, Governance and Nominating Committee;
- Executive Committee; and
- Finance Committee.

Each non-employee director usually serves on one or more of these committees. All of our committees, with the exception of the Executive Committee, are composed entirely of independent directors. Each committee has a charter, all of which are available in the Corporate Governance section of the company s website (*www.pplweb.com/governance*).

The following table shows the directors who are currently members or chairs of each of the standing Board Committees and the number of meetings each committee held in 2017.

Board Committee Membership

Director		Audit	Compensation, Governance and Nominating	Executive	Finance
Rodney C. Adkins	**I**	X			X
John W. Conway	**I/LD**		X	X	X
Steven G. Elliott[(1)]	**I**	Chair		X	X
Raja Rajamannar[(1)]	**I**	X	X		
Craig A. Rogerson[(1)]	**I**	X	Chair	X	

William H. Spence				Chair	
Natica von Althann	**I**		X	X	Chair
Keith H. Williamson[(1)]	**I**	X			X
Phoebe A. Wood[(2)]	**I**		X		
Armando Zagalo de Lima[(1)]	**I**	X			X
Number of Meetings in 2017		**6**	**5**	**0**	**3**

I Independent Director **LD** Lead Director Chairman of the Board

(1) Designated as an audit committee financial expert as defined by the rules and regulations of the Securities and Exchange Commission, or SEC.

(2) Joined the Compensation, Governance and Nominating Committee on January 18, 2018.

Audit Committee. The primary function of the Audit Committee is to assist the Board in the oversight of:

- the integrity of the financial statements of the company and its subsidiaries;
- the effectiveness of the company s disclosure controls and procedures and internal control over financial reporting;
- the identification, assessment and management of risk;
- the company s compliance with legal and regulatory requirements and the company s compliance and ethics program;
- the independent registered public accounting firm s, or independent auditor s, qualifications, independence and selection; and
- the performance of the company s independent auditor and internal audit function.

The members of the Audit Committee are not employees of the company, and the Board of Directors has determined that each of its Audit Committee members has met the independence and expertise requirements of the NYSE, the rules of the SEC and the company s independence standards described under the heading Independence of Directors.

Compensation, Governance and Nominating Committee. The principal functions of the Compensation, Governance and Nominating Committee, or CGNC, are to:

- oversee corporate governance for the company;
- review management s succession planning;
- oversee the company s policies and practices to further its corporate citizenship, including sustainability, environmental and corporate social responsibility initiatives;
- establish and administer programs for evaluating the performance of Board members and committees;
- review and evaluate at least annually the performance of the CEO and other executive officers of the company, including setting goals and objectives, and to set their compensation, including incentive awards;
- review the fees and other compensation paid to outside directors for their services on the Board and its committees; and
- identify and recommend to the Board candidates for election to the Board.

All of the members of the CGNC are independent under the listing standards of the NYSE, including those rules applicable to board and committee service, and the company s standards of independence described under the heading Independence of Directors. In addition, each member of the CGNC is a non-employee director as defined in Rule 16b-3 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and is an outside director as defined under Section 162(m) of the Internal Revenue Code.

Compensation Processes and Procedures

Role of the Compensation, Governance and Nominating Committee

As part of its duties, there are a number of activities the CGNC undertakes each year in reviewing the operation and effectiveness of PPL s compensation programs. One of the primary roles of the CGNC is to approve the compensation of each of our executive officers, including the named executive officers, or NEOs, included in this proxy statement. The CGNC has the exclusive authority to grant equity awards to executive officers and delegates specified administrative functions to certain officers, including the CEO and the Chief Human Resources Officer, or CHRO. The CGNC has strategic and administrative responsibilities for our executive compensation arrangements, including the design of, and adoption of performance measures and award opportunities for, the executive incentive programs. The CGNC regularly reviews the company s executive compensation program and practices, monitors new rules and regulations and assesses evolving best practices concerning executive compensation and corporate governance. A key concern of the CGNC is to ensure that PPL compensates executive officers effectively and in a manner consistent with our stated compensation and corporate strategy.

The Chair of the CGNC determines the agenda for committee meetings, with the assistance of the CHRO, who serves as the liaison to the CGNC. Meetings of the CGNC are attended by a representative of Frederic W. Cook & Co., Inc., or FW Cook, the committee s independent compensation consultant, the CEO, the CHRO, the General Counsel and other representatives of management as appropriate. The CGNC regularly meets in executive session, without management present. The Chair reports the CGNC s actions to the Board after each committee meeting. Each year, the CGNC determines the elements of compensation and the financial and other measures to be used to measure performance for the upcoming year, as well as sets annual goals and targets for each executive officer, including the NEOs. The CGNC evaluates the performance and leadership of the CEO, seeking input from all independent directors, and reviews the performance of the other executive officers against their established goals and objectives. Based on these evaluations, the CGNC determines and approves the annual compensation of the executive officers.

GOVERNANCE OF THE COMPANY

Role of Advisers to the Committee

Independent Advisers. The CGNC has retained FW Cook as its independent compensation consultant since July 1, 2014. FW Cook provides additional information to the CGNC so that the CGNC can determine whether the company s executive compensation program is reasonable and consistent with competitive practices. A representative of FW Cook regularly participates in CGNC meetings, providing expertise and guidance as to executive compensation program design, market trends and best pay practices.

The CGNC regularly requests FW Cook to provide the following information and analyses:

- Utility Industry Executive Compensation Trends provides a report on current trends in utility industry executive compensation.

- Director Pay Analysis reviews the pay program for PPL s non-employee directors relative to a group of utility companies and to a broad spectrum of general industry companies.

- Executive Compensation Analysis provides a review of compensation for the executive officer positions at PPL, including each of the NEOs. This review includes information for both utility and general industry, and it results in a report on the compensation of executive officers and competitive market data. A detailed discussion of the competitive market comparison process is provided in the CD&A, beginning on page 24.

Annually, the CGNC requests that FW Cook present emerging issues and trends in executive compensation among the largest U.S. utilities at its July meeting and provide a detailed analysis of competitive pay levels and practices at its year-end meeting. The CGNC uses this analysis to provide a general understanding of current market practices when it assesses performance and considers salary levels and incentive awards at its January meeting following the conclusion of the performance year.

Additionally, management may request data analyses, market assessment or other information in order to assist in the administration of the executive compensation programs, including competitive analyses on new executive positions and recommendations that the CEO may make to the CGNC concerning executive compensation other than his own. For all matters, however, FW Cook reports to the CGNC rather than management.

Although the CGNC considers analysis and advice from its independent consultant when making compensation decisions for the CEO and other NEOs, it uses its own independent judgment in making final decisions concerning compensation paid to the executive officers. The CGNC has the full authority to retain and terminate the services of FW Cook.

The CGNC annually reviews and approves total expenditures paid to the independent compensation consultant. FW Cook and its affiliates did not provide any services to the company or any of the company s affiliates other than advising the CGNC on director and executive officer compensation during 2017. The CGNC evaluated whether any work provided by FW Cook raised any conflict of interest and determined that there was no conflict of interest.

Internal Advisers. The CGNC can seek the input of management to inform decision-making. Each year, senior management develops a strategic business plan, which includes recommendations on the proposed goals for the annual cash incentive and long-term incentive programs. The CGNC takes this into account when establishing and setting all incentive goals for executive officers.

The CGNC may choose to invite certain members of management to attend meetings or contribute written materials. Such individuals may review and comment on market compensation data, including the composition of market comparison groups and the description of comparable officer positions. They may also present proposals relating to the executive compensation program and policies for review and approval by the CGNC, including base salary, performance goals and goal weightings for short-term and long-term incentive awards, and the mix of compensation components for each executive officer. No individual is present when matters pertaining to their own compensation are being discussed, and neither the CEO nor any of the other executive officers discusses their own compensation with the CGNC or the CGNC s independent compensation consultant.

Director Nomination Process and Proxy Access

The CGNC establishes guidelines for new directors and evaluates director candidates. In considering candidates, the CGNC seeks individuals who possess strong personal and professional ethics, high standards of integrity and values, independence of thought and judgment and who have senior corporate leadership experience. The Board believes that prior business experience at a senior executive level is strongly desired, and it seeks candidates who have diverse experience relevant to serving on the Board, such as financial, operating, executive management and technology experience.

In addition, the CGNC seeks individuals who have a broad range of demonstrated abilities and accomplishments beyond corporate leadership. These abilities include the skill and expertise sufficient to provide sound and prudent guidance with respect to all of the company s operations and interests. While the CGNC does not have a formal diversity policy, in selecting a director nominee, the CGNC considers skills, expertise, background, professional experience, education, and other individual characteristics, such as race, gender and ethnicity, as well as a variety of attributes that contribute to the Board s collective strength. Finally, the CGNC seeks individuals who are capable of devoting the required amount of time to serve effectively, including preparation time and attendance at Board, committee and shareowner meetings.

Nominations for the election of directors may be made by the Board of Directors, the CGNC or any shareowner entitled to vote in the election of directors generally. The CGNC screens all candidates in the same manner regardless of the source of the recommendation. The CGNC s review is typically based on any written materials provided with respect to a candidate. The CGNC determines whether a candidate meets the company s general qualifications and specific qualities and skills sought at that time for directors and whether requesting additional information or an interview is appropriate.

When considering whether the Board s directors and nominees have the experience, qualifications, attributes and skills, taken as a whole, to enable the Board to satisfy its oversight responsibilities effectively in light of the company s business and structure, the Board focused primarily on the information discussed in each of the Board members biographical information set forth beginning on page 5, their past contributions to the company s success and their expected future engagement and contributions in furtherance of PPL s strategic goals. Ms. Wood was recommended by the CGNC after it considered a group of potential candidates provided by advisers of the company and utilized services from a third-party search firm in connection with her nomination.

If the CGNC or management identifies a need to add a new Board member to fulfill a special requirement or to fill a vacancy, the CGNC may retain a third-party search firm to identify a candidate or candidates. The CGNC also seeks prospective nominees through personal referrals and independent inquiries by directors. Once the CGNC has identified a prospective nominee, it generally requests the third-party search firm to gather additional information about the prospective nominee s background and experience. The CEO, the chair of the CGNC and other members of the CGNC, as well as additional directors, if available, then interview the prospective candidates in person. After completing the interview and evaluation process, which includes evaluating the prospective nominee against the standards and qualifications set out in the company s *Guidelines for Corporate Governance*, the CGNC makes a recommendation to the full Board as to the persons who should be nominated by the Board. The Board then votes on whether to approve the nominee after considering the recommendation and report of the CGNC.

The Board of Directors adopted proxy access in 2015. Pursuant to the Bylaws, a shareowner, or a group of up to 25 shareowners, owning 3% or more of PPL s outstanding common stock continuously for at least three years, may nominate, and include in PPL s proxy materials, directors constituting up to the greater of (1) 20% of the Board or (2) two directors, provided that the shareowner(s) and the nominee(s) satisfy the requirements specified in the Bylaws.

Shareowners interested in recommending nominees for directors should submit their recommendations in writing to:

Corporate Secretary

PPL Corporation

Two North Ninth Street

Allentown, Pennsylvania 18101

In order to be considered, we must generally receive nominations by shareowners at least 75 days prior to the 2019 Annual Meeting. In order to be included in our proxy statement under the proxy access provisions of our Bylaws, the nominations must be received by the company no earlier than November 5, 2018 and no later than December 5, 2018.

The nominations must also contain the information required by our Bylaws, such as the name and address of the shareowner making the nomination and of the proposed nominees and certain other information concerning the shareowner and the nominee. The exact procedures for making nominations are included in our Bylaws, which can be found at the Corporate Governance section of our website *(www.pplweb.com/governance)*.

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GOVERNANCE OF THE COMPANY

Succession Planning

CEO and Other Management Succession

At least annually, consistent with its charter, the CGNC reviews the company s plan for management succession, both in the ordinary course of business and in response to emergency situations, recognizing the importance of continuity of leadership to ensure a smooth transition for its employees, customers and shareowners. As part of this process, the CGNC reviews the top and emerging talent internally, their level of readiness and development needs. This process is conducted not only for the CEO position but also for other critical senior level positions in the company. The CGNC also reviews external successor candidates for the CEO position, with assistance periodically from an independent third-party consultant.

Lead Director Succession

Annually, the Chairman and the Chair of the CGNC also review Lead Director succession. The discussion covers key skills and competencies of the Lead Director position, the risk of loss of the current Lead Director, an assessment of the current board members relative to key skills and competencies and the identification of potential Lead Director successors. As part of the regular review of attributes and skills for any potential director candidate, they also consider possible qualification as a future Lead Director in the succession pipeline.

Compensation Committee Interlocks and Insider Participation. During 2017, none of the members of the CGNC was an officer or employee of the company, and no executive officer of PPL served on the compensation committee or board of any company while that company employed any member of the CGNC.

Executive Committee. During periods between Board meetings, the Executive Committee may exercise all of the powers of the Board of Directors, except that the Executive Committee may not elect directors, change the membership of or fill vacancies in the Executive Committee, fix the compensation of the directors, change the Bylaws or take any action restricted by the Pennsylvania Business Corporation Law or the Bylaws (including actions committed to another Board committee).

Finance Committee. The principal functions of the Finance Committee are:

- to review and approve annually the business plan (for not less than three years), which includes the annual financing plan, as well as the five-year capital expenditure plan for the company and its subsidiaries;

- to approve company financings, guarantees or other credit or liquidity support in excess of $100 million, to the extent not contemplated by the annual financing plan approved by the Finance Committee;

- to approve reductions of the outstanding securities of the company in excess of $100 million;

- to authorize capital expenditures in excess of $100 million;
- to authorize acquisitions and dispositions in excess of $100 million; and
- to review, approve and monitor the policies and practices of the company and its subsidiaries in managing financial risk.

All of the members of this committee are independent within the meaning of the listing standards of the NYSE and the company s standards of independence described above under the heading Independence of Directors.

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THE BOARD S ROLE IN RISK OVERSIGHT

The Board provides oversight of the company s risk management practices. The Board reviews material risks associated with the company s business plan as part of its consideration of the ongoing operations and strategic direction of the company. At meetings of the Board and its committees, directors receive periodic updates from management regarding risk management activities. Outside of formal meetings, the Board, its committees and individual Board members have full access to senior executives and other key employees, including the CEO, CFO, General Counsel, Global Chief Compliance Officer, Chief Information Security Officer, or CISO, Corporate Audit Vice President and Senior Director of Risk Management, or SDRM.

Each of the committees of the Board, other than the Executive Committee, reports regularly to the full Board on risk-related matters. The committees also oversee the management of material risks that fall within such committee s areas of responsibility. In performing this function, each committee has full access to management as well as the ability to engage advisers. The SDRM communicates key risks to the Audit and Finance Committees. This communication includes the identification of key risks and emerging risks and how these risks are being measured and managed.

A primary function of the Audit Committee is to assist the Board in its oversight of the identification and management of enterprise risk. More specifically, the Audit Committee is responsible for reviewing the company s process for identifying, assessing and managing business risks and exposures and discussing related guidelines and policies. The Audit Committee regularly reviews risk management activities related to the financial statements, legal and compliance matters, tax, information technology and other key areas. The Audit Committee also periodically meets in executive session with representatives from the company s independent registered public accounting firm, the CFO, the General Counsel, the Vice President and Controller, the Global Chief Compliance Officer and the Corporate Audit Vice President.

The Audit Committee also oversees the company s enterprise risk management process. The SDRM, who reports to the CFO, has responsibility for leading the company s enterprise risk management process. The company s Risk Management group, the CISO, the Corporate Audit group and the Compliance and Business Ethics group provide periodic reports to the Audit Committee or the full Board regarding key risk matters, including strategic, operational and cybersecurity risks. The Corporate Audit Vice President reports directly to the Audit Committee.

The Finance Committee is responsible for, among other items provided in its charter, reviewing, approving and monitoring the policies and practices to be followed by the company and its subsidiaries in managing financial risks, including market risk, credit risk, liquidity risk and currency risk. The company s internal Risk Management Committee is chaired by the SDRM. The Risk Management Committee and the SDRM serve at the direction of the Finance Committee to provide oversight of risk management activities related to foreign currency hedging and interest rate exposures, as well as monitoring the company s liquidity position and counterparty credit exposure.

The CGNC considers various risks including those related to the attraction and retention of talent, the design of compensation programs, succession planning, governance matters and the identification of qualified individuals to become board members. The CGNC reviews management s assessment of whether risks arising from the company s compensation policies and practices for all employees, including non-executive officers, are reasonably likely to have a material adverse effect on the company. The CGNC follows a risk assessment process that formally identifies and prioritizes compensation plan features that could induce excessive risk-taking, misstatement of financial results or fraudulent misconduct to enhance an employee s compensation and cause material harm to the company. Based on this detailed risk assessment process, the company has determined that any risks arising from its compensation policies and practices for its employees are not reasonably likely to have a material adverse effect on the company.

COMPENSATION OF DIRECTORS

Annual Retainer. Directors who are company employees do not receive any separate compensation for service on the Board of Directors or committees of the Board. During 2017, our non-employee directors received an annual retainer of $235,000, of which a minimum of $130,000 was mandatorily allocated in quarterly installments to each director s deferred stock account under the Directors Deferred Compensation Plan, or DDCP. The remaining $105,000 portion of the annual retainer was payable in cash in quarterly installments to each director, unless voluntarily deferred to his or her stock account or to his or her deferred cash account under the DDCP (as discussed below with respect to all retainers).

Each deferred stock unit represents the right to receive a share of PPL common stock and is fully vested upon grant but is not paid to the director until after retirement (as discussed below with respect to payments under the DDCP). Deferred stock units do not have voting rights, but accumulate quarterly dividend equivalents, which are reinvested in additional deferred stock units, which are also not paid to the director until retirement.

The CGNC assesses the compensation of directors annually and, if applicable, makes recommendations to the Board. As part of this assessment, FW Cook, the CGNC s independent compensation consultant, provides a Director Pay Analysis, which reviews the pay program for PPL s non-employee directors relative to a group of utility companies and to a broad spectrum of general industry companies. Effective January 1, 2018, the CGNC recommended, and the Board authorized, an increase in the annual retainer to $250,000 for all directors, of which $140,000 is mandatorily allocated to each director s deferred stock account. Prior to this change, director compensation had not been increased since January 2015.

Presiding Director Retainer. During 2017, the presiding director, who is also our independent lead director, received an additional annual cash retainer of $30,000, which was payable in quarterly installments unless voluntarily deferred under the DDCP.

Committee Chair Retainers. During 2017, the Audit Committee Chair received an additional annual cash retainer of $20,000, which was payable in quarterly installments unless voluntarily deferred under the DDCP. The CGNC Chair and the Finance Committee Chair each received an additional annual cash retainer of $15,000, which was payable in quarterly installments unless voluntarily deferred under the DDCP. Effective January 1, 2018, the Audit Committee Chair s annual cash retainer was increased to $25,000, while the annual cash retainer for the CGNC and Finance Committee Chairs was increased to $20,000.

Other Fees. PPL reimburses each director for usual and customary travel expenses. Directors are not paid meeting fees.

Directors Deferred Compensation Plan. Pursuant to the DDCP, non-employee directors may elect to defer all or any part of their fees or any retainer that is not part of the mandatory stock unit deferrals. Under this plan, directors can defer compensation other than the mandatory deferrals into a deferred cash account or the deferred stock account. The deferred cash account earns a return as if the funds had been invested in one or more of the core investment options offered to employees under the PPL Deferred Savings Plan at Fidelity Investments. These investment accounts include large, mid and small cap index and investment funds, international equity index funds, target date funds, bond funds and a stable value fund, with returns that ranged from 1.71% to 37.80% during 2017. Payment of the amounts allocated to a director s deferred cash account and accrued earnings, together with deferred stock units and accrued dividend equivalents, is deferred until after the director s retirement from the Board of Directors, at which time the deferred cash and stock is disbursed in one or more annual installments for a period of up to 10 years, as previously elected by the director.

Director Equity Ownership Guidelines. The Board requires directors to hold, within five years after their election to the Board, shares of company common stock (including deferred stock units held in the DDCP) with a value of at least five times the annual cash retainer fee. All directors who have been on the Board more than five years were in compliance with their equity ownership guidelines as of December 31, 2017. Messrs. Adkins and Zagalo de Lima and Ms. Wood, who have served on the Board less than five years, are currently on track to meet their equity ownership requirements.

The following table summarizes all compensation earned during 2017 by our non-employee directors with respect to Board of Directors and committee service.

2017 DIRECTOR COMPENSATION[1]

Name of Director	Fees Earned or Paid in Cash Paid in Cash[2]	Fees Earned or Paid in Cash Deferred into Restricted Stock Units[3]	Total	Stock Awards[4]	All Other Compensation[5]	Total
Rodney C. Adkins	$105,000		$105,000	$130,000	$10,000	$245,000
John W. Conway	135,000		135,000	130,000		265,000
Steven G. Elliott	125,000		125,000	130,000	10,000	265,000
Raja Rajamannar	105,000		105,000	130,000		235,000
Craig A. Rogerson	54,000	$ 66,000	120,000	130,000		250,000
Natica von Althann	120,000		120,000	130,000	4,500	254,500
Keith H. Williamson	105,000		105,000	130,000	10,000	245,000
Armando Zagalo de Lima		105,000	105,000	130,000		235,000

(1) Ms. Wood is not reflected in the table as she did not join the Board until January 18, 2018.

(2) This column reports the dollar amount of retainers either actually paid in cash or voluntarily deferred into cash accounts under the DDCP for Board and committee service by each director for 2017. The cash retainers for the committee chairs were: Mr. Elliott (Audit $20,000); Mr. Rogerson (CGNC $15,000); and Ms. von Althann (Finance $15,000). Mr. Conway received a $30,000 retainer for serving as the Lead Director.

(3) This column reports the dollar amount of retainers voluntarily deferred into deferred stock accounts under the DDCP.

(4) This column represents the grant date fair value of the mandatorily deferred portion of the annual retainer during 2017 as calculated under ASC Topic 718. The grant date fair value for the deferred stock units was calculated using the closing price of PPL common stock on the NYSE on the date of grant.

All deferred stock units held in each director s deferred stock account are vested. As of December 31, 2017, the aggregate number of deferred stock units (including dividend equivalents) held by each current non-employee director was as follows: Mr. Adkins 13,621; Mr. Conway 130,314; Mr. Elliott 33,053; Mr. Rajamannar 29,347; Mr. Rogerson 71,176; Ms. von Althann 37,679; Mr. Williamson 59,226; and Mr. Zagalo de Lima 25,284.

(5) This column reflects contributions made under our charitable matching gift program. Non-employee directors are eligible to participate in our charitable matching gift program on the same basis as employees. Under the program, PPL will contribute, on a 100% matching basis, up to $10,000 per year per person to specified charitable institutions.

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STOCK OWNERSHIP
DIRECTORS AND EXECUTIVE OFFICERS

All directors and executive officers as a group hold less than 1% of PPL s common stock. The table below shows the number of shares of our common stock beneficially owned as of March 9, 2018, by each of our directors and each NEO for whom compensation is disclosed in the Summary Compensation Table, as well as the number of shares beneficially owned by all of our director nominees and executive officers as a group. The table also includes information about stock options, restricted stock units granted to executive officers under the company s Incentive Compensation Plan, or ICP, the company s Incentive Compensation Plan for Key Employees, or ICPKE, as well as the company s 2012 Amended and Restated Stock Incentive Plan, or SIP, and stock units credited to the accounts of our directors under the DDCP.

Name	Shares of Common Stock Owned[1]
R. C. Adkins	14,941[2]
J. W. Conway	137,210[3]
G. N. Dudkin	64,612[4]
S. G. Elliott	34,623[2]
R. Rajamannar	30,869[2]
C. A. Rogerson	99,437[2]
V. Sorgi	179,083[5]
W. H. Spence	1,585,513[6]
V. A. Staffieri	67,788[7]
	38,177[8]

R. A. Symons	
N. von Althann	39,309(2)
K. H. Williamson	61,134(2)
P. A. Wood	909(2)
A. Zagalo de Lima	27,653(2)
All 18 executive officers and directors as a group	2,648,519(9)

(1) The number of shares owned includes: (a) shares directly owned by certain relatives with whom directors or officers share voting or investment power; (b) shares held of record individually by a director or officer or jointly with others or held in the name of a bank, broker or nominee for such individual s account; (c) shares in which certain directors or officers maintain exclusive or shared investment or voting power, whether or not the securities are held for their benefit; and (d) with respect to executive officers, shares held for their benefit by the Trustee under PPL s Employee Stock Ownership Plan, or ESOP.

(2) Consists of stock units credited to the director s deferred stock account under the DDCP.

(3) Includes 133,140 stock units credited to Mr. Conway s deferred stock account under the DDCP.

(4) Includes 40,972 restricted stock units.

(5) Includes 50,519 restricted stock units and 125,034 shares of common stock that may be acquired within 60 days upon the exercise of stock options granted under the ICP or SIP.

(6) Includes 246,769 restricted stock units and 1,217,353 shares of common stock that may be acquired within 60 days upon the exercise of stock options granted under the ICP and SIP. Also includes 12,824 shares held in an irrevocable trust for the benefit of Mr. Spence s wife and 28,262 shares held in an grantor retained annuity trust, both of which he disclaims beneficial ownership.

(7) Consists of 67,788 restricted stock units.

(8) Includes 30,528 restricted stock units.

(9) Includes 514,528 restricted stock units, 1,487,833 shares of common stock that may be acquired within 60 days upon the exercise of stock options granted under the ICP, ICPKE or the SIP, and 442,016 stock units credited to the directors deferred stock accounts under the DDCP.

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PRINCIPAL SHAREOWNERS

Based on filings made under Sections 13(d) and 13(g) of the Exchange Act, as of February 14, 2018, the only persons known by the company to be beneficial owners of more than 5% of PPL s common stock are:

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percent of Class
BlackRock, Inc.(1) 55 East 52nd Street New York, NY 10055	52,036,440	7.60%
The Vanguard Group, Inc.(2) 100 Vanguard Blvd. Malvern, PA 19355	50,341,910	7.31%

(1) Based solely on a review of the Schedule 13G/A filed by BlackRock, Inc. with the SEC on February 8, 2018. As reported on the Schedule 13G/A, as of December 31, 2017, BlackRock, Inc. beneficially owned, in the aggregate, 52,036,440 shares held by BlackRock (Luxembourg) S.A.; BlackRock (Netherlands) B.V.; BlackRock (Singapore) Limited; BlackRock Advisors (UK) Limited; BlackRock Advisors, LLC; BlackRock Asset Management Canada Limited; BlackRock Asset Management Deutschland AG; BlackRock Asset Management Ireland Limited; BlackRock Asset Management North Asia Limited; BlackRock Asset Management Schweiz AG; BlackRock Capital Management, Inc.; BlackRock Financial Management, Inc.; BlackRock Fund Advisors; BlackRock Fund Managers Limited; BlackRock Institutional Trust Company, National Association; BlackRock International Limited; BlackRock Investment Management (Australia) Limited; BlackRock Investment Management (UK) Limited; BlackRock Investment Management, LLC; BlackRock Japan Co., Ltd.; BlackRock Life Limited; FutureAdvisor, Inc. and iShares (DE) I Investmentaktiengesellschaft mit Teilgesellschaftsvermögen and had sole voting power over 46,125,113 shares and sole dispositive power over 52,036,440 shares.

(2) Based solely on a review of the Schedule 13G/A filed by The Vanguard Group with the SEC on February 9, 2018. As reported on the Schedule 13G/A, as of December 31, 2017, The Vanguard Group beneficially owned, in the aggregate, 50,341,910 shares held by the Vanguard Group and had sole voting power over 1,054,106 shares, shared voting power over 326,150 shares, shared dispositive power over 1,249,090 shares and sole dispositive power over 49,092,820 shares. The Vanguard Group reported that Vanguard Fiduciary Trust Company and Vanguard Investments Australia, Ltd., wholly owned subsidiaries of The Vanguard Group, Inc., are the beneficial

owners of 744,299 shares or 0.10% and 809,957 shares or 0.11%, respectively, of the common stock outstanding of the company as a result of its serving as investment manager of collective trust accounts and as investment manager of Australian investment offerings, respectively.

SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

To our knowledge, our directors and executive officers met all filing requirements under Section 16(a) of the Exchange Act during 2017.

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TRANSACTIONS WITH RELATED PERSONS

The Board of Directors has adopted a written related-person transaction policy to recognize the process the Board will use to identify potential conflicts of interest arising out of financial transactions, arrangements or relations between PPL and any related persons. This policy applies to any transaction or series of transactions in which PPL Corporation or a subsidiary is a participant, the amount exceeds $120,000 and a related person has a direct or indirect material interest. A related person includes not only the company s directors and executive officers, but others related to them by certain family relationships, as well as shareowners who own more than 5% of any class of PPL Corporation s voting securities.

Under the policy, each related-person transaction must be reviewed and approved or ratified by the disinterested independent members of the Board, other than any employment relationship or transaction involving an executive officer and any related compensation, which must be approved by the CGNC.

In connection with its review and approval or ratification of a related-person transaction, the Board, or the CGNC, as applicable, will consider the relevant facts and circumstances, including:

- the importance of the transaction both to PPL and to the related person;
- whether the transaction would likely impair the judgment of a director or executive officer to act in the best interest of PPL;
- whether the value and the terms of the transaction are substantially similar as compared to those of similar transactions previously entered into by PPL with non-related persons, if any; and
- any other matters that management or the disinterested directors deem appropriate.

In addition, in connection with any approval or ratification of a related-person transaction involving a non-employee director or nominee for director, the CGNC will consider whether such transaction would compromise such director s status as: (1) an independent director under the NYSE Listing Standards, including those rules applicable to board and committee service, and PPL s categorical independence standards, (2) an outside director under Section 162(m) of the Internal Revenue Code or a non-employee director under Rule 16b-3 under the Exchange Act if such non-employee director serves on the CGNC, or (3) an independent director under Rule 10A-3 under the Exchange Act if such non-employee director serves on the Audit Committee of the Board.

We collect information about potential related-person transactions in annual questionnaires completed by directors and executive officers. We also review any payments made by the company or its subsidiaries to each director and executive officer and their immediate family members, and to or from those companies that either employ a director or an immediate family member of any director or executive officer. In addition, we review any payments made by the company or its subsidiaries to, or any payments received by the company and its subsidiaries from, any shareowner who owns more than 5% of any class of PPL Corporation s voting securities. The company s Office of General Counsel determines whether a transaction requires review by the Board or the CGNC. Transactions that fall within the definition of the policy are reported to the Board or the CGNC. The disinterested independent members of the Board, or the CGNC, as applicable, review and consider the relevant facts and circumstances and determine whether to approve, deny or ratify the related-person transaction.

BlackRock, Inc. filed an amended Schedule 13G in February 2018, stating that it holds 7.6% of PPL s common stock. As a result of beneficially owning more than 5% of PPL s common stock, BlackRock is currently considered a related person under PPL s related-person transaction policy. After conducting a review of any relationships between BlackRock and its subsidiaries and our company and its subsidiaries, the company determined that the company invests its short-term cash overnight in money market funds managed by BlackRock Institutional Management Corporation, which received fees in the amount of about $5,000 during 2017. A subsidiary of the company also invested in a liquidity fund managed by a BlackRock affiliate, which received fees of approximately $5,200 during 2017. In addition, several affiliates of BlackRock provided asset management investment services for the company s U.S. retirement plan trust and several of the company s pension trusts in the U.K., which are separate from the company and are managed by independent trustees. In addition to the fees paid by these pension trusts, affiliates made payments of approximately $322,000 to several smaller pension trusts. These relationships were reviewed and ratified by the Board in compliance with the company s related-person transaction policy.

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EXECUTIVE COMPENSATION

PROPOSAL 2: ADVISORY VOTE TO APPROVE COMPENSATION OF THE NAMED EXECUTIVE OFFICERS

What are you voting on? The Board of Directors is asking you to vote, in an advisory manner, to approve the 2017 compensation of our named executive officers, or NEOs, as described on pages 24-70. The company currently intends to hold such votes on an annual basis.

The Board recommends a vote **FOR** this proposal, because it believes our compensation policies and practices are effective in achieving their objectives to:

- Drive the executive team to produce superior, sustainable financial and operating results.
- Support strategic initiatives that increase value for shareowners.
- Align compensation effectively with short- and long-term shareowner interests.
- Attract and retain talented and experienced individuals.

Our executive compensation program reflects the company s ongoing commitment to pay for performance. Our NEOs compensation is aligned with the interests of shareowners and is linked to short- and long-term company performance. For 2017, performance-based compensation for the NEOs was primarily based on (1) earnings per share from ongoing operations, or EPS, (2) net income from ongoing operations of each business segment, (3) corporate and business segment operational goals, (4) relative total shareowner return, or TSR, and (5) corporate return on equity, or ROE. As a result of our shareowner engagement meetings, we added corporate operational goals and ROE to align with our commitment to shareowners to deliver earnings growth and shareowner value creation. At least 59% of each NEO s compensation is at-risk performance-based pay.

In considering your vote, you may wish to review the information on PPL s compensation policies and decisions regarding the NEOs presented in the Compensation Discussion and Analysis and Executive Compensation Tables beginning on page 24, as well as the discussion regarding Compensation Processes and Procedures beginning on page 13.

Although the results of the vote are non-binding and advisory in nature, the Board values the opinions of our shareowners and will consider the outcome of the vote when making future decisions on the compensation of our NEOs and about our executive compensation program. In addition, the company is required at least once every six years to submit to shareowners the question of how frequently the company is required to seek shareowner approval of executive compensation. We currently expect the next shareowner vote on frequency to occur at our 2023 Annual Meeting of Shareowners.

The Board of Directors recommends approval of the following resolution:

RESOLVED, that the compensation paid to the company s named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is approved.

Vote Required for Approval. The affirmative vote of a majority of the votes cast, in person or by proxy, by all shareowners voting as a single class, is required to approve the 2017 compensation of our NEOs.

Your Board of Directors recommends that you vote FOR Proposal 2

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EXECUTIVE COMPENSATION

COMPENSATION COMMITTEE REPORT

The Compensation, Governance and Nominating Committee, or CGNC, has reviewed the following Compensation Discussion and Analysis (CD&A) and discussed it with management.

Based on its review and discussions with management, the CGNC recommended to the Board that the CD&A be incorporated by reference into the company s Annual Report on Form 10-K for the year ended December 31, 2017 and included in this Proxy Statement.

Compensation, Governance and Nominating Committee

Craig A. Rogerson, Chair

John W. Conway

Raja Rajamannar

Natica von Althann

Phoebe A. Wood

COMPENSATION DISCUSSION AND ANALYSIS (CD&A)

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EXECUTIVE COMPENSATION

NAMED EXECUTIVE OFFICERS

For 2017, our named executive officers, or NEOs, were:

Named Executive Officer	Title
W. H. Spence	Chairman, President and Chief Executive Officer (CEO)
V. Sorgi	Senior Vice President and Chief Financial Officer (CFO)
V. A. Staffieri	Chairman of the Board and Chief Executive Officer of LG&E and KU Energy LLC (LKE)
R. A. Symons	Chief Executive of Western Power Distribution (WPD)
G. N. Dudkin	President of PPL Electric Utilities Corporation (PPL Electric)

The 2017 compensation of these NEOs is explained in the following sections and in the Summary Compensation Table that follows this CD&A.

2017 PERFORMANCE ACHIEVEMENTS AND PAY ALIGNMENT

An Overview of 2017 Performance

PPL continued to deliver on its commitments to shareowners and customers in 2017 as the company pursued its strategy for long-term growth and success.

We delivered power safely, reliably and affordably to more than 10 million customers, a central focus of PPL s mission. We provided award-winning customer service and strengthened reliability. And with an eye toward the future, we invested $3.5 billion in infrastructure improvements across our three regulated business segments.

At the same time, we delivered on key financial commitments to shareowners. We achieved the high end of our earnings from ongoing operations forecast range. We also increased our dividend to shareowners by 4 percent, our 15th increase in 16 years.

While the company delivered strong operational performance in 2017, political and regulatory uncertainty in the U.K. affected our stock price in the second half of the year. This included uncertainty over whether U.K. utility regulator, the Office of Gas and Electricity Markets, or Ofgem, will conduct a mid-period review of revenues set for U.K. distribution network operators, or DNOs, under the current eight-year price control period RIIO-ED1. In addition, there is uncertainty over the potential framework Ofgem could develop to replace RIIO-ED1 in April 2023 and whether changes could result in lower returns on equity for DNOs. Apart from these factors, uncertainty over potential negative impacts of tax reform on regulated utilities also affected the broader utility sector.

We continue to believe that PPL s WPD business in the U.K. is well positioned for long-term success under the RIIO regulatory model and that the U.K. remains a premium regulatory jurisdiction.

Additional highlights from PPL s 2017 performance are noted below under the key elements of PPL s strategy for long-term growth and success. That strategy is simple: drive best-in-sector operational performance, invest responsibly in a sustainable energy future, maintain a strong financial foundation, and engage and develop our people.

Drive best-in-sector operational performance

We received J.D. Power awards for residential customer satisfaction at PPL Electric Utilities Corporation, or PPL Electric, and Kentucky Utilities Company, or KU. PPL Electric ranked highest among large utilities in the East region, while KU ranked highest among mid-sized utilities in the Midwest. Louisville Gas and Electric Company, or LG&E, finished second to KU.

We excelled at customer service in the U.K., with WPD finishing the 2016/2017 regulatory year as the top-performing DNO group in Ofgem s broad measure of customer satisfaction. WPD was once again rated best at engaging stakeholders and addressing vulnerable customers. We also received the U.K. Government s Customer Service Excellence Award for the 25th consecutive year.

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EXECUTIVE COMPENSATION

Across our utilities, we strengthened reliability for the customers who count on us each day, reducing outage frequency at our U.K. and U.S. operations, while also reducing outage duration at PPL Electric, LG&E and KU. PPL Electric had its best year ever for reliability. These improvements reflect our continued efforts to make the grid more reliable and resilient, to incorporate new technology that allows us to respond more quickly, and to trim trees around our power lines.

Invest responsibly in a sustainable energy future

During 2017, we continued to reinvest in our business in ways that grow value for shareowners and improve service to customers. We executed on more than $3.5 billion in infrastructure investments to modernize the grid and advance a cleaner energy future. This included more than $1 billion in investment at each of our regulated business segments.

In Pennsylvania, we installed nearly 600,000 advanced meters as part of a multi-year project to install 1.4 million new meters. The advanced meters will give customers more usage information, enable us to more quickly detect and respond to power outages, and deliver additional customer benefits. PPL Electric also continued to expand and reinforce its transmission system, completing four substations and adding or rebuilding 110 miles of transmission lines. Additionally, we continued to add more smart-grid devices to enhance our already robust distribution automation capabilities.

In Kentucky, we completed a multi-year 540-mile gas main replacement project in Louisville, replacing cast iron, wrought iron and bare steel natural gas pipelines, which are more vulnerable to degradation over time, with more durable plastic natural gas pipelines. We also made progress on nearly $1 billion in environmental upgrades as part of a five-year project to cap and close ash ponds at our coal-fired power plants.

In the U.K., we implemented our asset replacement and fault management plans while taking steps to support a low-carbon future. We advanced nearly two dozen research and development projects to help networks increase adoption of distributed energy resources. We also secured stakeholder feedback on a comprehensive strategy to transition WPD from a passive network manager to a distribution system operator, or DSO. As a DSO, WPD will enable utilization of more distributed energy resources through innovative solutions and additional smart grid technology.

We continued to assess risks and opportunities associated with climate change through a robust enterprise risk management process and integrated resource planning. In November, we published a Climate Assessment report that can be found online at www.pplweb.com/investors/climate-assessment. We participated in an Edison Electric Institute pilot to develop a consistent environmental, social and governance reporting template for our industry. We also laid the groundwork for a goal announced in January 2018 to cut the company s carbon dioxide emissions

70 percent from 2010 levels by 2050.

Maintain a strong financial foundation

We maintained a solid balance sheet and investment-grade credit ratings, and generated strong cash flow. In addition, we updated our business plan to address the impacts of the December 2017 U.S. tax reform.

In 2017, we increased our annualized common stock dividend 4 percent from $1.52 to $1.58 per share.

In Kentucky, we received approval from the Kentucky Public Service Commission for a combined $116 million increase in annual base electricity and gas rates for LG&E and KU to support continued infrastructure investment.

In the 2016/2017 regulatory year, WPD s strong performance earned £75 million in incentive revenues (approximately 80 percent of the maximum potential reward) that will be collected in the 2018/2019 rates.

Engage and develop our people

From apprentices to lineman trainees to leaders at all levels throughout the business, we continued to invest in, and develop, our workforce of over 12,000 employees.

We received a perfect score of 100 percent on the Human Rights Campaign Foundation s Corporate Equality Index, a national benchmarking survey and report on corporate policies and practices relating to lesbian, gay, bisexual and transgender workplace.

We were recognized by Forbes magazine as one of America s best employers.

PPL s strong 2017 results continue to demonstrate our management team s firm commitment to increasing value for shareowners in both the short-term and long-term as we continue to make a positive contribution to society. This focus is supported by a well-designed executive compensation program and a pay-for-performance culture.

Our 2017 performance achievements resulted in:

Annual cash incentive awards ranging from 110.5% to 163.5% of target.

Performance unit awards, reflecting a payout of 25% of target for the 2015-2017 performance period.

For more information, see 2017 Named Executive Officer Compensation beginning on page 33.

2017 Say-on-Pay Advisory Vote and Shareowner Engagement

The CGNC considered the results of the last shareowner advisory vote on executive compensation when reviewing potential changes to PPL s executive compensation program. PPL received a favorable shareowner vote of over 94% in support of the compensation of our NEOs in response to our say-on-pay proposal at the company s 2017 Annual Meeting.

We have a long-standing practice of engaging with our shareowners on various matters of interest to them, and it is our practice to reach out to any shareowner who submits a proposal. In the fall of 2017, we continued our engagement efforts, including participation by the independent Chair of the CGNC, by conducting a focused outreach to our larger shareowners to seek their views on our executive compensation program, as well as our corporate governance practices. After assessing feedback received from shareowners during outreach efforts in 2015 and 2016, the CGNC removed the use of earnings per share from ongoing operations, or EPS, and the performance-contingent restricted stock units in its long-term equity incentive program to eliminate duplication of EPS as a metric in both the annual cash incentive and long-term equity incentives. The CGNC also adopted operational goals to replace EBIT for our corporate and business segments as a metric in the annual cash incentive, on the basis that operational goals will drive and support our long-term strategy. To further align compensation with the company s strategy, the CGNC also added corporate return on equity, or ROE, as a performance metric for 2017 long-term incentive grants, based on a forward-looking, three-year performance period.

Aligning Employees and Compensation Strategies with Our Corporate Strategic Framework

PPL s corporate strategic framework provides the basis for determining annual and longer-term performance goals and objectives under our executive compensation program.

EXECUTIVE COMPENSATION

The performance goals that PPL has established reinforce the core features of our operational mission: reliability and safety. We believe success occurs through achieving operational excellence, as well as workforce readiness and engagement. If we are effective in these areas, our underlying performance should increase shareowner value. Our executive compensation program is structured to reward our executives for performance toward these goals.

Although PPL operations are now fully regulated, the company continues to operate in multiple regulatory environments that can and do vary significantly by region. To align our NEOs actions with the company s overall goals, NEO performance objectives are focused on enterprise-wide metrics that measure the financial performance of PPL, as well as financial and operational metrics for its largest business segments, providing direct alignment to our goal of increasing shareowner value.

How We Align PPL s Compensation Programs with Performance

For 2017, performance-based compensation for the NEOs was primarily based on (1) EPS, (2) net income from ongoing operations of each business segment, (3) corporate and business segment operational goals, (4) relative TSR, and (5) corporate ROE. As a result of our shareowner engagement meetings, we added corporate operational goals and ROE to align with our commitment to shareowners to deliver earnings growth and shareowner value creation.

The balance of measures is given careful consideration, with a view to our short-term and longer-term strategic goals, while focusing on areas most within management s control. Earnings are central to our business strategy and a primary focus of the investment community. Consequently, EPS performance measures have historically been, and continue to be, central to the compensation program for our NEOs. In our experience, EPS is the primary measure by which our shareowners and market analysts assess PPL s performance, and accountability for strong EPS performance primarily falls on PPL s executive officers, especially our CEO and CFO. Management actions with respect to financing and tax strategy, capital investment and our revenue models drive EPS. In addition to EPS, our business segment heads are also expected to meet their business segment s net income goals. For 2017, all NEOs were also compensated based on achievement of operational goals at each business segment.

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To supplement the internal assessment of performance provided by the financial goals with respect to our annual cash incentive awards, relative TSR and corporate ROE are used for certain equity-based awards, further aligning executives interests with the long-term interests of shareowners. This approach provides an objective assessment of how the market is responding to our current and potential operational performance in comparison to our peers, which is correlated to market performance.

	How We Define It	Where We Use It
PPL Corporation EPS	Earnings per share from ongoing operations See Annex A for a reconciliation of financial measures presented in accordance with GAAP to non-GAAP measures used for compensation	Portion of Annual Cash Incentive
Corporate Operational Goals	Operational goals of LKE, WPD and PPL Electric weighted for each business segment (see page 36 for a description of the goals and the respective weighting)	Portion of Annual Cash Incentive
Business Segment Net Income	Net income from ongoing operations of each business segment	Portion of Annual Cash Incentive for each business segment
Business Segment Operational Goals	Operational goals for each of LKE, WPD and PPL Electric (see page 37 for a description of the goals for each business segment)	Portion of Annual Cash Incentive for each business segment
TSR	Total shareowner return, which is a combination of share price appreciation and reinvested dividends	Performance Units Portion of long-term incentive, or LTI, compensation

	Performance assessed relative to the Philadelphia Stock Exchange Utility Index, or UTY index	
ROE	Corporate Return on Equity, which is the average of PPL Corporation s annual corporate ROE for each year of the three-year performance period	Performance Units Portion of LTI compensation

Further information about the targets that apply to specific awards for each NEO is set out in 2017 Named Executive Officer Compensation beginning on page 33 of this CD&A.

A substantial portion of NEO compensation is delivered in the form of equity, and our senior executives are subject to significant Equity Ownership Guidelines as described on page 44. These practices further reinforce our commitment to create shareowner value by directly linking NEO compensation to share price appreciation and sustainable long-term growth.

2017 Pay and Performance

The PPL compensation framework places a heavy emphasis on at-risk performance-based pay through the use of annual and long-term performance-based compensation elements. In 2017, 72% of the CEO s target compensation opportunity was at-risk performance-based pay. For the CFO, this percentage was 63%, and the average for the other NEOs was 59%.

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EXECUTIVE COMPENSATION

The following charts illustrate the 2017 elements of compensation divided among base salary, annual cash incentive target opportunity and the total long-term incentive target opportunity.

Elements of Compensation as a Percentage of Target Total Direct Compensation 2017[1]

(1) Based on target award levels as a percentage of target total direct compensation for performance during 2017. Performance-contingent restricted stock unit awards granted in February 2017 were awarded based on performance for 2014-2016, and the analysis of those awards was included in the CD&A of the proxy statement filed in 2017, which reflected 2016 compensation, and are not included in this CD&A. Values, however, for the performance-contingent restricted stock unit awards granted in February 2017 are included in the Summary Compensation Table in this proxy statement.

(2) Includes the positions of the Chairman and Chief Executive Officer of LKE, the Chief Executive of WPD and the President of PPL Electric.

OVERVIEW OF PPL S EXECUTIVE COMPENSATION PROGRAM FRAMEWORK

Our executive compensation program reflects PPL s ongoing commitment to pay-for-performance, with executive compensation aligned to shareowner interests and linked to short- and long-term company performance. As illustrated in the previous section, at least 59% of our NEOs compensation is at-risk and directly linked to the financial performance of PPL.

Process for Setting Executive Compensation

As part of its duties, there are a number of activities the CGNC undertakes each year in reviewing the operation and effectiveness of the executive compensation program.

Below in this section, we provide additional information on two critical aspects of this process: the way in which the CGNC uses market data to inform decisions on executive officer compensation and the process by which targets are set under the incentive plans.

The Use of Market Data

The CGNC uses market compensation data as one of several criteria when reviewing individual NEO compensation levels. The CGNC believes that the *Willis Towers Watson CDB Energy Services Executive Compensation Survey* and the *Willis Towers Watson General Industry Executive Compensation Survey* are appropriate market references because they reflect both general industry and, more specifically, the energy industry. The market data were size-adjusted to appropriately reflect our size. Furthermore, survey data provides a large sample size resulting in more consistent and reliable market comparisons. The CGNC also uses information on pay practices from a select group of industry comparators, which includes public utilities with revenue, market capitalization and enterprise value that are approximately one-third to three times those of PPL. For Mr. Symons, the CGNC considers U.K.-based compensation data compiled by FIT Remuneration Consultants, including utility companies within the Financial Times Stock Exchange 100 Index.

Although the survey participants can vary slightly from year to year, the large nature of the samples minimizes the risk this change could distort general market trends. Frederic W. Cook & Co., Inc., or FW Cook, the CGNC s independent compensation consultant, conducted an executive market assessment and presented market findings to the CGNC. For 2017 compensation decisions for our NEOs, the CGNC considered these compensation data points.

Establishing Performance Targets

Each year, the CGNC reviews and sets the performance targets that apply to incentive awards. This process is particularly important in seeking to ensure alignment between pay and performance over short- and long-term periods.

In setting the PPL Corporation EPS performance target for compensation purposes, the CGNC reviews comprehensive data and systematically assesses PPL s targets by considering:

- PPL s historical performance;
- Historical performance within the industry; and
- PPL s earnings forecasts for the coming year.

In setting the targets for the business segments, the CGNC considers historical business segment performance and segment business plans that support PPL s earnings forecasts for the coming year, as well as key operational metrics to support our strategy of providing energy reliably, safely and at a reasonable cost to our customers and to achieve best-in-sector returns for our shareowners. These data are used with a view to setting goals that are appropriately challenging and competitive within the industry. The targets for the 2017 awards were reviewed during the first quarter of 2017 and are summarized beginning on page 34.

Changes to the Compensation Program for 2017

Effective for the 2017 compensation period, the CGNC reviewed the metrics used in evaluating executives compensation. As discussed further below, the CGNC:

- Removed the use of EPS in long-term equity incentives (the performance-contingent restricted stock units) to eliminate duplication of EPS as a metric in both the annual cash incentive and long-term equity incentives. The last grant of performance-contingent restricted stock units was made in January 2017 for the 2014 through 2016 performance period.

- Replaced EBIT as a metric in the annual cash incentive with business segment operational goals, including metrics for customer service, reliability, capital expenditure deployment and commercial availability. The CGNC made this change in recognition that operational goals are expected to drive and support PPL s long-term strategy.

- Increased Mr. Spence s equity guideline multiple for maintaining ownership in PPL stock from five to six times base salary.

- Changed the long-term equity incentive mix for 2017 and added performance units based on corporate ROE, representing 20% of the long-term incentives, and measured on a forward-looking, three-year performance period

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EXECUTIVE COMPENSATION

in order to further align executive compensation with the company s strategy. The CGNC also added time-based restricted stock units, representing 20% of the long-term incentives, as a means of retention and creating an incentive for executives to continue to increase share value, while limiting the complexity of our executive compensation. Beginning in 2017, all of our equity grants are forward-looking and 80% performance-based. As a result, the long-term equity incentive program changed for the 2017 performance year to the following mix:

Elements of NEO Compensation

The executive compensation program is composed of three key elements base salary, an annual cash incentive and long-term equity incentives which make up total direct compensation.

Compensation Element	Purpose	Features	Performance Measures and Time Horizon
Base Salary	To reward sustained performance, experience, value in the market and to PPL, and individual skills, knowledge and behaviors	Reviewed annually with any changes effective in January CGNC applies judgment in setting salary to reflect performance, experience and responsibility, and considers market data	Review of individual performance and market position
Annual Cash Incentive	To motivate and reward corporate performance over the short term	Paid in cash Combination of corporate and business segment financial and operational performance Capped at two times target payout for top performance	Financial measures, which include PPL EPS and business segment net income, and business segment operational goals One-year performance period

Compensation Element	Purpose	Features	Performance Measures and Time Horizon
Long-term Equity Incentives			
Performance Units Based on TSR and ROE	To align shareowner and executive interests and to drive sustainable growth over the long term	Vests between 0% to 200% of target payout, subject to certification of performance at the end of the three-year performance period Payable in shares of PPL common stock Dividends accrue quarterly, but are not paid unless and until underlying award vests Represents 80% of the total long-term equity incentive opportunity	60% relative TSR, using the UTY index 20% corporate ROE; average of the annual ROE for each year of the PPL performance period Three-year performance period
Restricted Stock Units	To align shareowner and executive interests while rewarding and encouraging retention	Payable in shares of PPL common stock Dividends accrue quarterly, but are not paid unless and until underlying award vests Restricted for three years from date of grant Represents 20% of the total long-term equity incentive opportunity	Time based Restricted for three years following grant

In addition, the NEOs receive modest perquisites, such as executive physical, financial planning, tax preparation services and matching contributions. **Read more** in the Other Elements of Compensation section on page 41.

2017 NAMED EXECUTIVE OFFICER COMPENSATION

Base Salary

Each year, the CGNC reviews base salary in the context of responsibilities, experience, value in the market and to PPL, sustained individual performance and internal parity to determine whether an executive s base salary will be increased. In reaching a decision, the CGNC reviews market compensation data and whether each executive s current salary is competitive.

In the first quarter of 2017, the CGNC approved base salary increases ranging from 0% to 4.8%, with an average increase for the NEOs of 2.8%, as follows:

Named Executive Officer	2016 Year-End Salary	2017 Salary	% Change
W. H. Spence	$1,155,688	$1,184,580	2.5%
V. Sorgi	$525,000	$550,000	4.8%
V. A. Staffieri	$811,220	$811,220	0.0%
R. A. Symons	£564,775	£582,000	3.0%
G. N. Dudkin	$525,412	$545,000	3.7%

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EXECUTIVE COMPENSATION

With respect to individual base salary decisions, the following points are noted:

- Mr. Spence s base salary was increased to recognize his performance. For 2018, Mr. Spence did not receive an increase in his base salary.

- Mr. Sorgi s base salary was increased to bring his salary to a more competitive level and in recognition of his performance.

- Mr. Staffieri s base salary was not increased because it was determined that his base salary at that time was market competitive.

- Mr. Symons base salary was increased to recognize his outstanding leadership in light of WPD s performance.

- Mr. Dudkin s base salary was increased to bring his compensation to a more competitive level aligned with his performance and experience in the position.

2017 Annual Cash Incentive Awards

The annual cash incentive awards, which were made under the shareowner-approved Short-term Incentive Plan, measure and reward performance against the company s financial goals for the year. The measures used to assess management s success in executing the company s strategy and initiatives were EPS, corporate operational goals that include all three business segments weighted for the corporate goal, business segment net income and business segment operational goals. These align with our goals of increasing shareowner value and were set and communicated to the NEOs in the first quarter of 2017.

When the CGNC set target EPS performance goals for 2017 compensation, it considered that the company projected lower 2017 earnings than 2016 earnings. In August of 2016, the company announced lower earnings growth projections in light of the U.K. s decision to leave the European Union and the resulting weakening of the British pound sterling exchange rates. The company updated its business plans and monetized existing 2017 and 2018 foreign currency hedges, capturing approximately $310 million in value. Monetizing these hedges led the company to remark its future earnings projections using then-current market rates, which resulted in projected 2017 earnings being lower than 2016 earnings. As a result, the company provided a lower 2017 guidance range of $2.05 to $2.25 per share for PPL, which the CGNC considered when it set target EPS performance goals for 2017 compensation.

In summary, the performance measures for 2017 were as follows:

2017 PPL Cash Incentive Goal Weighting				
	Financial Performance		Operational Performance	
Named Executive Officer	Corporate	Business Segment	Corporate	Business Segment
W. H. Spence	80%		20%	
V. Sorgi	80%		20%	
V. A. Staffieri	40%	40%	10%	10%
R. A. Symons	40%	40%	10%	10%
G. N. Dudkin	40%	40%	10%	10%

2017 PPL Corporate Financial Performance

EPS

EPS in 2017 for the purposes of compensation was $2.25, which was between the target and 150% payout levels of $2.15 and $2.26, respectively.

Therefore, the percent of target opportunity earned in relation to PPL s EPS was **145.45% of target**.

No annual cash incentive award would have been made to NEOs for 2017 if the EPS from ongoing operations had been below $2.04.

2017 PPL Business Segment Financial Performance

LKE V. A. Staffieri

Net Income

Target ongoing net income for the year was $433.32 million.

LKE ongoing net income for the year was $425.4 million, which was between the target and minimum payout levels.

The percent of target opportunity earned for the LKE ongoing net income was **79.41% of target**.

WPD R. A. Symons

Net Income

Target ongoing net income for the year was £671.67 million.

WPD ongoing net income for the year was £746.67 million, which was above the maximum payout level.

The percent of target opportunity earned for the WPD ongoing net income was **200% of target**.

PPL Electric G. N. Dudkin

Net Income

Target ongoing net income for the year was $346.78 million.

PPL Electric ongoing net income for the year was $348.98 million, which was between the target and maximum payout levels.

The percent of target opportunity earned for the PPL Electric ongoing net income was **106.66% of target**.

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EXECUTIVE COMPENSATION

2017 PPL Corporate Operational Performance

Goal Summary Statement	Target	Actual Results	Attainment Score	Goal Weight	Goal Score	Corporate Weight	Corporate Goal Score
LKE							
Achieve the Customer Satisfaction Rating target	18	26	133.33%	50%	66.67%		
Achieve the Reliability System Average Interruption Duration Index (SAIDI) goal target	93.20	75.41	200.00%	25%	50.00%		
Achieve the Commercial Availability goal target	0.930	0.936	130.00%	25%	32.50%		
				Total for LKE	**149.17%**	**26%**	**38.78%**
WPD							
Achieve the Operational Incentive Revenues (Stakeholder Engagement, Customer Minutes Lost, Customer Interruptions, Customer Satisfaction) goal target (in millions)	£78.08	£74.29	51.15%	100%	51.15%		
				Total for WPD	**51.15%**	**52%**	**26.60%**
PPL Electric							

Achieve the Transmission Plant in Service (PIS) Capex goal target (in millions)	$ 251.00	$335.00	132.80%	25%	33.20%		
Achieve the Distribution Smart Meter PIS Capex goal target (in millions)	$66.00	$72.00	115.40%	25%	28.85%		
Achieve the Customer Satisfaction Rating target	85	87	150.00%	25%	37.50%		
Achieve the Reliability Non-storm System Average Interruption Frequency Index (SAIFI) goal target	68	60	200.00%	25%	50.00%		
Total for PPL Electric					**149.55%**	**22%**	**32.90%**
Total Weighted Corporate Operational Performance							**98.28%**

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EXECUTIVE COMPENSATION

2017 PPL Business Segment Operational Performance					
Goal Summary Statement	**Target**	**Actual Results**	**Attainment Score**	**Goal Weight**	**Goal Score**
LKE					
Achieve the ongoing LKE Net Income goal target (in millions)	$ 433.32	$425.40	79.41%	60%	47.65%
Achieve the Customer Satisfaction Rating target	18	26	133.33%	20%	26.67%
Achieve the Reliability System Average Interruption Duration Index (SAIDI) goal target	93.20	75.41	200.00%	10%	20.00%
Achieve the Commercial Availability goal target	0.930	0.936	130.00%	10%	13.00%
	Total Operational Performance for LKE				**107.32%**
WPD					
Achieve the ongoing WPD Net Income goal target (in millions)	£ 671.67	£746.67	200.00%	60%	120.00%
Achieve the Operational Incentive Revenues (Stakeholder Engagement, Customer Minutes Lost, Customer Interruptions, Customer Satisfaction) goal target (in millions)	£78.08	£74.29	51.14%	30%	15.34%
Achieve Safety goal target	88.0	63.4	200.00%	10%	20.00%

Total Operational Performance for WPD	**155.34%**

PPL Electric

Achieve the ongoing PPL Electric Net Income goal target (in millions)	$ 346.78	$348.98	106.66%	60%	63.99%
Achieve the Transmission Plant in Service (PIS) Capex goal target (in millions)	$ 251.00	$335.00	132.80%	10%	13.28%
Achieve the Distribution Smart Meter PIS Capex goal target (in millions)	$66.00	$72.00	115.40%	10%	11.54%
Achieve the Customer Satisfaction Rating target	85	87	150.00%	10%	15.00%
Achieve the Reliability Non-Storm System Average Interruption Frequency Index (SAIFI) goal target	68	60	200.00%	10%	20.00%
Total Operational Performance for PPL Electric					**123.81%**

LKE s System Average Interruption Duration Index (SAIDI) and PPL Electric s System Average Interruption Frequency Index (SAIFI) are industry-recognized metrics used to measure reliability by electric power utilities. Both SAIDI and SAIFI are metrics that are benchmarked externally.

LKE and PPL Electric s Customer Satisfaction metrics are used to reflect how well we serve our customers. Customer Satisfaction metrics are benchmarked externally and adjusted annually, based on prior performance, to ensure continued improvement.

LKE s Commercial Availability is the measurement of a unit s potential to meet infinite market demand. Targets are set using historical company results in a manner to drive optimal business performance.

WPD s Operational Incentive Revenues goal includes five elements: (1) customer interruptions/customer minutes lost, (2) broad measure customer satisfaction survey, (3) stakeholder engagement, (4) time to connect, and (5) incentive on connection engagement. Performance against these external metrics results in revenue from WPD s regulator, Ofgem.

WPD maintains an ongoing and continuous improvement in its safety performance by setting annual targets for health and safety.

PPL Electric s Plant in Service (PIS) metrics are measures of the value created based on the timing of placement in service of new assets that in turn provide value to the customer and company. These measurements correlate more directly to actual revenue. Targets are set based upon the approved Business Plan.

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EXECUTIVE COMPENSATION

Individual Annual Cash Incentive Awards for 2017 Performance

The following annual incentive awards were approved by the CGNC for 2017 performance:

Named Executive Officer	Weight x Goal Results: Financial Performance		Weight x Goal Results: Operational Performance		2017 Earned Award
	Corporate	Business Segment	Corporate	Business Segment	
W. H. Spence	80% x 145.45%		20% x 98.28%		136.02%
V. Sorgi	80% x 145.45%		20% x 98.28%		136.02%
V. A. Staffieri	40% x 145.45%	40% x 79.41%	10% x 98.28%	10% x 107.32%	110.51%
R. A. Symons	40% x 145.45%	40% x 200.00%	10% x 98.28%	10% x 155.34%	163.54%

G. N. Dudkin	40% x 145.45%	40% x 106.66%	10% x 98.28%	10% x 123.81%	123.05%

This resulted in the following annual cash incentive awards approved for the NEOs:

Named Executive Officer	2017 Base Salary	Target Opportunity (% of Base Salary)	2017 Earned Award	2017 Annual Cash Incentive Award
W. H. Spence	$1,184,580	140%	136.02%	$2,255,772
V. Sorgi	$550,000	80%	136.02%	$598,488
V. A. Staffieri	$811,220			