PPL Corp
Form DEF 14A
April 05, 2017

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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,

I am pleased to invite you to PPL Corporation s Annual Meeting of Shareowners on Wednesday, May 17, at 9 a.m. at the Kentucky Center for the Performing Arts, Bomhard Theater, 501 West Main Street, Louisville, Kentucky.

As we come together for this year s meeting, I am proud to say that the state of your company is strong.

Our seven high-performing utilities in the U.S. and U.K. remain among the top performers for customer satisfaction in the regions they serve. Our portfolio of companies is diverse geographically, demographically and from a regulatory standpoint. Our reputation with regulators is strong. We maintain an outstanding track record of execution. And our financial position is sound, with a strong balance sheet, investment-grade credit ratings and strong cash flow.

In addition, we have a low-risk, transparent plan to deliver competitive, sustainable earnings and dividend growth for shareowners and significant benefits for customers. As part of that plan, we expect to invest $16 billion in infrastructure and technology through 2021 this after investing more than $15 billion since 2012. Our investments will focus on building a smarter, more secure energy grid, incorporating new technology and advancing a cleaner energy future.

Looking back, 2016 marked a very successful year for PPL, one in which per-share reported earnings increased 176 percent, reflecting the 2015 spinoff of our competitive generation business. We grew per-share earnings from ongoing operations 11 percent and delivered on more than $3 billion of planned capital improvements. We also responded decisively to negative market reaction after the U.K. s Brexit vote to leave the European Union, taking steps to preserve shareowner value by minimizing future foreign currency risks. Our actions solidified PPL s competitive earnings and dividend growth strategy.

Looking ahead, we are focused on long-term growth and value creation for our shareowners, and our priorities are simple: Deliver industry-leading customer service and reliability. Invest responsibly in a sustainable energy future. Execute flawlessly. Maintain a strong financial foundation. And engage and develop our people.

As we pursue this strategy, we are guided by a highly qualified, diverse and experienced Board of Directors, a talented management team, a dedicated workforce and a strong corporate governance program focused on the best interests of our shareowners. Together, I am proud of what we have been able to achieve, and I look forward to the opportunities ahead.

On behalf of our Board of Directors, I encourage you to vote your shares, and I thank you for your continued investment in PPL.

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 17, 2017.
Place	The Kentucky Center for the Performing Arts Bomhard Theater 501 West Main Street Louisville, KY 40202
Items of Business	To elect nine 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 conduct an advisory vote on the frequency of future executive compensation votes. To approve the Amended and Restated 2012 Stock Incentive Plan. To ratify the appointment of Deloitte & Touche LLP as the company s independent registered public accounting firm for the year ending December 31, 2017. To consider one shareowner proposal, if properly presented.

	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, 2017.
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 85.

On Behalf of the Board of Directors,

Joanne H. Raphael

Senior Vice President, General Counsel

and Corporate Secretary

April 5, 2017

Important Notice Regarding the Availability of Proxy

Materials for the Shareowner Meeting to Be Held on May 17, 2017:

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 2016 Annual Report before you vote.

We first released this proxy statement and the accompanying proxy materials to shareowners on or about April 5, 2017.

This proxy statement and the Compensation Discussion and Analysis below contain references to earnings from ongoing operations, EBIT, EBITDA and ongoing net income of PPL. These are measures of financial performance used by PPL, among other things, in making incentive compensation grants and awards to executive officers. These, however, are not financial measures prescribed by generally accepted accounting principles, or GAAP. These non-GAAP financial measures adjust 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 compensation of our named executive officers... *Page 23*.
- Advisory vote to approve frequency of future executive compensation votes... *Page 24*.
- Approval of the Amended and Restated 2012 Stock Incentive Plan... *Page 71*.
- Ratification of Deloitte & Touche LLP as independent auditor for 2017... *Page 79*.

Your Board recommends a vote FOR all four proposals.

Shareowner Proposal *Beginning on Page 82.*

û **Your Board recommends a vote AGAINST this proposal.**

Performance Highlights for 2016

PPL Corporation demonstrated the strength of its diverse portfolio of regulated utilities in 2016. We exceeded the high end of our 2016 reported earnings forecast range and delivered at the high end of our earnings from ongoing operations forecast range. All of our U.S. and U.K. utilities delivered or exceeded expected results.

We excelled in customer service, delivering award-winning customer satisfaction and strong reliability for our customers. We continued to make major investments in infrastructure to build a smarter, stronger and more secure energy grid and to advance a cleaner energy future. We increased our dividend for the 14th time in 15 years. And we maintained a strong balance sheet, investment grade credit ratings and strong cash flow.

As a result of PPL s 2016 performance, we believe we are well-positioned to deliver 5 to 6 percent annual earnings growth from 2017 to 2020 and targeted dividend growth of 4 percent per year through the end of the decade.

176%	11%	$3 billion	Highest	$1 billion
increase in reported (GAAP) earnings per share (reflecting the 2015 spinoff of our competitive generation business).	increase in earnings per share from ongoing operations.	in infrastructure investment to improve reliability.	in customer satisfaction among U.K. utilities and winners of J.D. Power awards at each of our U.S. utilities.	in dividends returned to shareowners.

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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
8 of 9 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	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	58	2014	President, 3RAM Group, LLC	X	AC, FC
John W. Conway	71	2000	Retired Chief Executive Officer, Crown Holdings, Inc.	Independent Lead Director	CGNC, EC, FC
Steven G. Elliott	70	2011	Retired Senior Vice Chairman, Bank of New York Mellon Corporation	X	AC, EC, FC
Raja Rajamannar	55	2011	Chief Marketing & Communications Officer, and President, Healthcare, MasterCard International Incorporated	X	AC, CGNC
Craig A. Rogerson	60	2005	Chairman, President and Chief Executive Officer, Chemtura Corporation	X	AC, CGNC, EC
William H. Spence	60	2011	Chairman, President and Chief Executive Officer, PPL Corporation	Management Director	EC

Natica von Althann	66	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	64	2005	Executive Vice President, Secretary and General Counsel, Centene Corporation	X	AC, FC
Armando Zagalo de Lima	58	2014	Retired Executive Vice President, Xerox Corporation	X	AC, FC

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

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Executive Compensation Program

CEO s 2016 Targeted

Total 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 70% of our NEOs compensation, and 85% of our CEO s compensation, is determined by short- and long-term company performance.

Pay for Performance

Our primary compensation metrics for 2016 were EPS, EBIT and relative TSR, which reflected internal and external measures of shareowner value creation and are more fully described on page 30. By using EPS and EBIT, our program balances executive officers primary accountability for strong EPS performance and the more general operational profitability across the company.

Performance in 2016 resulted in the following awards:

- Annual cash incentive awards ranging from 138.6% to 161.7% of target.

- Performance-Contingent Restricted Stock Unit awards for the 2014 2016 performance period being granted at a value of 144% of target.

Performance Unit awards for the 2014-2016 performance period paying out at 62% of target.

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 financial performance

Combination of corporate and segment performance for business segment leaders

Changes for 2017

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

Long-term Equity Incentives

Performance-Contingent Restricted Stock Units

Payable in stock

Award grant value based on three-year EPS performance

Restricted for three years from grant

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)

Changes for 2017

Eliminating Performance-Contingent Restricted Stock Units

Adding Performance Units based on a forward-looking corporate return on equity, or ROE

Adding 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 for 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 nine 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
CEO

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NOMINEES FOR DIRECTORS

RODNEY C. ADKINS	Board Committees:	Other Public Directorships:
Age: 58	Audit	Avnet, Inc.
	Finance	United Parcel Service, Inc.
Director since: 2014		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: 71	Compensation, Governance and Nominating	Crown Holdings, Inc.
	Executive	
Director since: 2000	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 Holdings, a position he has held since 2001. Prior to 2001, he served as President and Chief Operating Officer. 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 of 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: 70	Audit (Chair)	AllianceBernstein Corporation
	Executive	Huntington Bancshares Incorporated
Director since: 2011	Finance	
Independent Director		

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 of organizational and operational management from a regulated industry, as well as risk management expertise, essential to a large public company.

RAJA RAJAMANNAR	Board Committees:
Age: 55	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 is crucial to a large public company.

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PROPOSAL 1: ELECTION OF DIRECTORS

CRAIG A. ROGERSON	**Board Committees:**	**Other Public Directorships:**
Age: 60	Audit	Chemtura Corporation
Director since: 2005	Compensation, Governance and Nominating (Chair)	
	Executive	

Independent Director

Mr. Rogerson is Chairman, President and Chief Executive Officer of Chemtura Corporation, a position he has held since December 2008. Chemtura is a global manufacturer and marketer of specialty chemicals, serving a broad spectrum of industrial markets. 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:**
	Executive (Chair)	The Williams Companies, Inc.

Age: 60

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 of 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 is currently serving on the board of the Electric Power Research Institute. He also serves as a member of the Executive Committee of the Edison Electric Institute (EEI) and as co-chairman of EEI s CEO Policy Committee on Reliability 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: 66	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 June 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 of organizational and operational management from a regulated industry, as well as financial and risk management expertise, essential to a large public company.

KEITH H. WILLIAMSON	Board Committees:
Age: 64	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 since 1999. 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, 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

ARMANDO ZAGALO DE LIMA

Board Committees:

Audit

Finance

Age: 58

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 87.

Your Board of Directors recommends that you vote FOR Proposal 1

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GOVERNANCE OF THE COMPANY

BOARD OF DIRECTORS

Attendance. The Board of Directors met seven times during 2016. 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 2016 was 96%. Directors are expected to attend all meetings of shareowners, the Board and the committees on which they serve. All of our directors attended the 2016 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/Independence-Standards-July2009*), 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 eight 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 Ms. von Althann.

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 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 nine 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 the 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 either 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, evaluates 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 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/Guidelines)*.

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 auditing matters are to be brought immediately to the attention of the company s Corporate Audit and Business Ethics 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 are 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* in the Corporate Governance section of our website *(www.pplweb.com/Standards-of-Integrity).*

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GOVERNANCE OF THE COMPANY

BOARD COMMITTEES

The Board of Directors has four standing committees:

- the Audit Committee;
- the Compensation, Governance and Nominating Committee;
- the Executive Committee; and
- the 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/board-committees)*.

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 2016.

Board Committee Membership

Director		Audit	Compensation, Governance and Nominating	Executive	Finance
Rodney C. Adkins[1]	**I**	X			X
John W. Conway	**I/LD**		X	X	X
Steven G. Elliott[2]	**I**	Chair		X	X
Raja Rajamannar	**I**	X	X		
Craig A. Rogerson	**I**	X	Chair	X	

William H. Spence				Chair	
Natica von Althann	I		X	X	Chair
Keith H. Williamson	I	X			X
Armando Zagalo de Lima[3]	I	X			X
Number of Meetings in 2016		**7**	**5**	**1**	**6**

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

[1] Joined the Finance Committee on January 1, 2016.

[2] Designated as an audit committee financial expert as defined by the rules and regulations of the Securities and Exchange Commission, or SEC.

[3] Joined the Audit Committee on January 1, 2016.

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

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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 above 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:

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 management s succession planning;

review the fees and other compensation paid to outside directors for their services on the Board and its committees;

establish and administer programs for evaluating the performance of Board members and committees;

oversee corporate governance for the company; 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 above 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 for 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 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 representatives 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.

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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. Representatives of FW Cook regularly participate 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 32.

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 2016. 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 an annual 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 individuals 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

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 company believes

that prior business experience at a senior executive level is 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. The CGNC believes that, while diversity and variety of experiences and viewpoints represented on the board should always be considered, a director nominee should not be chosen solely or largely because of race, color, gender, national origin or sexual orientation or identity. Therefore, the Board does not have a formal diversity policy. In selecting a director nominee, the CGNC focuses on skills, expertise or background that would complement the existing board, recognizing that the company s businesses and operations are diverse and global in nature. Our directors come from diverse backgrounds including from the industrial, energy, financial, non-profit, healthcare and technology sectors. 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 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. In particular, in connection with the nominations of each director for election as directors at the 2017 Annual Meeting of Shareowners, the Board considered their contributions to the company s success during their previous years of Board service.

Proxy Access

The Board of Directors of PPL approved amendments to PPL s Bylaws, effective December 18, 2015, to adopt proxy access. 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.

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, 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.

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 2018 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 later than December 6, 2017 and no earlier than November 6, 2017.

GOVERNANCE OF THE COMPANY

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/Bylaws).*

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 2016, 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 periodically 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, Corporate Audit and Business Ethics 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 with the exception of financial risk management, which is overseen by the Finance Committee. 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 and Business Ethics 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 and Corporate Audit and Business Ethics department provide periodic reports to the Audit Committee and the full Board regarding key risk matters. The Corporate Audit and Business Ethics 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, the issuance of corporate debt, and buying and selling electricity and gas commodities, 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.

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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 2016, 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 and other fees).

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.

Presiding Director Retainer. During 2016, 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 2016, 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. Each other committee chair received an additional annual cash retainer of $15,000, which was payable in quarterly installments unless voluntarily deferred under the DDCP.

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

No increases in director compensation were authorized for 2017.

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 23.53% during 2016. The brokerage account option that is available to employees is not available to directors. For 2016, one director elected to defer a portion of his cash retainer into a deferred cash account and a portion into a deferred stock account, and one director elected to defer all of his cash retainer into a deferred stock account. 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, 2016. Messrs. Adkins and Zagalo de Lima, who have served on the Board less than five years, are currently on track to meet their equity ownership requirements.

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The following table summarizes all compensation earned during 2016 by our non-employee directors with respect to Board of Directors and committee service.

2016 DIRECTOR COMPENSATION

	Fees Earned or Paid in Cash					
		Deferred into				
Name of Director	Paid in Cash[1]	Restricted Stock Units[2]	Total	Stock Awards[3]	All Other Compensation[4]	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	2,400	252,400
Keith H. Williamson	105,000		105,000	130,000		235,000
Armando Zagalo de Lima		105,000	105,000	130,000		235,000

(1) 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 2016. 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. Mr. Rogerson voluntarily deferred $54,000 of his retainer into the deferred cash account under the DDCP.

(2) This column reports the dollar amount of retainers voluntarily deferred into deferred stock accounts under the DDCP. The following directors voluntarily deferred a portion or all of their retainers into the deferred stock account under the DDCP: Mr. Rogerson $66,000; and Mr. Zagalo de Lima $105,000.

(3) This column represents the grant date fair value of the mandatorily deferred portion of the annual retainer during 2016 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, 2016, the aggregate number of deferred stock units (including dividend equivalents) held by each current non-employee

director was as follows: Mr. Adkins 9,607; Mr. Conway 121,457; Mr. Elliott 28,243; Mr. Rajamannar 24,679; Mr. Rogerson 63,021; Ms. von Althann 32,666; Mr. Williamson 53,319; and Mr. Zagalo de Lima 18,003.

(4) 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 6, 2017, 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, stock units, 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 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	10,669(2)
J. W. Conway	127,665(3)
G. N. Dudkin	86,322(4)
S. G. Elliott	29,502(2)
R. J. Grey	129,742(5)
R. Rajamannar	25,910(2)
C. A. Rogerson	65,165(2)
V. Sorgi	191,465(6)
W. H. Spence	1,642,127(7)
V. A. Staffieri	84,273(8)
R. A. Symons	48,065(9)
N. von Althann	33,986(2)
K. H. Williamson	54,869(2)
A. Zagalo de Lima	19,927(2)
All 17 executive officers and directors as a group	2,764,316(10)

(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 123,769 stock units credited to Mr. Conway s deferred stock account under the DDCP.

(4) Includes 62,686 restricted stock units.

(5) Includes 129,742 shares of common stock that may be acquired within 60 days upon the exercise of stock options granted under the ICP.

(6) Includes 55,132 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.

(7) Includes 303,950 restricted stock units and 1,294,772 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 of which he disclaims beneficial ownership.

(8) Includes 84,273 restricted stock units.

(9) Includes 35,361 restricted stock units.

(10) Includes 627,347 restricted stock units, 1,768,780 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 363,797 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, 2017, 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	47,474,118	7.0%
The Vanguard Group, Inc.[2] 100 Vanguard Blvd. Malvern, PA 19355	47,499,238	7.0%

(1) Based solely on a review of the Schedule 13G/A filed by BlackRock, Inc. with the SEC on January 25, 2017. As reported on the Schedule 13G/A, as of December 31, 2016, BlackRock, Inc. beneficially owned, in the aggregate, 47,474,118 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, N.A.; 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 41,277,549 shares and sole dispositive power over 47,474,118 shares.

(2) Based solely on a review of the Schedule 13G/A filed by The Vanguard Group with the SEC on February 13, 2017. As reported on the Schedule 13G/A, as of December 31, 2016, The Vanguard Group beneficially owned, in the aggregate, 47,499,238 shares held by the Vanguard Group and had sole voting power over 1,126,956 shares, shared voting power over 151,679 shares, shared dispositive power over 1,186,940 shares and sole dispositive power over 46,312,298 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 877,561 shares or 0.12% and 558,774 shares or 0.08%, 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 2016.

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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 2017, stating that it holds 7.0% 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 $10,000 during 2016. Another subsidiary of the company also invested in a liquidity fund managed by a BlackRock affiliate, which received fees of approximately $8,500 during 2016. In addition, several affiliates of BlackRock provided asset management investment services for the company s U.S. retirement plan trust and the company s pension trusts in the U.K., all of which are separate from the company and are managed by independent trustees. 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 2016 compensation of our named executive officers, or NEOs, as described on pages 25-70. The company currently intends to hold such votes on an annual basis, but shareowners are being asked to vote on a recommended frequency in the following Proposal 3 at our 2017 Annual Meeting of Shareowners.

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. Our primary compensation metrics are earnings per share from ongoing operations, or EPS, and relative total shareowner return, or TSR, both of which are important to shareowners. At least 70% of each NEO s compensation is made up of incentive components that focus on EPS, earnings from ongoing operations before interest and taxes, or EBIT, and relative stock price appreciation and dividend performance.

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 25, 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. Proposal 3 below seeks a shareowner vote on such frequency at our 2017 Annual Meeting.

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 2016 compensation of our NEOs.

Your Board of Directors recommends that you vote FOR Proposal 2

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PROPOSAL 3: ADVISORY VOTE ON FREQUENCY OF FUTURE EXECUTIVE COMPENSATION VOTES

What are you voting on? The Board of Directors is asking you to vote, in an advisory manner, for future advisory votes on executive compensation to occur each year.

As required by Section 14A of the Exchange Act, the company is submitting for shareowner consideration a separate resolution to determine, in a non-binding advisory vote, whether a shareowner vote to approve the compensation paid to our NEOs (that is, votes similar to the non-binding, advisory vote in Proposal 2 above) should occur every one, two or three years. Although the results of the vote are non-binding and advisory in nature, the Board intends to thoughtfully consider the results of this vote.

After careful consideration, our Board of Directors has determined that an advisory vote on executive compensation that occurs every year is the most appropriate policy for the company at this time and, therefore, recommends that you vote for future advisory votes on executive compensation to occur each year.

In formulating its recommendation, our Board recognized that the company s executive compensation program is designed to promote a long-term connection between pay and performance. Because executive compensation disclosures are made annually, however, the Board considered that an annual advisory vote on executive compensation will allow our shareowners to provide us the most timely input on our compensation philosophy, policies and practices as disclosed in the proxy statement every year. Additionally, an annual advisory vote on executive compensation is consistent with our policy of seeking input from, and engaging in discussions with, our shareowners on corporate governance matters and our executive compensation philosophy, policies and practices. We understand that our shareowners may have different views as to what is the best approach for the company, and so we look forward to hearing from our shareowners on this proposal.

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 select whether a shareowner vote to approve the compensation paid to our NEOs should occur every one, two or three years.

Your Board of Directors recommends that you vote ONE YEAR with respect to how frequently a shareowner vote to approve the compensation of our NEOs should occur

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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, 2016 and included in this Proxy Statement.

Compensation, Governance and Nominating Committee

Craig A. Rogerson, Chair

John W. Conway

Raja Rajamannar

Natica von Althann

COMPENSATION DISCUSSION AND ANALYSIS (CD&A)

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EXECUTIVE COMPENSATION

NAMED EXECUTIVE OFFICERS

For 2016, 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[(1)]	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)
R. J. Grey[(2)]	Former Executive Vice President and Chief Legal Officer

(1) Mr. Staffieri served as Chairman of the Board, Chief Executive Officer and President of LKE until January 3, 2017, at which time he resigned as President.

(2) Mr. Grey served as our Executive Vice President and Chief Legal Officer until his retirement on January 31, 2016.

The 2016 compensation of these NEOs is explained in the following sections and in the Summary Compensation Table that follows this CD&A.

2016 PERFORMANCE ACHIEVEMENTS AND PAY ALIGNMENT

An Overview of 2016 Performance

In our first full year as a purely regulated utility company, we demonstrated the strength of our diverse portfolio.

PPL s per-share reported earnings increased 176 percent, reflecting the 2015 spinoff of our competitive generation business. Through our seven high-performing U.S. and U.K. utilities, we grew earnings from ongoing operations 11 percent, increased our dividend for the 14th time in 15 years, executed on our plan to invest more than $3 billion on infrastructure improvements, and delivered award-winning customer service.

* Reflects the 2015 spinoff of our competitive generation business.

From South Wales in the U.K. to Louisville, Kentucky, our subsidiaries delivered safe, reliable and affordable power to more than 10 million customers and continued to build upon PPL s solid foundation for growth.

While our stock price was challenged in 2016 by concerns over the U.K. s decision to leave the European Union (Brexit) and the weakening of the British pound sterling, our fundamentals remained strong. We acted decisively following the Brexit vote to preserve shareowner value, minimize future foreign currency risks, and solidify our strategy for competitive earnings and dividend growth.

We cashed in about $310 million of in-the-money foreign currency hedges related to 2017 and 2018 earnings. These hedge gains, which resulted from our effective and disciplined foreign currency risk management program, will be used to offset lower expected repatriation amounts from the U.K. due to the weaker British pound sterling exchange rate. In addition, the gains will support our stated future dividend growth target of about 4 percent per year through 2020.

We established a new 2017 baseline for future earnings growth and set a new projection of 5 to 6 percent annual earnings-per-share growth from 2017 to 2020. Despite the impacts of the Brexit vote, we are targeting total annual return (annual earnings-per-share growth plus dividend yield) from 2017 through 2020 of 9-10 percent, which remains very competitive within our sector.

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In addition, we re-established foreign currency hedge positions in support of our new targeted earnings-per-share growth rate of 5 to 6 percent from 2017 to 2020, with U.K. earnings hedged 96, 87 and 90 percent for 2017, 2018 and 2019, respectively. With these hedges in place, we project we will be able to attain our stated earnings-per-share growth range through 2020 even if we were to hedge 2020 U.K. earnings at a rate as low as $1.09 per British pound sterling.

Following the actions we took in response to the Brexit vote, we scheduled additional investor meetings to discuss the company s post-Brexit strategy, resulting in over 400 meetings with investors during 2016.

Although PPL s stock price underperformed major utility indices in 2016, it outperformed those same indices from January 1, 2017 through March 27, 2017.

In addition to our actions in response to the Brexit vote discussed above, highlighted below are notable achievements in 2016 as we pursued our strategic priorities for long-term growth and success. Those priorities include delivering industry-leading customer service and reliability; investing responsibly in a sustainable energy future; executing flawlessly; maintaining a strong financial foundation; and engaging and developing our people.

Delivering industry-leading customer service and reliability

We received J.D. Power awards for residential customer satisfaction at PPL Electric Utilities Corporation, Louisville Gas and Electric Company, and Kentucky Utilities Company.

We excelled at customer service in the U.K., with Western Power Distribution s (WPD s) four utilities achieving the top four spots in utility regulator Ofgem s survey of customer satisfaction. In addition, we were rated by Ofgem as the best at engaging stakeholders and addressing vulnerable customers.

We posted our best year ever for network reliability at WPD, while delivering top-quartile reliability performance at PPL Electric Utilities.

Investing responsibly in a sustainable energy future

Across our companies, we invested $3 billion to make the grid smarter, more reliable and more secure, and to advance a cleaner energy future.

In the U.K., we led the way, according to the country s regulator, Ofgem, in developing innovative solutions to connect solar power to local networks. In addition, we launched the world s largest electric vehicle pilot of its kind and began recruiting up to 700 participants for that program.

We remained focused on transmission expansion in Pennsylvania, reinforcing the grid and strengthening security. As a result, sustained transmission outages have declined nearly 75 percent over five years. In addition, we continued to modernize our distribution system, adding 700 smart grid devices before the thunderstorm season, achieving full operation of PPL Electric Utilities automated power restoration system, and preventing more than 100,000 customer interruptions.

In Pennsylvania, we kicked off a multi-year, $471 million project to replace 1.4 million customer meters with new, more advanced technology.

In Kentucky, we completed a multi-year, nearly $3 billion project to sharply reduce air emissions from our coal-fired power plants. In addition, we finished construction of Kentucky s largest universal solar facility, made substantial progress on a project to improve our Ohio Falls hydroelectric facility, and introduced new solar subscription and onsite solar development options for customers.

Executing flawlessly

For the seventh consecutive year, we exceeded the midpoint of our ongoing earnings forecast, with all of our companies delivering or exceeding expected results.

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EXECUTIVE COMPENSATION

We energized our $350 million Northeast-Pocono transmission expansion project at PPL Electric Utilities a year ahead of schedule. This included 60 miles of new transmission lines, three new substations and additional enhancements.

We earned the highest performance incentives of any U.K. distribution network operator group for the 2015-2016 regulatory year at WPD. Our U.K. utilities are on pace to exceed performance targets for the 2016-2017 regulatory year and earn incentive revenues.

In Kentucky, we completed a multi-year emissions improvement program on schedule, nearly $300 million under original cost estimates and with a safety incident rate one-fifth the industry average for similar work all while operating the affected power plants 24/7 for our customers. In addition, we met the annual production goal for our new Cane Run combined-cycle, natural gas power plant more than three months ahead of schedule.

Maintaining a strong financial foundation

We maintained a strong balance sheet, investment-grade credit ratings and strong cash flow. Our business plan includes $350 million of equity issuances per year to further strengthen our balance sheet credit metrics.

In Kentucky, we secured Kentucky Public Service Commission approval to recover and earn a return on $1 billion in future environmental upgrades.

Engaging and developing our people

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

We attracted a record number of candidates to our U.K. apprenticeship program through increased use of social media.

In the U.S., our leadership training continued to provide opportunities to build and grow leadership skills 50 percent of leaders who complete our customized leadership training receive promotions or roles with increased responsibility within 12 months of graduation.

Our strong 2016 results demonstrate our management team s firm commitment to increasing value for shareowners in both the short- and long-term, a focus supported by our well-designed executive compensation program and pay-for-performance culture. Looking forward, we believe we are well-positioned to deliver 5 to 6 percent earnings

growth from 2017 to 2020 and targeted annual dividend growth of 4 percent through the end of the decade.

Our 2016 performance achievements resulted in:

- Annual cash incentive awards ranging from 138.6% to 161.7% of target.
- Performance-Contingent Restricted Stock Unit awards, reflecting the 2014-16 performance period, at 144% of target.
- Performance Unit awards, reflecting the 2014-16 performance period, at 62% of target.

Read more in 2016 Named Executive Officer Compensation beginning on page 35.

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.

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 that outpaces our sector, and our performance toward these goals is measured specifically to reward our executives for these accomplishments through our executive compensation program.

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 metrics for its largest segments for NEOs who lead those segments, providing direct alignment to our goal of increasing shareowner value.

How We Align PPL s Compensation Programs with Performance

For 2016, performance-based compensation for the NEOs was primarily based on three core metrics: (1) earnings per share from ongoing operations, or EPS, (2) earnings from ongoing operations before interest and taxes, or EBIT, and (3) relative total shareowner return, or TSR. These metrics 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 an individual s control.

Earnings are central to our business strategy and a primary focus of the investment community. Consequently, EPS and EBIT performance measures have been central to the compensation program for our NEOs.

At the NEO level, the emphasis is placed on EPS growth. 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. Management actions with respect to financing and tax strategy, capital investment

and our revenue models drive EPS.

We balance the use of EPS with an EBIT measure. EBIT provides a more general means by which to assess and reward operational profitability with less emphasis on financing and tax strategies; thus, EBIT is more representative of the financial performance of the core operations of the business segments and the business as a whole. The CGNC believes that both measures in combination provide a balanced assessment of PPL s financial performance.

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EXECUTIVE COMPENSATION

To supplement the internal assessment of performance provided by the EPS and EBIT measurements, relative TSR is used for certain equity-based awards, further aligning executives interests with those 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.

	EPS	EBIT	TSR
How We Define It	Earnings per share from ongoing operations, adjusted to exclude any gains or losses from resets of currency hedges in excess of the business plan See Annex A for a reconciliation of financial measures presented in accordance with GAAP to non-GAAP measures used for compensation	Earnings from ongoing operations before interest and taxes, adjusted to exclude any gains or losses from resets of currency hedges in excess of the business plan See Annex A for a reconciliation of financial measures presented in accordance with GAAP to non-GAAP measures used for compensation	Total shareowner return, which is a combination of share price appreciation and reinvested dividends Assessed relative to the Philadelphia Stock Exchange Utility Index, or UTY index
Where We Use It	Annual Cash Incentive Performance-Contingent Restricted Stock Units	Annual Cash Incentive	Performance Units

Further information about the targets that apply to specific awards is set out in 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. These practices further reinforce our commitment to create shareowner value by directly linking NEO compensation to share price appreciation and sustainable long-term growth.

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 incentives to eliminate duplication of EPS as a metric in both the annual cash incentive and long-term equity incentives.

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. 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.

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. As a result, the long-term equity incentive program will change for the 2017 performance year to the following mix:

The CGNC added time-based restricted stock units for 20% of the long-term incentives as a means of retention, 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.

2016 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 2016, 85% of the CEO s target compensation opportunity was at-risk performance-based pay. For the CFO, this percentage was 73%, and the average for the other NEOs was 69%.

The following charts illustrate the 2016 elements of compensation divided among base salary, annual cash incentive targeted opportunity and the total long-term incentive targeted opportunity.

Elements of Compensation as a Percentage of Targeted Total Direct Compensation 2016[1]

[1] Based on target award levels as a percentage of targeted total direct compensation for performance during 2016. Performance-contingent restricted stock unit awards granted in January 2016 were awarded based on performance for 2013-2015. Because the performance-contingent restricted stock units granted in 2017 are based on performance for 2014-2016, the CD&A includes such awards as part of the CGNC s analysis for 2016 compensation. Values of performance-contingent restricted stock unit and performance unit awards shown in the Summary Compensation Table in this proxy statement reflect equity awards granted in 2016.

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

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EXECUTIVE COMPENSATION

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 69% 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 U.S.* and *the Willis Towers Watson CDB General Industry Executive Compensation Survey U.S.* are appropriate market references because they reflect both general industry and, more specifically, the energy industry. They can also be adjusted to reflect our size. Furthermore, the large sample size results in more consistent reliable information. The CGNC also uses information on pay practices from a select group of industry comparators, which includes public utilities with revenues, market capitalizations and enterprise values 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.

All of these analyses are considered in order to produce market median reference points (the 50th percentile) referred to as PPL Competitive Data. 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, provides the compensation data to the CGNC. For 2016 compensation decisions, the CGNC considered these data to determine the PPL Competitive Data reference point for compensation of our NEOs.

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 and EBIT targets, the CGNC reviews comprehensive data and systematically assesses PPL s targets by considering:

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

These data are used with a view to setting goals that are appropriately challenging and competitive within the industry. The targets for the 2016 awards were reviewed during the first quarter of 2016 and are summarized beginning on page 36.

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.

There were no substantial changes to the elements of compensation or how they were used in 2016, as compared to 2015, other than the changes to the weightings of corporate and business segment measures with respect to annual cash incentive awards for Messrs. Staffieri, Symons and Dudkin, as described below under Annual Cash Incentive.

Mr. Grey received two times his base salary plus an allowance of $26,249 for COBRA benefits under the Executive Severance Plan upon his departure from PPL as part of organizational changes resulting from the spinoff of the company s competitive generation business. The CGNC authorized the company to enter into a retention agreement with him on May 6, 2015. The purpose of this agreement was to secure his continued employment and engagement as Chief Legal Officer until January 31, 2016 through the critical spinoff of the Energy Supply segment and related transition. In his role, Mr. Grey was central in advising PPL on the successful completion of the spinoff, transitioning to a new General Counsel post-spinoff and managing matters involving the evolving legal operations for the company pre- and post-spinoff. No payments to Mr. Grey were grossed up for tax purposes. For more information regarding Mr. Grey s agreement, see Retention Agreements beginning on page 64.

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EXECUTIVE 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 change effective in January CGNC applies judgment in setting salary to reflect performance, experience and responsibility, as well as 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 segment performance for business segment leaders Up to two times target for top performance	100% financial Measures include PPL EPS, PPL EBIT and business segment net income and either business segment EBIT or earnings before interest, taxes, depreciation and amortization, or EBITDA One year
Long-term Equity Incentives			
Performance-Contingent Restricted Stock Units	To align shareowner and executive interests while rewarding longer-term performance and encouraging retention	Grant value determined based on EPS performance over prior three years Payable in shares of PPL common stock Dividends accrue quarterly, but are not paid unless and until underlying award	100% EPS Based on performance over the three years preceding grant

		vests Restricted for three years from date of grant Represents 40% of the total long-term equity incentive opportunity	Restricted for three additional years following grant
Performance Units	To align shareowner and executive interests and to drive sustainable growth over the long term	Vests between 0% to 200% of target, 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 60% of the total long-term equity incentive opportunity	100% relative TSR, using the UTY index Three-year performance period

In addition, the NEOs receive modest perquisites, such as financial planning, tax preparation services and matching contributions under our deferred compensation plans. **Read more** in the Other Elements of Compensation section on page 42.

2016 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 95% in support of the compensation of our NEOs in response to our say-on-pay proposal at the company s 2016 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 2016, we continued our engagement efforts 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 EPS 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 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. All of these changes will be effective for the 2017 performance year, as described above on page 30.

2016 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 2016, the CGNC approved base salary increases ranging from 0% to 7.5%, with an average increase for the NEOs of 2.9%, as follows:

Named Executive Officer	2015 Year-End Salary	2016 Salary	% Change
W. H. Spence	$1,127,500	$1,155,688	2.5%

V. Sorgi	$500,000	$525,000	5.0%
V. A. Staffieri	$811,220	$811,220	0.0%
R. A. Symons	£551,050	£564,775	2.5%
G. N. Dudkin	$488,755	$525,412	7.5%
R. J. Grey	$580,000	$580,000	0.0%

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

Mr. Spence s base salary was increased to recognize his performance.

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.

Mr. Grey s base salary was not increased due to his retirement on January 31, 2016.

EXECUTIVE COMPENSATION

2016 Annual Cash Incentive Awards

The annual cash incentive awards, which are 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 and EBIT and, for the operating segment leaders, segment ongoing income and EBIT or EBITDA. These align with our goals of increasing shareowner value and were set and communicated to the NEOs in the first quarter of 2016. For example, the EPS and EBIT targets set for 2016 were 9% higher than the 2015 targets, as well as higher than the 2015 achievements.

For 2016, the CGNC approved a number of changes to the relative weights of performance measures under the annual cash incentive program for the segment leaders, as well as to the target percentages of base salary under the program for Messrs. Symons and Dudkin. These changes were intended to align the segment leaders not only with the potential outcome within their area of direct control but also with corporate strategy. In particular:

- Mr. Staffieri s targets were rebalanced to 50% PPL Corporation and 50% LKE financial measures, from 40% PPL Corporation and 60% LKE in 2015.

- Mr. Symons targets were also rebalanced and changed to 50% PPL Corporation and 50% WPD financial measures, from 40% PPL Corporation and 60% WPD financial and operational targets in 2015. Mr. Symons cash incentive target was increased from 55% to 60% of his base salary, effective April 1, 2016, to align his cash incentive target with market levels.

- Mr. Dudkin s targets were rebalanced to 50% PPL Corporation and 50% PPL Electric financial measures, from 40% PPL Corporation and 60% PPL Electric in 2015. Mr. Dudkin s cash incentive target for 2016 was increased from 50% to 80% of his base salary to align his cash incentive target with market levels.

In summary, the performance measures for 2016 were as follows:

2016 PPL Corporate Financial Performance

EPS (70% of corporate element)

EPS in 2016 for the purposes of compensation was $2.52*, which was between the target and maximum payout levels of $2.35 and $2.59, respectively.

Therefore, the percent of target opportunity earned in relation to PPL s EPS was **170.8% of target**.

EBIT (30% of corporate element)

EBIT in 2016 for the purposes of compensation was $3,210.62 million, which was slightly above the target payout level of $3,168.5 million.

Therefore, the percent of target opportunity earned in relation to PPL s EBIT was **117.7% of target**.

As a result, the combined percent of target earned for corporate financial performance was **154.9% of target**. No annual cash incentive award would have been made to NEOs for 2016 if the EPS from ongoing operations had been below $2.23.

*When the CGNC set the EPS targets for 2016, in addition to using EPS from ongoing operations as described in Annex A, the CGNC also excluded any gains or losses from resets of currency hedges that were in excess of the business plan for 2016. EPS from ongoing operations as reported by the company for 2016 was $2.45. The adjusted EPS result for compensation purposes was $2.52.

2016 Business Segment Financial Performance

LKE V. A. Staffieri

Net Income (70% of segment element)

Target ongoing net income for the year was $417.3 million.

LKE ongoing net income for the year was $427.9 million, which was between the target and maximum payout levels.

The percent of target opportunity earned for the LKE ongoing net income target was **127.4% of target**.

EBIT (30% of segment element)

Target EBIT for the year was $892.0 million.

LKE EBIT for the year was $898.4 million, which was between the target and maximum payout levels.

The percent of target opportunity earned for the LKE EBIT target was **110.3% of target**.

As a result, the combined percent of target opportunity earned for LKE financial performance was **122.3% of target**.

WPD R. A. Symons

Net Income (70% of segment element)

Target ongoing net income for the year was £646.2 million.

WPD ongoing net income for the year was £700.1 million, which was between the target and maximum payout levels.

The percent of target opportunity earned for the WPD ongoing net income measure was **175.2% of target**.

EBITDA (30% of segment element)

Target EBITDA for the year was £1,239.7 million.

WPD EBITDA for the year was £1,287.1 million, which was between the target and maximum payout levels.

The percent of target opportunity earned for the WPD EBITDA target was **152.7% of target**.

As a result, the combined percent of target opportunity earned for WPD financial performance was **168.4% of target**.

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EXECUTIVE COMPENSATION

2016 Business Segment Financial Performance (continued)

PPL Electric G. N. Dudkin

Net Income (70% of segment element)

Target ongoing net income for the year was $319.0 million.

PPL Electric ongoing net income for the year was $340.0 million, which was between the target and maximum payout levels.

The percent of target opportunity earned for the PPL Electric ongoing net income target was **161.4% of target**.

EBIT (30% of segment element)

Target EBIT for the year was $681.4 million.

PPL Electric EBIT for the year was $680.9 million, which is under the target payout level.

The percent of target opportunity earned for the PPL Electric EBIT target was **99.1% of target**.

As a result, the combined percent of target opportunity earned for PPL Electric financial performance was **142.7% of target**.

Individual Annual Cash Incentive Awards for 2016 Performance

The following annual incentive awards were approved by the CGNC for 2016 performance:

Named Executive	Weight x Goal Results		2016 Earned Award
	Corporate	Segment	

Officer			
W. H. Spence	100% × 154.9%		154.9%
V. Sorgi	100% × 154.9%		154.9%
V. A. Staffieri	50% × 154.9%	50% × 122.3%	138.6%
R. A. Symons	50% × 154.9%	50% × 168.4%	161.7%
G. N. Dudkin	50% × 154.9%	50% × 142.7%	148.8%
R. J. Grey	100% × 154.9%		154.9%

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

Named Executive Officer	2016 Base Salary	Target Opportunity (% of Base Salary)	2016 Earned Award	2016 Annual Cash Incentive Award
W. H. Spence	$1,155,688	140%	154.9%	$2,506,225
V. Sorgi	$525,000	70%	154.9%	$569,258
V. A. Staffieri	$811,220	75%	138.6%	$843,263
R. A. Symons[(1)]	£564,775	60%	161.7%	£536,592
G. N. Dudkin	$525,412	80%	148.8%	$625,450
R. J. Grey[(2)]	$580,000	75%	154.9%	$57,071

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(1) Mr. Symons annual cash incentive award target changed on April 1, 2016 from 55% to 60% of base salary. His award is prorated to reflect a 55% target for three months and a 60% target for nine months.
(2) Mr. Grey s cash incentive award was prorated to reflect one month through his retirement on January 31, 2016.

2016 Long-term Equity Incentive Awards

The purpose of the long-term incentive program is to align our executives interests with those of shareowners by providing long-term equity incentives that are earned based on company performance. This goal is achieved through two distinct equity awards Performance-Contingent Restricted Stock Units and Performance Units that tie compensation to the financial performance and share price of PPL, based on EPS and TSR performance measures over different three-year periods.

Named Executive Officer	Target Opportunity (% of Base Salary)		
	Total Long-term Incentive	40% Performance-Contingent Restricted Stock Units (Based on EPS)	60% Performance Units (Based on TSR)
W. H. Spence	450%	180%	270%
V. Sorgi	200%	80%	120%
V. A. Staffieri	175%	70%	105%
R. A. Symons*	100%	40%	60%
G. N. Dudkin	180%	72%	108%
R. J. Grey	165%	66%	99%

* Mr. Symons long-term incentive target changed on April 1, 2016 from 70% to 100% of base salary.
It has been the CGNC s long-time practice to grant the annual long-term incentive awards at its regularly scheduled January meeting.

While off-cycle awards may be made from time-to-time, for example, on the appointment of a new executive officer, no such awards were made in 2016 to the NEOs, with the exception of an award of additional Performance Units to Mr. Symons on April 1, 2016 as a result of increasing his long-term incentive target.

2016 Performance-Contingent Restricted Stock Unit Awards

The 2016 Performance-Contingent Restricted Stock Units were assigned a target value, with actual awards made to reflect PPL s EPS performance over the three calendar years ended December 31, 2016. Awards were calculated based on year-end 2016 salary and granted in January 2017 for the 2014 2016 performance period. Restrictions lapse on the third anniversary of the grant date, subject to continued employment through that date. Dividend equivalents accrue on the performance units but are not paid unless and until the units vest.

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EXECUTIVE COMPENSATION

EPS performance targets are consistent with those established in each of the performance years for the annual cash incentive and provide an additional focus on delivering sustained long-term EPS performance. The goals and corresponding level of achievement for 2016 awards were as follows:

EPS Goals and Corresponding Level of Achievement for Last Three Years*					
Performance Year	Threshold	Target	Maximum	Annual EPS Results	Achievement (% of Target)
2014	$2.00	$2.15 -$2.28	$2.78	$2.45	134.0%
2015	$2.05	$2.15	$2.37	$2.21	127.3%
2016	$2.11	$2.35	$2.59	$2.52	170.8%
Average EPS Goal Achievement for the Three-Year Performance Period					144.0%

* When the CGNC set the EPS targets for 2016, in addition to using EPS from ongoing operations, the CGNC also excluded any gain or loss due to resets of currency hedges that were in excess of the business plan for 2016. EPS from ongoing operations as reported by the company for 2016 was $2.45. The adjusted EPS result for compensation purposes was $2.52.

The average EPS goal achievement for the three-year performance period was 144.0% of the target. Therefore, the following Performance-Contingent Restricted Stock Unit awards were approved and granted to the NEOs by the CGNC in January 2017 as part of their total compensation package for 2016. These awards will be reflected in the Summary Compensation Table and Grants of Plan-based Awards table for 2017.

Performance-Contingent Restricted Stock Unit Awards Granted for the Performance Period 2014-2016

Named Executive Officer	2016 Base Salary	Target (% of Salary)	Award Value	Units Granted[1]
W. H. Spence	$1,155,688	180%	$2,995,544	84,074
V. Sorgi	$525,000	80%	$604,800	16,975
V. A. Staffieri	$811,220	70%	$817,710	22,951
R. A. Symons[2]	£564,775	40%	£301,045	10,502
G. N. Dudkin	$525,412	72%	$544,747	15,289
R. J. Grey[3]	$580,000	66%	$46,689	

(1) Number of units granted is the award value divided by the closing price of PPL common stock on February 17, 2017, the effective date of the grants, which was $35.63, and equivalent to £28.6657 using an exchange rate of £0.80454 for Mr. Symons award. The number of units is rounded up to the nearest whole unit.

(2) Mr. Symons award was prorated to reflect a 28% target for the first three months of 2016, and a 40% target, effective April 1, 2016, for the remaining nine months of 2016.

(3) Mr. Grey s award value was prorated due to his retirement on January 31, 2016. In lieu of granting Performance-Contingent Restricted Stock Units, the CGNC authorized his award to be paid in cash.

2016 Performance Unit Awards

The Performance Unit awards complement the Performance-Contingent Restricted Stock Unit awards by rewarding executives for relative shareowner value creation over three years starting in the year they are granted. Performance Unit awards granted in January 2016 were calculated based on year-end 2015 salary.

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Target award values are established at the start of the year, and the actual number of shares that an NEO receives is contingent on PPL s TSR performance relative to the companies in the UTY index, as follows:

TSR combines the impact of share price movement and reinvested dividends during the three-year performance period from January 1, 2016 to December 31, 2018.

The CGNC determined that the constituents of the UTY index are an appropriate TSR industry group for PPL. The UTY is a market capitalization-weighted index of 20 geographically diverse, North American utility companies that are considered to be our peers by analysts and investors.

At the end of the performance period, awards can range from 0% to 200% of target depending on relative performance. Awards are forfeited if PPL ranks below the 25th percentile of the companies in the UTY index at the end of the three-year period. The CGNC has no discretion to provide for payment other than as reflected in the actual attainment of the stated performance goals. To illustrate the linkage of the Performance Units to actual performance, all performance units granted in 2009 and 2010 were forfeited after their three-year performance periods ended in 2011 and 2012, respectively, because the results did not meet the minimum level for any award. Dividend equivalents accrue on the Performance Units but are not paid unless and until the units vest.

The following Performance Unit awards were granted by the CGNC in January 2016, subject to PPL s relative TSR ranking over the 2016-2018 performance period.

Performance Unit Awards Granted in 2016

Named Executive Officer	2015 Base Salary	Target (% of Salary)	Award Value	Number of Performance Units

				Granted*
W. H. Spence	$1,127,500	270%	$3,044,250	91,612
V. Sorgi	$500,000	120%	$600,000	18,056
V. A. Staffieri	$811,220	105%	$851,781	25,633
R. A. Symons	£551,050	60%	£305,968	12,615
G. N. Dudkin	$488,755	108%	$527,856	15,885
R. J. Grey	$580,000	99%	$574,200	17,280

* Number of Performance Units granted is the award value divided by the closing price of PPL common stock on January 21, 2016, the date the CGNC approved the grants, which was $33.23, and equivalent to £23.51 using an exchange rate of £0.70761 for Mr. Symons award. Mr. Symons received an additional 2,770 units on April 1, 2016 as a result of his target award increasing from 42% to 60% of his base salary, for an aggregate award during 2016 of 12,615 units. The closing price of PPL common stock on April 1, 2016 was $38.19, and equivalent to £27.024 using an exchange rate of £0.70472 for Mr. Symons award. The number of units is rounded up to the nearest unit.

Following the CGNC s assessment and certification of performance in early 2019, the applicable percentage of the Performance Unit awards and dividend equivalents will vest, if any.

Vesting of 2014 2016 Performance Units

Performance Unit awards were made to the NEOs in 2014, subject to a three-year performance period. The actual number of units that could vest at the end of the performance period was contingent on PPL s TSR from January 1, 2014 to December 31, 2016 relative to companies in the UTY.

EXECUTIVE COMPENSATION

Over this three-year period, PPL ranked at the 40th percentile. As a result, the 2014 2016 Performance Units, and accrued dividend equivalents on the units earned, were earned at 62% of target.

Other Elements of Compensation

In addition to the three elements of total direct compensation (base salary, an annual cash incentive and long-term equity incentives in the form of Performance-Contingent Restricted Stock Units and Performance Units), the company also provides other forms of indirect compensation to the NEOs, which are summarized below.

Perquisites

PPL provides limited executive perquisites to its NEOs. Where provided, these are consistent with market practice and serve a direct business interest.

Financial planning services, including tax preparation and support, and a one-time payment for estate document preparation, are provided to the NEOs other than Mr. Symons. These services are provided in recognition of time constraints on executives and their more complex compensation program that requires professional financial, tax and estate planning. We believe that good financial planning by experts reduces the amount of time and attention that executive officers must spend on such issues. Such planning also helps ensure the objectives of our compensation programs are met and not hindered by unexpected tax or other consequences.

Additionally, each NEO is eligible for an executive physical every two years, up to a cost of $5,000, and one-time genetic testing up to $5,000. The CGNC believes the benefit is beneficial to both the employee and the company through potential reduced costs and increased productivity.

Mr. Symons arrangements reflect U.K. market practice. Although he does not receive all of the perquisites described above, in accordance with the WPD Executive Car Allowance Policy, Mr. Symons receives a monthly cash allowance of £862.98 and reimbursement for fuel.

The incremental cost to PPL of all perquisites received by each of our NEOs for the year is summarized in Note 7 to the Summary Compensation Table on page 49.

Indirect Compensation

The company provides executive benefits such as tax-qualified and supplemental non-qualified executive retirement plan benefits and nonqualified deferred compensation opportunities. We have historically viewed our retirement benefits as a means of providing financial security to all our salaried employees after they have spent a substantial portion of their careers with the company. Officers of the company, including the NEOs, participate in certain benefit programs offered to all PPL employees, or all LKE employees in the case of Mr. Staffieri, or all WPD employees in the case of Mr. Symons. In addition, officers are eligible for the executive benefit plans discussed below.

Retirement Plan	Description	NEO Participants
PPL Retirement Plan	Tax-qualified defined benefit pension plan Closed to new salaried employees after December 31, 2011	Messrs. Spence, Sorgi and Dudkin Mr. Grey participated in this plan prior to his retirement on January 31, 2016
PPL Supplemental Executive Retirement Plan (PPL SERP)	Nonqualified defined benefit pension plan to provide for retirement benefits above amounts available under the PPL Retirement Plan Closed to new officers after December 31, 2011	Messrs. Spence, Sorgi and Dudkin Mr. Grey participated in this plan prior to his retirement on January 31, 2016
PPL Supplemental Compensation Pension Plan	Nonqualified defined benefit plan that applies to certain employees hired before January 1, 2012, who are not vested in the PPL SERP	Messrs. Sorgi and Dudkin
		Mr. Staffieri

LG&E and KU Retirement Plan (LG&E Retirement Plan)	Tax-qualified defined benefit pension plan Closed to new participants after December 31, 2005	
LG&E and KU Supplemental Executive Retirement Plan (LG&E SERP)	Nonqualified defined benefit pension plan Closed to new participants effective January 1, 2012	Mr. Staffieri
Electricity Supply Pension Scheme (ESPS)	U.K. tax-approved defined benefit pension scheme	Mr. Symons

Additional details about these plans are provided under Executive Compensation Tables Pension Benefits in 2016 beginning on page 54.

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EXECUTIVE COMPENSATION

The primary capital accumulation opportunities for NEOs other than Messrs. Staffieri and Symons are: (1) stock gains under the company s long-term equity incentive program (as described above) and the employee stock ownership plan (as described below); and (2) voluntary savings opportunities that, for 2016, included (a) savings through the tax-qualified employee savings plan, which is a 401(k) plan (our PPL Deferred Savings Plan), and (b) the PPL Executive Deferred Compensation Plan, which is a nonqualified deferred compensation arrangement.

Savings Plans	Description	NEO Participants
PPL Deferred Savings Plan	Tax-qualified defined contribution plan PPL provides matching contributions of up to 3% of the participant s pay subject to contribution limits imposed by the Internal Revenue Service, or IRS Pay defined as salary plus annual cash incentive award Participants vest in PPL s matching contributions after one year of service Participants may request distribution of their account at any time following termination of employment	Messrs. Spence, Sorgi and Dudkin Mr. Grey participated in this plan prior to his retirement on January 31, 2016
PPL Executive Deferred Compensation	Non-qualified deferred compensation plan	Messrs. Spence, Sorgi and Dudkin

Plan	Participants may defer some or all of their cash compensation in excess of the estimated minimum legally required annual payroll tax withholding Matching contributions are made under this plan on behalf of participating officers to make up for matching contributions that could not be made on behalf of such officers under the PPL Deferred Savings Plan because of statutory limits on qualified plan benefits There is no vesting condition for the company matching contributions	Mr. Grey participated in this plan prior to his retirement on January 31, 2016

The company also has a PPL Employee Stock Ownership Plan, or ESOP. Although it is a tax-qualified, employee stock ownership plan in which Messrs. Spence, Sorgi and Dudkin participate, no contributions have been made to the ESOP since 2012. Mr. Grey participated in the ESOP prior to his retirement on January 31, 2016.

Neither Mr. Staffieri nor Mr. Symons participates in the ESOP, the PPL Deferred Savings Plan or the PPL Executive Deferred Compensation Plan. Mr. Staffieri does, however, participate in the LG&E and KU Savings Plan and in the LG&E and KU Nonqualified Savings Plan, which allow participants to defer a maximum of 75% of base salary and annual cash incentive awards, as further described under Executive Compensation Tables Nonqualified Deferred Compensation in 2016 beginning on page 58.

GOVERNANCE POLICIES UNDERPINNING OUR COMPENSATION FRAMEWORK

At PPL, the CGNC has adopted strong corporate governance practices that 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 PPL stock by officers and directors
Retain independent compensation consultant	û No dividend equivalents paid on unvested equity awards granted to executive officers
Adopted proxy access	û No tax gross-ups for NEO perquisites or in new change-in-control severance agreements
Require significant equity ownership; increased CEO s required holdings from 5x to 6x base salary for 2017	û No single trigger change-in-control severance agreements
Adopted clawback policy	û No new participants in the PPL SERP or LG&E SERP

Additional information on PPL s Equity Ownership Guidelines, hedging and pledging policy and clawback policy can be found below.

Equity Ownership Guidelines

An important part of PPL s compensation philosophy is ensuring a strong linkage between executives and shareowners. The Equity Ownership Guidelines enable the company to align executives with this philosophy. The guidelines provide that NEOs should maintain the following levels of ownership in PPL stock:

Executive Officer Level	Equity Guideline (Multiple of Salary)

Chairman, President and CEO	6x[1]
Executive Vice Presidents	3x
Senior Vice Presidents	2x
Business segment leaders[2]	2x

(1) Effective for 2017, Mr. Spence s equity guideline multiple increased from five to six times base salary.

(2) Includes Messrs. Staffieri, Symons and Dudkin.

NEOs must attain the minimum ownership requirement that applies to their level by the end of their fifth anniversary at that level. If an NEO fails to achieve the required level within the specified time frame, the following additional requirements apply until the Guideline is exceeded:

- The NEO must not sell any shares of PPL stock.
- The NEO will be required to retain any vesting equity awards, net of required tax withholding.
- The CGNC retains the right, at its discretion, to deliver annual cash incentive awards in the form of restricted stock unit grants.

All NEOs who have served in their current position more than five years were in compliance with their equity ownership guidelines as of December 31, 2016, and Mr. Grey was in compliance as of January 31, 2016, the day he retired. Messrs. Sorgi and Symons, who have served in their current position less than five years, are currently on track to meet their equity ownership requirements.

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EXECUTIVE COMPENSATION

Hedging and Pledging Prohibitions

In accordance with best governance practices, the company has an established policy that prohibits its officers and directors from the following actions:

- Pledging shares of company stock as collateral for any loans.
- Engaging in any form of hedging transaction.
- Trading in derivatives of PPL common stock.

Clawback Policy

In January 2013, the CGNC adopted a policy regarding the recoupment of executive compensation, commonly referred to as a clawback. Subject to the discretion and approval of the Board, this policy enables the company to seek recoupment of incentive-based compensation awarded to any current executive officer of the company in situations where the Board has determined that:

- the company is required to prepare an accounting restatement due to the material noncompliance by the company with any financial reporting requirement under the securities laws, and
- a lower award would have been made to the executive officer based upon the restated financial results.

The Board has full and final authority to make all determinations under this policy, including, without limitation, whether the policy applies and, if so, the amount of cash bonus or other incentive-based compensation, if any, to be repaid by any executive officer. In each such instance, as determined by the Board, the company will, to the extent permitted by applicable law, seek to recover incentive-based compensation received by such individual in excess of the amount that would have been received under the accounting restatement. Any recoupment under this policy is to be in addition to any other remedies that may be available to the company, including such remedies contained in the company s equity grant agreements, employment letters, if any, and applicable law.

ADDITIONAL INFORMATION

Special Compensation

In addition to the annual direct and indirect compensation described above, the company provides special compensation under specific situations.

Employment Agreements. We generally do not enter into traditional employment agreements with executive officers. Other than a Service Agreement entered into with Mr. Symons in the U.K. as described at page 51 under Employment Agreement, there are no specific agreements with respect to length of employment that would commit the company to pay an executive for a specific period. Generally, our executive officers are employees-at-will whose employment is conditioned on performance and subject to termination by the company at any time.

Retention Agreements. The company entered into a retention agreement with Mr. Grey on May 6, 2015, pursuant to which he retired from PPL on January 31, 2016. For specific details on Mr. Grey s retention agreement, see Retention Agreements beginning on page 64.

Change-in-Control Protections. The company believes certain executive officers who are terminated without cause or who resign for good reason (as defined in Change-in-Control Arrangements on page 60) in connection with a change in control of PPL Corporation should be provided separation benefits. These benefits are intended to ensure that executives focus on serving the company and shareowner interests without the distraction of possible job and income loss. All of our NEOs have agreements with the company providing for separation benefits in the event of a change in control.

The major components of the company s change-in-control protections are:

Accelerated Vesting of Specific Outstanding Equity Awards.

As of the close of a transaction that results in a change in control of PPL Corporation, all outstanding equity awards granted under the former ICP as part of the company s executive compensation program (excluding restricted stock and restricted stock units issued pursuant to retention agreements) become available to executives. As a result, restrictions on all outstanding restricted stock units lapse, a pro rata portion of

performance units become payable and all unexercisable stock options become exercisable. No awards have been made under this plan since 2012, when a new equity plan, the SIP, was implemented.

Equity awards granted under the SIP become vested upon a change in control only if the executive is terminated following or in connection with the change in control (a double trigger).

Stock options granted prior to 2007 are exercisable for 36 months following a qualifying termination of employment in connection with a change in control; options granted in 2007 and thereafter under the ICP are, after a change in control, exercisable for the remaining term of the stock option.

The company believes that its change-in-control benefits are consistent with the practices of companies with whom PPL competes for talent and assist in retaining executives and recruiting new executives to the company.

Additional details on current arrangements and agreements are discussed further below under Termination Benefits, beginning on page 64, and Change-in-Control Arrangements, beginning on page 60.

Severance Benefits. To continue to retain and protect our executives, the company adopted an Executive Severance Plan in 2012 that provides severance benefits for officers, including the NEOs other than Mr. Symons, terminated for reasons other than cause.

The key features of the plan include (1) two years of base pay; (2) an allowance for benefit continuation; and (3) outplacement or career services support. Severance benefits payable under this program are conditioned on the executive officer agreeing to release the company from any liability arising from the employment relationship.

The company has agreements with all of the NEOs that provide benefits to the executives upon specified terminations of employment in connection with a change in control of PPL Corporation. The benefits provided under these agreements replace any other severance benefits provided to these officers by PPL Corporation, including the Executive Severance Plan or any prior severance agreement.

Additional details on current arrangements and agreements for NEOs are discussed further below under Termination Benefits at page 64.

Tax Deductibility of Compensation

Section 162(m) of the Internal Revenue Code generally provides that publicly held corporations may not deduct in any taxable year specified compensation in excess of $1 million paid to the CEO and the next three most highly compensated executive officers (excluding the CFO). Performance-based compensation in excess of $1 million is deductible if specified criteria are met, including shareowner approval of applicable plans. In this regard, the PPL Corporation Short-term Incentive Plan is designed to enable PPL to make cash awards to officers that are deductible

under Section 162(m). Similarly, the PPL SIP and the A&R SIP are structured to enable certain grants of equity-based incentive awards to be deductible under Section 162(m).

The CGNC generally seeks ways to limit the impact of Section 162(m). However, the CGNC believes that the tax deduction limitation should not compromise our ability to establish and implement incentive programs that support the compensation objectives discussed above. Accordingly, achieving these objectives and maintaining required flexibility in this regard may result in payments of compensation or grants of awards that are not deductible for federal income tax purposes.

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EXECUTIVE COMPENSATION

EXECUTIVE COMPENSATION TABLES

The following table summarizes all compensation for our chief executive officer, our chief financial officer, our former chief legal officer and our next three most highly compensated executives, known as named executive officers, or NEOs, for service to PPL and its subsidiaries. Mr. Spence also served as a director but received no separate compensation for board service.

SUMMARY COMPENSATION TABLE

e and Principal Position(1)	Year	Salary(2)	Bonus(3)	Stock Awards(4)	Option Awards	Non-Equity Incentive Plan Compensation(5)	Change in Pension Value and Nonqualified Deferred Compensation Earnings(6)	All Other Compensation(7)	To
m H. Spence	2016	$ 1,154,712		$ 6,256,112		$2,506,225	$5,418,856	$ 171,354	$ 15,5
	2015	1,127,500		6,237,307	$ 727,355	1,838,953	2,994,822	54,075	12,9
nan, President and Executive Officer	2014	1,126,760		6,292,601		2,134,132	3,808,318	27,445	13,3
nt Sorgi	2016	524,134		1,233,033		569,258	485,430	50,108	2,8
	2015	498,462		994,921	70,635	407,750	153,159	32,318	2,1
Vice President and Financial Officer	2014	398,404		613,624		344,924	318,067	27,602	1,7
A. Staffieri	2016	811,220		1,750,470		843,263	1,264,598	78,401	4,7
	2015	811,220		1,745,339	39,745	898,629	60,305	76,630	3,6
nan of the Board and Chief ive Officer LG&E and KU LLC	2014	811,220		1,843,401		751,393	3,173,983	88,862	6,6
t A. Symons	2016	741,127		789,848		668,969	1,466,339	25,331	3,6
	2015	836,038		691,919	6,569	690,156	369,842	20,288	2,6
Executive WPD	2014	872,710		775,944		609,305	1,520,212	27,115	3,8
ry N. Dudkin	2016	524,143		987,892		625,450	584,072	34,412	2,7
ent PPL Electric Utilities ation									
t J. Grey	2016	66,923	$ 46,689	1,180,026		57,071		2,094,330	3,4

r Executive Vice President	2015	579,539	1,146,332	235,660	506,775		56,927	2,5
	2014	563,253	1,056,292		572,910	591,769	33,185	2,8
ief Legal Officer								

(1) Mr. Staffieri served as Chairman of the Board, Chief Executive Officer and President of LKE until January 3, 2017, at which time he resigned as President.

Mr. Symons is based in the United Kingdom and is compensated in British pounds sterling. We converted his 2016 cash compensation, changes in pension value and personal benefits to U.S. dollars at an exchange rate of $1.3548, which was the average monthly translation rate for 2016, except with respect to the Non-Equity Incentive Plan Compensation amount, which was converted to U.S. dollars at an exchange rate of $1.2467, which is the translation rate for February 21, 2017, the date after the cash incentive award was paid to Mr. Symons because the payment date was a U.S. holiday.

Mr. Grey retired from the company on January 31, 2016.

(2) Salary includes cash compensation deferred to the PPL Executive Deferred Compensation Plan or, for Mr. Staffieri, to the LG&E and KU Nonqualified Savings Plan. The following NEOs deferred salary in 2016 in the amounts indicated: Mr. Spence ($34,641); Mr. Sorgi ($15,724); Mr. Staffieri ($44,929); and Mr. Dudkin ($15,724). These amounts are included in the Nonqualified Deferred Compensation in 2016 table on page 58 as executive contributions for the last fiscal year.

(3) As described in CD&A 2016 Named Executive Officer Compensation 2016 Long-term Equity Incentive Awards 2016 Performance-Contingent Restricted Stock Unit Awards above, the amount reflects an equivalent cash payment made in February 2017 to Mr. Grey based on EPS performance during 2014-2016 (and prorated due to his retirement on January 31, 2016) in lieu of a performance-contingent stock unit award that would have been granted to Mr. Grey in 2017. This cash payment had the effect of changing equity compensation that would have been reportable in 2018 had Mr. Grey been a NEO for 2017 to bonus compensation reportable in this year s proxy statement for 2016.

(4) This column represents the aggregate grant date fair value of restricted stock units and performance units as calculated under ASC Topic 718, without taking into account estimated forfeitures. The grant date fair values of restricted stock units are calculated using the closing price of PPL common stock on the NYSE on the date of grant. The grant date fair values of the performance units reflected in this column are the target payouts based on the probable outcome of the performance condition, determined as of the grant date, and are disclosed in the Grants of Plan-Based Awards During 2016 table on page 50. The maximum potential values as of the grant date of the performance units granted in 2016 assuming the highest level of performance are as follows: Mr. Spence $6,764,630; Mr. Sorgi $1,333,255; Mr. Staffieri $1,892,741;

Mr. Symons $962,017; Mr. Dudkin $1,172,948; and Mr. Grey $1,275,955. For additional information on the assumptions made in the valuation of performance units, refer to Note 10 to the PPL financial statements in the Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as filed with the SEC. Further information regarding the 2016 awards is included in the Grants of Plan-Based Awards During 2016 and Outstanding Equity Awards at Fiscal Year-End 2016 tables elsewhere in this proxy statement.

(5) For 2016, amounts represent cash awards made in March 2017 for performance under the company s annual cash incentive award program for 2016, which were made under PPL s 2016 Short-term Incentive Plan for all NEOs. These amounts include amounts the NEOs have elected to defer to the PPL Executive Deferred Compensation Plan or, for Mr. Staffieri, to the LG&E and KU Nonqualified Savings Plan. The following NEOs deferred cash awards in the amounts indicated: Mr. Spence ($75,187); Mr. Sorgi ($113,852); Mr. Staffieri ($50,596); and Mr. Dudkin ($18,764). These amounts will be included in the Nonqualified Deferred Compensation in 2017 table as executive contributions in next year s proxy statement if the executive is an NEO for 2017.

(6) This column represents the sum of the changes during 2016 in the actuarial present value of accumulated benefit in the PPL Retirement Plan and PPL Supplemental Executive Retirement Plan, or PPL SERP, for Messrs. Spence, Sorgi, Dudkin and Grey, the LG&E and KU Retirement Plan and the LG&E and KU Supplemental Executive Retirement Plan for Mr. Staffieri and the Electricity Supply Pension Scheme in the United Kingdom for Mr. Symons. See Pension Benefits in 2016 beginning on page 54 for additional information, including the payments made during 2016 to Mr. Grey under his pension plans. No amounts are shown for 2016 under this column for Mr. Grey as his change in pension value during 2016 was a negative amount. Mr. Grey s net decrease in pension value for 2016 was ($60,023), composed of a decrease in the value of his accumulated benefit under the PPL SERP of ($42,143) and a decrease in the value of his accumulated benefit under the PPL Retirement Plan of ($17,880). No above-market or preferential earnings under the PPL Executive Deferred Compensation Plan are reportable for 2016. As to Mr. Staffieri, no above-market or preferential earnings under the LG&E and KU Nonqualified Savings Plan and LG&E Energy Corp. Nonqualified Savings Plan are reportable for 2016. See Nonqualified Deferred Compensation in 2016 beginning on page 58 for additional information. Mr. Symons does not participate in a deferred compensation plan.

(7) The table below reflects the components of this column for 2016, which include the company s matching contribution for each individual s 401(k) plan contributions under respective savings plans, the company s matching contribution for each individual s contributions under nonqualified deferred compensation plans, or NQDC, payments made to Mr. Grey pursuant to the PPL Executive Severance Plan and his retention agreement, and certain perquisites including financial planning and tax preparation services, company car and other personal benefits as noted.

Name	401(k) Match	NQDC Employer Contributions	Financial Planning and Tax Preparation	Company Car[a]	Other	Total
W. H. Spence	$ 7,950	$141,804	$11,000		$ 10,600[b][c]	$ 171,354
V. Sorgi	7,950	24,058	11,000		7,100[b][c]	50,108
V. A. Staffieri	11,130	60,684	6,587			78,401
R. A. Symons				$23,109	2,222[d]	25,331
G. N. Dudkin	7,950	15,462	11,000			34,412
R. J. Grey	7,950	21	9,000		2,077,359[c][e]	2,094,330

(a) Reflects car benefits provided to Mr. Symons, including monthly car allowance and reimbursement for fuel. Benefit is capped at £20,000 per year.

(b) Includes contributions made by the company under our charitable matching gift program, pursuant to which we will contribute, on a 100% matching basis, up to $10,000 per year per person to specified charitable institutions.

(c) Includes $600 cash payment to employees who voluntarily switched to a high-deductible health plan.

(d) Cost of private medical insurance plan in the United Kingdom for Mr. Symons, his wife and any dependent children.

(e) Includes the following payments made to Mr. Grey: (1) $1,186,249 paid pursuant to the PPL Executive Severance Plan; (2) $830,000 paid pursuant to his retention agreement; and (3) $60,510 paid upon his retirement for accrued vacation. For more information regarding Mr. Grey s agreement, see Retention Agreements beginning on page 64.

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EXECUTIVE COMPENSATION

GRANTS OF PLAN-BASED AWARDS DURING 2016

The following table provides information about equity and non-equity incentive plan awards granted to the NEOs in 2016.

		Estimated Future Payouts under Non-Equity Incentive Plan Awards[(1)]			Estimated Future Payouts under Equity Incentive Plan Awards[(2)]			All Other Stock Awards: Number of Shares of Stock or	Grant Date Fair Value of Stock and Option
Name	Grant Date	Threshold	Target	Maximum	Threshold	Target	Maximum	Units[(3)]	Awards[(4)]
W. H. Spence	1/21/2016	$808,982	$1,617,963	$3,235,926					
	1/21/2016							86,482	$2,873,797
	1/21/2016				22,903	91,612	183,224		3,382,315
V. Sorgi	1/21/2016	183,750	367,500	735,000					
	1/21/2016							17,045	566,405
	1/21/2016				4,514	18,056	36,112		666,628
V. A. Staffieri	1/21/2016	304,207	608,415	1,216,830					
	1/21/2016							24,198	804,100
	1/21/2016				6,408	25,633	51,266		946,370
R. A. Symons	1/21/2016	210,418	420,836	841,673					
	1/21/2016							9,294	308,840
	1/21/2016				2,461	9,845	19,690		363,477
	4/01/2016				693	2,770	5,540		117,531
G. N. Dudkin	1/21/2016	210,165	420,330	840,659					
	1/21/2016							12,080	401,418
	1/21/2016				3,971	15,885	31,770		586,474
R. J. Gregy	1/21/2016	217,500	435,000	870,000					
	1/21/2016							16,312	542,048
	1/21/2016				4,320	17,280	34,560		637,978

(1)

These columns show the potential payout range under the 2016 annual cash incentive award program. For additional information, see CD&A 2016 Named Executive Officer Compensation 2016 Annual Cash Incentive Awards beginning on page 36. The cash incentive payout range is from 50% to 200% of target. If the actual performance falls below the 50% payout level, the payout is zero. Mr. Symons is based in the United Kingdom and is compensated in British pounds sterling. We converted his annual cash incentive award ranges to U.S. dollars at an exchange rate of $1.3548, which is the average monthly translation rate for 2016.

(2) These columns show the potential payout range for the performance units granted in 2016 to the NEOs under PPL s SIP. For additional information, see CD&A 2016 Named Executive Officer Compensation 2016 Long-term Equity Incentive Awards 2016 Performance Unit Awards beginning on page 40. The payout range for performance unit awards granted in 2016 is from 25% to 200% of target. The performance period is 2016-2018. At the end of the performance period, PPL TSR for the three-year period is compared to the total return of the companies in the Philadelphia Stock Exchange Utility Index, or UTY. Shares of PPL common stock reflecting the applicable number of performance units, as well as dividend equivalents, will vest and be paid according to the applicable level of achievement of the performance goal. If actual performance falls below the 25% payout level, the payout is zero.

(3) This column shows the number of performance-contingent restricted stock units granted in 2016 to the NEOs under PPL s SIP based on EPS performance during 2013-2015. For additional information, see CD&A 2016 Named Executive Officer Compensation 2016 Long-term Equity Incentive Awards 2016 Performance-Contingent Restricted Stock Unit Awards beginning on page 39. In general, restrictions on the awards will lapse on January 21, 2019, three years from the date of grant. Each restricted stock unit entitles the executive to receive additional restricted stock units equal in value to the amount of quarterly dividends paid on PPL common stock. These additional restricted stock units are payable in shares of PPL common stock at the end of the restriction period, subject to the same conditions as the underlying restricted stock units.

(4) This column shows the grant date fair value, as calculated under ASC Topic 718, of the performance units and restricted stock units granted to the NEOs, without taking into account estimated forfeitures. For restricted stock units granted on January 21, 2016, grant date fair value is calculated using the closing price of PPL common stock on the NYSE on the grant

date of $33.23. For performance units, grant date fair value is calculated using a Monte Carlo pricing model value of $36.92 for the awards granted on January 21, 2016, and $42.43 for the additional awards granted to Mr. Symons on April 1, 2016. For additional information on the valuation assumptions for performance units, see Note 10 to the PPL financial statements in the Annual Report on Form 10-K for the fiscal year ended December 31, 2016, as filed with the SEC.

Employment Agreement

Mr. Symons is a party to an amended and restated Service Agreement, dated March 16, 2015, with Western Power Distribution (South West) plc, or WPD (South West). He serves as the Chief Executive of the Western Power Distribution group of companies, four of which are British regional electricity distribution utility companies. The Service Agreement provides that Mr. Symons is eligible to participate, at WPD (South West) s discretion, in any bonus or incentive plans for senior executives and/or directors provided by WPD (South West) from time to time. Currently, Mr. Symons participates in the Directors Results Related Bonus Scheme. The terms of the Service Agreement further provide that Mr. Symons, his wife and dependent children are entitled to participate in a private medical insurance plan, at WPD (South West) s expense. Mr. Symons is also entitled to use of a car and fuel benefits in accordance with WPD (South West) s executive car program. His car benefits are capped at an annual amount equal to £20,000. WPD (South West) has also committed, while Mr. Symons is employed with the company, to provide life insurance for him in the amount of £4.85 million. The amount of insurance is adjusted annually in connection with the Retail Price Index in the United Kingdom. This benefit terminates once Mr. Symons leaves WPD (South West). The term of the Service Agreement continues until after six months notice to terminate provided by either WPD (South West) or Mr. Symons, or until Mr. Symons is otherwise terminated as provided in the agreement.

In the event that Mr. Symons employment is terminated during the two-year period following a change in control of WPD (South West) (as defined in the Service Agreement and discussed further below) pursuant to a relevant event (as described below), Mr. Symons is entitled to (1) a lump-sum payment equal to two times his taxable pay received from WPD (South West) during the 12-month period immediately preceding the change in control, payable within seven days of the termination of his employment and (2) amounts owed to him under the pension plan in which he participated up until April 2006. See Potential Payments upon Termination or Change in Control of PPL Corporation Change-in-Control Arrangements beginning on page 60 for additional change-in-control benefits available to Mr. Symons.

For purposes of the Service Agreement, relevant event is defined to mean (1) a termination of Mr. Symons employment by WPD (South West) other than because of his gross misconduct or his material breach of contract or (2) a termination of Mr. Symons employment by him pursuant to one of a number of circumstances including (a) a material alteration in his position or responsibilities; (b) a reduction in his base salary; (c) the relocation of Mr. Symons place of work more than 50 miles away; or (d) a cutback or exclusion from a compensation plan, pension plan or welfare plan.

Mr. Symons Service Agreement contains restrictive covenants, including an indefinite covenant not to disclose confidential information and, during Mr. Symons employment and for the 12-month period following termination of

his employment, a covenant not to solicit employees and directors of WPD (South West) or its subsidiaries.

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EXECUTIVE COMPENSATION

OUTSTANDING EQUITY AWARDS AT FISCAL YEAR-END 2016

The following table provides information on all unexercised stock option, or for Mr. Symons phantom stock option, awards, as well as all unvested restricted stock unit awards and unearned and unvested performance units, for each NEO as of December 31, 2016. Each stock option grant, as well as each grant of performance units that is unearned and unvested, is shown separately for each NEO, and the restricted stock units that have not vested are shown in the aggregate. The vesting schedule for each grant is shown following this table, based on the grant date of the stock option, phantom stock option, restricted stock unit award or performance unit award grant date. The market value of the stock awards is based on the closing price of PPL common stock on the NYSE as of December 30, 2016, the last trading day of 2016, which was $34.05. For additional information about stock awards, see CD&A 2016 Named Executive Officer Compensation 2016 Long-term Equity Incentive Awards beginning on page 39.

		Option Awards				Stock Awards			
Name	Grant Date[1]	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable[2]	Option Exercise Price ($)[2]	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested[3] (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested[4] (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)
W. H. Spence	1/24/08	77,419		42.84	1/23/2018				
	7/22/11	10,344		25.24	7/21/2021				
	1/26/12	430,041		25.41	1/25/2022				
	1/24/13	776,968		26.59	1/23/2023				
						304,443	10,366,284		
	1/22/15							198,146	6,746,878
	1/21/16							23,626	804,474
V. Sorgi	3/29/10	13,696		25.13	3/28/2020				
	1/27/11	26,561		23.20	1/26/2021				
	1/26/12	29,624		25.41	1/25/2022				
	1/24/13	55,153		26.59	1/23/2023				
						39,829	1,356,177		
	1/22/15							35,154	1,197,003

	1/21/16							4,657	158,554
V. A. Staffieri						87,566	2,981,622		
	1/22/15							55,440	1,887,732
	1/21/16							6,611	225,088
R. A. Symons	2/15/08	24,208		42.88	2/15/2018				
						35,261	1,200,637		
	1/22/15							21,982	748,487
	1/21/16							3,246	110,535
G. N. Dudkin						57,204	1,947,796		
	1/22/15							26,232	893,200
	1/21/16							4,097	139,494
R. J. Grey	1/24/08	33,498		42.84	1/23/2018				
	1/22/09	50,192		28.77	1/21/2019				
	1/21/10	46,052		28.09	1/20/2020				
	1/22/15							36,408	1,239,692
	1/21/16							4,457	151,744

(1) For a better understanding of this table, we have included an additional column showing the grant date of the outstanding stock options and the unearned and unvested performance units.

(2) All securities underlying unexercised options are exercisable.

(3) All restricted stock units for the NEOs under PPL s ICP and the SIP vest on the third anniversary of the grant date. The dates that restrictions lapse for each restricted stock unit award granted to the NEOs and the number of restricted stock units, including dividend equivalents reflected as additional restricted stock units, are:

	Grant Date	Vesting Dates			
Name		1/23/17	6/17/17	1/22/18	1/21/19
W. H. Spence	1/23/14	116,890			
	1/22/15			98,341	
	1/21/16				89,212
V. Sorgi	1/23/14	8,432			
	1/22/15			13,814	
	1/21/16				17,583
V. A. Staffieri	1/23/14	35,082			
	1/22/15			27,522	
	1/21/16				24,962
R. A. Symons	1/23/14	14,764			
	1/22/15			10,910	
	1/21/16				9,587
G. N. Dudkin	3/01/11		16,131		
	1/23/14	15,589			
	1/22/15			13,023	
	1/21/16				12,461

(4) The number of performance units granted in 2015 disclosed in the table for each NEO represents the maximum payout amount for 2015 awards. The maximum amount is used because PPL s TSR was above the target payout level of the awards as compared to its industry peers for the time period of 2015 through 2016, the first two years

of the three-year performance period for the 2015 awards. The number of performance units granted in 2016 disclosed in the table for each NEO represents the threshold payout amount for 2016 awards. The threshold amount is used because PPL s TSR was below the threshold payout level of the awards as compared to its industry peers for 2016, the first year of the three-year performance period for the 2016 awards. The number of shares shown in the table for each NEO also includes dividend equivalents reflected as additional performance units.

These performance units are payable in shares of PPL common stock following the performance period. While the performance period ends on December 31, 2017 for the 2015 awards and December 31, 2018 for the 2016 awards, the number of performance units earned is not determined until the CGNC certifies that the level of performance goals have been achieved. The number of performance units earned at the time of certification may be more or less than the number of awards reflected in this table, depending on whether or not the performance goals have been achieved and the level of achievement. See CD&A 2016 Named Executive Officer Compensation 2016 Long-term Equity Incentive Awards 2016 Performance Unit Awards beginning on page 40 for a discussion of the performance goals related to TSR and the attainment levels for each award.

EXECUTIVE COMPENSATION

OPTION EXERCISES AND STOCK VESTED IN 2016

The following table provides information for each of the NEOs with respect to (1) stock option and phantom stock option award exercises during 2016, including the number of shares acquired or treated as acquired upon exercise and the value realized, and (2) the number of shares acquired during 2016 upon the vesting of restricted stock units and the deemed vesting of performance units and the value realized, each before payment of any applicable withholding tax and broker commissions.

	Option Awards		Stock Awards	
Name	Number of Shares Acquired on Exercise[1]	Value Realized on Exercise[2]	Number of Shares Acquired on Vesting	Value Realized on Vesting[3]
W. H. Spence	189,669	$ 1,772,110	186,938	$ 6,360,761
V. Sorgi			17,258	587,287
V. A. Staffieri	81,426	602,829	60,828	2,069,603
R. A. Symons	59,684	495,470	22,227	756,302
G. N. Dudkin	34,102	417,743	25,439	865,545
R. J. Grey	343,963	3,807,966	87,191	3,165,942

(1) For Mr. Symons, the phantom stock option awards reflected in the table were settled in cash in accordance with their terms.

(2) Amounts reflect the difference between the exercise price of the stock option, or for Mr. Symons, phantom stock option, award and the closing price on the NYSE of PPL common stock underlying the stock option or phantom stock option award at the time of exercise.

(3) Amounts reflect the closing price on the NYSE of the shares of PPL common stock underlying the restricted stock units on the day the restrictions lapsed and the closing price on December 30, 2016 on the NYSE of the shares of PPL common stock underlying the performance units granted in 2014 that are deemed to have been earned as of December 31, 2016, the last day of the three-year performance period.

PENSION BENEFITS IN 2016

The following table sets forth information on the pension benefits for the NEOs under each of the following pension plans:

PPL Retirement Plan. The PPL Retirement Plan is a funded and tax-qualified defined benefit retirement plan that covers approximately 2,172 active employees as of December 31, 2016. The PPL Retirement Plan was closed to

new salaried employees after December 31, 2011. As applicable to Messrs. Spence, Sorgi and Dudkin, and to Mr. Grey until 2016 when he received a lump-sum payment, the plan provides benefits based primarily on a formula that takes into account the executive s earnings for each fiscal year. Benefits under the PPL Retirement Plan for eligible employees are determined as the greater of the following two formulas:

The first is a career average pay formula of 2.25% of annual earnings for each year of credited service under the plan.

The second is a final average pay formula as follows:
1.3% of final average earnings up to the Average Social Security Wage Base

plus

1.7% of final average earnings in excess of the Average Social Security Wage Base

multiplied by

the sum of years of credited service (up to a maximum of 40 years).

Under the final average pay formula, final average earnings equal the average of the highest 60 months of pay during the last 120 months of credited service. The Average Social Security Wage Base is the average of the taxable Social Security Wage Base for the 35 consecutive years preceding an employee s retirement date or, for employees retiring at the end of 2016, $75,180. The executive s annual earnings taken into account

under each formula include base salary and cash incentive awards, but may not exceed an IRS-prescribed limit applicable to tax-qualified plans ($265,000 for 2016).

The benefit an employee earns is payable starting at retirement on a monthly basis for life or in a lump sum. Benefits are computed on the basis of the life annuity form of pension, with a normal retirement age of 65. Benefits are reduced for retirement prior to age 60 for employees with 20 years of credited service and reduced prior to age 65 for other employees. Employees vest in the PPL Retirement Plan after five years of credited service. In addition, the plan provides for joint and survivor annuity choices and does not require employee contributions.

Benefits under the PPL Retirement Plan are subject to the limitations imposed under Section 415 of the Internal Revenue Code. The Section 415 limit for 2016 was $210,000 per year for a single life annuity payable at an IRS-prescribed retirement age. Benefits in excess of these federal limits are payable from company funds under the PPL Supplemental Compensation Pension Plan described below unless the employee is eligible for benefits under the PPL Supplemental Executive Retirement Plan described below.

PPL Supplemental Compensation Pension Plan. This plan is an unfunded and not qualified for tax purposes plan that covers approximately 54 active employees, including Messrs. Sorgi and Dudkin, hired prior to January 1, 2012 who are vested in the PPL Retirement Plan and are not vested in the PPL SERP, at the time of termination or retirement. The benefit formula is the same as the PPL Retirement Plan, but it reflects compensation in excess of the IRS-prescribed limit of $265,000 for 2016. The plan benefit is calculated using all PPL affiliated company service, not just service credited under the PPL Retirement Plan. Upon retirement, this plan will only pay out the excess benefit above and beyond the PPL Retirement Plan. At such time as Messrs. Sorgi and Dudkin vest in the PPL SERP, they will no longer be eligible for this plan.

PPL Supplemental Executive Retirement Plan. The PPL SERP covers approximately five active officers as of December 31, 2016, including Messrs. Spence, Sorgi and Dudkin, and Mr. Grey until his retirement on January 31, 2016, to provide for retirement benefits above amounts available under the PPL Retirement Plan described above. The PPL SERP is unfunded and is not qualified for tax purposes. Accrued benefits under the PPL SERP are subject to claims of the company s creditors in the event of bankruptcy. The PPL SERP was closed to new officers after December 31, 2011.

The PPL SERP formula is 2.0% of final average earnings for the first 20 years of credited service plus 1.5% of final average earnings for the next 10 years. Final average earnings is the average of the highest 60 months of earnings during the last 120 months of credited service. Earnings include base salary and annual cash incentive awards.

Benefits are computed on the basis of the life annuity form of pension, with a normal retirement age of 65. Generally, no benefit is payable under the PPL SERP if the executive officer has less than 10 years of service unless specifically authorized, such as upon a qualifying termination in connection with a change in control. Benefits under the PPL

SERP are paid, in accordance with a participant s advance election, as a single sum or as an annuity, including choices of a joint and survivor or years-certain annuity. At age 60, or at age 50 with 10 years of service, accrued benefits are vested and may not be reduced by an amendment to the PPL SERP or termination by the company. After the completion of 10 years of service, participants are eligible for death benefit protection.

The company does not have a policy for granting additional years of service but has done so under the PPL SERP in individual situations. A grant of additional years of service to any executive officer must be approved by the CGNC. The CGNC previously granted to Mr. Spence an additional year of service for each year of employment under the PPL SERP as a retention mechanism. Mr. Grey was credited with service under the PPL SERP commencing as of age 30, based on plan provisions in effect prior to January 1, 1998. The total PPL SERP benefit cannot increase beyond 30 years of service for any participant. The table below reflects the additional service amounts based on service as of December 31, 2016 for all NEOs, other than Mr. Grey who retired on January 31, 2016. Please refer to the table footnotes for additional information related to credited service under the PPL SERP.

LG&E and KU Retirement Plan. The LG&E and KU Retirement Plan, or LG&E Retirement Plan, is a funded and tax-qualified defined benefit retirement plan that covers approximately 1,500 active employees as of December 31, 2016 and that was closed to new participants on December 31, 2005. As applicable to Mr. Staffieri,

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the LG&E Retirement Plan provides benefits based on a formula that takes into account the executive s average monthly earnings and years of service. Benefits for eligible employees are determined as the greater of the following two formulas:

The first formula is 1.58% of average monthly earnings plus 0.40% of average monthly earnings in excess of covered compensation multiplied by years of credited service (up to a maximum of 30 years).

The second formula is 1.68% of average monthly earnings multiplied by years of credited service (up to a maximum of 30 years).

Under the LG&E Retirement Plan, the average monthly earnings is the average of the highest five consecutive monthly earnings prior to termination of employment. Monthly earnings is defined as total compensation as indicated on Form W-2 including deferrals to a 401(k) plan, but excluding any earnings from the exercise of stock options, limited to the IRS-prescribed limit applicable to tax-qualified plans ($265,000 for 2016), divided by 12.

Covered compensation is 1/12 of the average of the Social Security Wage Base for the 35-year period ending with the year of a participant s social security retirement age. The Social Security Wage Base for future years is assumed to be equal to the Social Security Wage Base of the current year.

The benefit an employee earns is payable starting at retirement on a monthly basis for life. Benefits are calculated on the basis of the life annuity form of pension with a normal retirement age of 65. Early retirement occurs at the earlier of age 55 or 30 years of service. Effective January 1, 2015, there is no early retirement reduction after attainment of age 60. As a result, prior to age 60, benefits are reduced. Employees vest in the LG&E Retirement Plan after five years of service.

Benefits under the LG&E Retirement Plan are subject to the limitations imposed under Section 415 of the Internal Revenue Code. The Section 415 limit for 2016 is $210,000 per year for a single life annuity payable at an IRS-prescribed retirement age.

LG&E and KU Supplemental Executive Retirement Plan. Mr. Staffieri is a participant in the LG&E and KU Supplemental Executive Retirement Plan, or LG&E SERP. The LG&E SERP is unfunded and is not qualified for tax purposes. It was closed to new participants effective January 1, 2012. Accrued benefits under the LG&E SERP are subject to claims of the company s creditors in the event of bankruptcy.

The LG&E SERP formula is equal to 64% of the average monthly compensation less

100% of the monthly qualified LG&E Retirement Plan benefit payable at age 65;

100% of the primary Social Security Benefit payable at age 65;

100% of any matching contribution or the employer contribution for those participants for whom the defined contribution plan is the primary retirement vehicle; and

100% of any other employer-provided benefit payable at age 65 as a life annuity from any qualified defined benefit plan or defined contribution plan (if such qualified defined contribution plan was the employer s primary vehicle for retirement) sponsored by previous employers.

The net benefit is multiplied by a fraction, not to exceed one, the numerator of which is years of service at date of termination and the denominator is 15.

Average monthly compensation is the average compensation for the highest 36 consecutive months preceding termination of employment. Compensation is defined as base salary plus short-term incentive pay prior to any deferrals under any qualified or nonqualified deferred compensation plan.

Normal retirement is age 65. Early retirement for a participant who has been credited with at least five years of service and whose age is at least age 50 is the later of separation of service or age 55. There is no early retirement reduction after attainment of age 62.

Electricity Supply Pension Scheme. Mr. Symons was an active participant in the Electricity Supply Pension Scheme, or ESPS, in the United Kingdom until April 6, 2006, at which time he ceased to accrue any benefits under the ESPS. The ESPS is a United Kingdom tax-approved defined benefit pension scheme. It provides at retirement an annual pension of 1/80th of final salary for each year of service, a lump sum of three times a member s annual pension, which is payable at retirement, and dependents benefits payable on the member s

death. In addition to the standard benefit accrual rate of 1/80th, Mr. Symons received an enhancement to his pension of 1/30th accrual rate for the period April 1, 2000 to April 5, 2006. He began receiving distributions from the ESPS on March 20, 2012, and the distributions received during 2016 are included in the following table.

Name	Plan Name	Number of Years Credited Service[1]	Present Value of Accumulated Benefit[2][3]	Payments During Last Fiscal Year
W. H. Spence	PPL Retirement Plan	10.5	$ 678,196	
	PPL SERP	21.0[4]	21,047,056	
V. Sorgi	PPL Retirement Plan	10.7	457,440	
	PPL Supplemental Compensation Pension Plan	10.7	642,016	
	PPL SERP	10.7	882,033	
V. A. Staffieri	LG&E Retirement Plan	24.8	1,762,298	
	LG&E SERP	24.8	14,780,792	
R. A. Symons	Electricity Supply Pension Scheme	34.0	14,109,070[5]	$ 545,396[5]
G. N. Dudkin	PPL Retirement Plan	7.5	481,307	
	PPL Supplemental Compensation Pension Plan	7.5	799,180	
	PPL SERP	7.5	1,433,239	
R. J. Grey	PPL Retirement Plan	N/A	N/A	1,249,334
	PPL SERP	N/A	N/A	6,455,622

(1) See PPL Supplemental Executive Retirement Plan above for a description of the years of service that have been granted under the PPL SERP to Messrs. Spence and Grey.

(2) The assumptions used in estimating the present values of each NEO s accumulated pension benefit are:

Plan	Assumed Retirement Date[a]	Discount Rate	Post-retirement Mortality Assumption
PPL Retirement Plan	60	4.22%	RP-2014 gender specific healthy annuitant tables with white collar adjustment (removing MP-2014 improvement projections from 2006-2014) and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis (for LG&E and KU Retirement Plan and the LG&E and KU SERP, the base rates are increased by 2%)
PPL Supplemental Compensation Pension Plan	60	4.22%	
LG&E Retirement Plan	60	4.20%	
LG&E SERP	62	4.24%	
PPL SERP	60	4.21%	RP-2014 gender specific healthy annuitant tables with no collar adjustment (removing MP-2014 improvement projections from 2006-2014) and applying Scale BB 2-Dimensional mortality improvements from 2006 on a generational basis.
Electricity Supply Pension Scheme	60	2.87%	Based upon United Kingdom standard tables S2PMA and S2PFA appropriate for the member s year of birth and future improvements subject to the standard table projected forward from 2007 in line with the 2015 CMI core projections with a long-term improvement rate of 1.0% per annum.

(a) For the PPL Retirement Plan, PPL Supplemental Compensation Pension Plan and PPL SERP, this column reflects the age at which retirement may occur without any reduction in benefits. For the PPL Retirement Plan and the PPL Supplemental Compensation Pension Plan, an employee may retire without any reduction in benefits at age 60

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provided that the employee has at least 20 years of service. Effective January 1, 2015, for the LG&E Retirement Plan, the age at which retirement may occur without any reductions in benefits is age 60. For the LG&E SERP, the age at which retirement may occur without any reduction in benefits is age 62. For the Electricity Supply Pension Scheme, the age at which retirement may occur without any reduction in benefits is age 60.

(3) The present values in the column reflect theoretical figures prescribed by the SEC for disclosure and comparison purposes. The table below reflects the actual benefits payable under the PPL SERP and the LG&E SERP upon the listed events assuming termination of employment occurred as of December 31, 2016, other than for Mr. Grey who retired on January 31, 2016. The full amount of accumulated benefits was paid to Mr. Grey during 2016 in connection with his retirement.

SERP Payments upon Termination as of December 31, 2016[a]			
Named Executive Officer	**Retirement**	**Death**	**Disability**
W. H. Spence	$22,004,669	$10,565,348	$22,004,669
V. Sorgi[b]		203,215	
V. A. Staffieri[c]	14,884,376	7,840,610	11,997,382
G. N. Dudkin[b]			
R. J. Grey[b]	N/A	N/A	N/A

(a) Messrs. Spence, Sorgi, Grey and Dudkin have elected to receive benefits payable under the PPL SERP as a lump-sum payment, subject to applicable law. For Mr. Staffieri, the LG&E SERP does not provide for a lump-sum payment, but a lump-sum amount is shown here for comparison purposes. See note (c) below for Mr. Staffieri s monthly LG&E SERP benefits. The amounts shown in this table represent the values that would have become payable based on a December 31, 2016 termination of employment, except for Mr. Grey who retired on January 31, 2016. Other than for Mr. Grey, actual payment would be made following December 31, 2016 subject to plan rules and in compliance with Section 409A of the Internal Revenue Code. Mr. Grey received the first lump-sum distribution of his SERP in the amount of $2,680,047 on February 12, 2016, and the remaining distribution in the amount of $3,775,575 on August 1, 2016.

(b) Messrs. Sorgi and Dudkin are not eligible to retire under the PPL SERP, but Mr. Sorgi has a death benefit. If Mr. Sorgi or Mr. Dudkin had left the company voluntarily on December 31, 2016, they would have been eligible to receive benefits under the PPL Retirement Plan and the PPL Supplemental Compensation Pension Plan, but not under the PPL SERP. Mr. Grey retired from the company on January 31, 2016 and was vested in a deferred benefit under the PPL Retirement Plan and the PPL SERP.

(c)

If Mr. Staffieri had retired on December 31, 2016 and commenced his LG&E SERP benefit on January 1, 2017, the monthly LG&E SERP benefit payable as a life annuity would have been $82,822. If he had died on December 31, 2016, the monthly LG&E SERP benefit payable to his spouse for her lifetime beginning January 1, 2017 would have been $41,971. If Mr. Staffieri had become disabled on December 31, 2016, the monthly LG&E SERP disability benefit payable at age 65 as a life annuity (assuming continued accrual) would have been $82,351.

(4) Includes 10.5 additional years of service provided to Mr. Spence. The years of credited service in excess of actual years of service provided to the company resulted in an increase to the present value of accumulated benefits for Mr. Spence as of December 31, 2016 under the PPL SERP of $10,712,996.

(5) Mr. Symons is based in the United Kingdom and receives his pension benefits in British pounds sterling. His present value of accumulated benefit as of December 31, 2016 is converted from Pounds Sterling to U.S. dollars at an exchange rate of $1.2359, the translation rate for December 30, 2016, and his pension distributions are converted to U.S. dollars at an exchange rate of $1.3548, which is the average monthly translation rate for 2016.

NONQUALIFIED DEFERRED COMPENSATION IN 2016

The PPL Executive Deferred Compensation Plan allows participants to defer all or a portion of their cash compensation in excess of the required minimum payroll taxes. In addition, the company made matching contributions to this plan during 2016 of up to 3% of an executive s cash compensation (base salary plus annual cash incentive award) to match executive contributions that would have been made to PPL s tax-qualified 401(k) deferred savings plan, also known as the PPL Deferred Savings Plan, except for IRS-imposed limitations on those contributions. The PPL Executive Deferred Compensation Plan is unfunded and is not qualified for tax purposes. All benefits under this plan are subject to the claims of the company s creditors in the event of bankruptcy. A hypothetical account is established for each participant who elects to defer, and the participant selects one or more deemed investment

choices that generally mirror those that are available 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 1.30% to 23.53% during 2016. Earnings and losses on each account are determined based on the performance of the investment funds selected by the participant. The company maintains each account as a bookkeeping entry. During 2016, Messrs. Spence, Sorgi, Dudkin and Grey notionally invested in one or more of those funds.

In general, the NEOs who participate in this plan cannot withdraw any amounts from their deferred accounts until they either leave or retire from the company. The company s Corporate Leadership Council, which currently consists of the chief executive officer, chief financial officer and general counsel, has the discretion to make a hardship distribution if there is an unforeseeable emergency that causes a severe financial hardship to the participant.

Participants may elect distribution in one or more annual installments for a period of up to 15 years, provided the participant complies with the election and timing rules of Section 409A of the Internal Revenue Code.

Mr. Staffieri is a participant in the LG&E and KU Nonqualified Savings Plan. The plan allows participants to defer up to a maximum of 75% of base salary and annual cash incentive awards. In addition, the participant receives a matching contribution equal to 70% of the first 6% deferred if that participant is not eligible for matching contributions in the LG&E and KU Savings Plan (a tax-qualified 401(k) plan) at the time the deferred compensation would have otherwise been paid to the participant. The LG&E and KU Nonqualified Savings Plan is unfunded and is not qualified for tax purposes. All benefits under the LG&E and KU Nonqualified Savings Plan are subject to the claims of creditors in the event of bankruptcy. A hypothetical account is established for each participant who elects to defer. The amount in the participant s hypothetical account is credited with interest at an annual rate equal to the Prime Interest Rate as reported in *The Wall Street Journal*. The Prime Interest Rate will be reset quarterly based on the last day of the preceding calendar quarter or March 31, June 30, September 30, and December 31. The interest is calculated by applying the Prime Interest Rate to the balance in the hypothetical account. Mr. Staffieri s rate of return for 2016 was 3.5%.

In general, distributions under the LG&E and KU Nonqualified Savings Plan are made as specified by the NEO at the time of completion of the deferral agreement. A hardship distribution may be approved by the Employee Benefits Plan Board, however, if there is an unforeseeable emergency, as defined by Section 409A of the Internal Revenue Code, which causes a severe financial hardship to the participant.

Participants may elect a lump-sum payment or annual installment payments for a period of not less than two years and not more than 10 years, provided the participant complies with the election and timing rules of Section 409A of the Internal Revenue Code.

Mr. Staffieri also has a hypothetical account in the LG&E Energy Corp. Nonqualified Savings Plan. This is a grandfathered deferred compensation plan that was closed to new contributions on January 1, 2005. The plan is unfunded and is not qualified for tax purposes. The plan is subject to claims of creditors in the event of bankruptcy.

The hypothetical account is credited with interest in the same manner as the LG&E and KU Nonqualified Savings Plan. Mr. Staffieri s rate of return for 2016 was 3.5%

Mr. Symons does not participate in a deferred compensation plan.

Name	Name of Plan	Executive Contributions in Last FY[(1)]	Registrant Contributions in Last FY[(2)]	Aggregate Earnings in Last FY[(3)]	Aggregate Withdrawals/ Distributions	Aggregate Balance at Last FYE[(4)]
W. H. Spence	PPL Executive Deferred Compensation Plan	$ 89,810	$141,804	$78,266		$1,121,696
V. Sorgi	PPL Executive Deferred Compensation Plan	138,049	24,058	38,029		456,250
V. A. Staffieri	LG&E and KU Nonqualified Savings Plan	98,847	60,684	36,776		1,120,277
	LG&E Energy Corp. Nonqualified Savings Plan			38,857		1,131,360
G. N. Dudkin	PPL Executive Deferred Compensation Plan	21,311	15,462	9,509		176,089
R. J. Grey	PPL Executive Deferred Compensation Plan		21	(2,524)	$(909,233)	

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(1) The following NEOs deferred salary in 2016 in the amounts indicated: Spence $34,641; Sorgi $15,724; Staffieri $44,929; and Dudkin $15,724, which is included in the Salary column of the Summary Compensation Table for 2016. In addition, the following NEOs deferred a portion of their cash incentive awards for 2015 performance paid in 2016, which were included in the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table for 2015: Spence $55,169; Sorgi $122,325; Staffieri $53,918 and Dudkin $5,587.

(2) Amounts in this column are company matching contributions during 2016 and are included in the Summary Compensation Table for 2016 under the heading All Other Compensation.

(3) Aggregate earnings for 2016 are not reflected in the Summary Compensation Table because such earnings are not deemed to be above-market or preferential earnings.

(4) Represents the total balance of each NEO s account as of December 31, 2016. Of the totals in this column, the following amounts were reported as compensation to the NEO in the Summary Compensation Table for previous years:

Named Executive Officer	Executive Contributions	Registrant Contributions	Total
W. H. Spence	$334,052	$218,873	$552,925
V. Sorgi	164,875	22,365	187,240
V. A. Staffieri	468,051	288,502	756,553
G. N. Dudkin	0	0	0

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL OF PPL CORPORATION

Change-in-Control Arrangements

The company has entered into change-in-control severance agreements with each of its currently employed NEOs that provide benefits to these officers upon qualifying terminations of employment in connection with a change in control of the company (a so-called double trigger).

The change-in-control agreement with respect to Mr. Spence is of the older form of agreement. The agreements for Messrs. Sorgi, Staffieri and Dudkin follow the new form of agreement and are described separately below. Mr. Symons agreement, while substantially similar to Mr. Spence s agreement, differs as described below.

The change-in-control agreement for Mr. Spence defines Change in Control as the occurrence of any of the following five specific events:

- a change in the majority of the members of our Board of Directors occurs through contested elections;
- an investor or group acquires 20% or more of the company s common stock;
- a merger occurs that results in less than 60% control of the company or the surviving entity by the current shareowners;
- shareowner approval of the liquidation or dissolution of the company; or
- the Board of Directors declares that a change in control is anticipated to occur or has occurred.

A voluntary termination of employment by Mr. Spence would only result in the payment of benefits if there was good reason for leaving. Good reason includes a number of circumstances in which the NEO has a substantial adverse change in the employment relationship or the duties assigned. For example, a reduction in salary, a relocation of the place of work of more than 30 miles, or a cutback or exclusion from a compensation plan, pension plan or welfare plan would constitute good reason. The benefits provided under this agreement replaces any other severance benefits that the company or any prior severance or change-in-control agreement would provide to him.

There is no benefit payable before or after a change in control if Mr. Spence is discharged for cause. Cause generally means willful conduct that can be shown to cause material injury to the company or the willful refusal to perform duties after written demand by the Board of Directors.

Mr. Spence s change-in-control agreement continues in effect until December 31, 2017, and the agreement is automatically extended for additional one-year periods. If a change in control occurs during the agreement s term, the

agreement will expire no earlier than 36 months after the month in which the change in control occurs. The agreement specifies that Mr. Spence will be entitled to the severance benefits described below if, in connection with a change in control, his employment is terminated for any reason other than death, disability, retirement or cause, or he terminates employment for good reason.

These benefits include:

- a lump-sum payment equal to three times the sum of (1) Mr. Spence s base salary in effect immediately prior to the date of termination or, if higher, immediately prior to the first occurrence of an event or circumstance constituting good reason and (2) the highest annual cash incentive award in respect of the last three fiscal years ending immediately prior to the fiscal year in which the change in control occurs or, if higher, the fiscal year immediately prior to the fiscal year in which an event or circumstance constituting good reason first occurs;

- a lump-sum payment having an actuarial present value equal to the additional pension benefits Mr. Spence would have received had he continued to be employed by the company for an additional 36 months;

- the continuation of welfare benefits for Mr. Spence and his dependents for the 36-month period following separation (reduced to the extent he receives comparable benefits from another employer);

- unpaid incentive compensation that has been allocated or awarded for a previous performance period;

- vesting of all contingent incentive compensation awards for all then uncompleted periods, calculated on a prorated basis of months of completed service, assuming performance achievement at 100% of the target level;

- vesting of all performance units outstanding, calculated on a prorated basis of months of completed service, assuming achievement at 100% of target, plus an amount payable in cash to provide payment for the maximum payout level (200% of target);

- outplacement services for up to three years;

- a gross-up payment for any excise tax imposed under the golden parachute provisions of the Internal Revenue Code; and
- post-retirement health care and life insurance benefits for which Mr. Spence would have become eligible within the 36-month period following the change in control.

The CGNC approved a new form of change-in-control agreement to be used for those officers entering into such agreements after December 31, 2011, including for Messrs. Sorgi, Staffieri and Dudkin. The new form differs from the prior form in the following areas:

- provides that the term may not expire during the period in which a change in control (a potential change in control) may occur, and expires no earlier than 24 months after a change in control actually occurs;
- eliminates excise tax gross-ups;
- eliminates accrual of additional pension service and benefit credits;
- eliminates payment upon a potential change in control unless a qualifying termination of employment actually occurs and is in connection with the potential change in control;
- shortens the notice period from 15 months to six months advance notice to terminate an agreement;
- eliminates welfare benefit continuation (other than retiree welfare benefits, as described below); instead, the company would pay a lump-sum payment equivalent to the cost of COBRA coverage that would be incurred for the 24-month period following termination of employment; and
- limits outplacement services to $50,000.

The change-in-control agreements for Messrs. Sorgi, Staffieri and Dudkin continue in effect until December 31, 2017, and are generally automatically extended for additional one-year periods. Their agreements provide that they will be entitled to the severance benefits described below if, in connection with a change in control, the company terminates their employment for any reason other than death, disability, retirement or cause, or the executive terminates employment for good reason.

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Pursuant to Messrs. Sorgi s, Staffieri s and Dudkin s agreements, a change in control is defined to include the following events:

- a change in a majority of the members of our Board of Directors occurs during a 12-month period through contested elections;
- an investor group acquires 30% or more of the company s common stock;
- a merger occurs that results in less than 70% control of the company or the surviving entity by the current shareowners; or
- the sale or other disposition of substantially all the company s assets.

Messrs. Sorgi s, Staffieri s and Dudkin s change-in-control agreement benefits include:

- a lump-sum payment equal to three times the sum of (1) their respective base salary in effect immediately prior to the date of termination or, if higher, immediately prior to the first occurrence of an event or circumstance constituting good reason and (2) the average annual bonus in respect of the last three fiscal years ending immediately prior to the fiscal year in which the change in control occurs or, if higher, the fiscal year immediately prior to the fiscal year in which an event or circumstance constituting good reason first occurs;
- a lump-sum payment equal to the aggregate amount of COBRA premiums otherwise payable for the 24-month period following termination (assuming COBRA would have been available for the 24 months at the rate in effect at date of termination);
- unpaid incentive compensation that has been allocated or awarded for a previous performance period;
- vesting of all contingent cash-based incentive compensation awards for all then uncompleted periods, calculated on a prorated basis of months of completed service, assuming achievement at the actual level of performance as of the date of change in control;
- outplacement services until December 31 of the second calendar year after termination but limited to fees of $50,000; and

post-retirement health care and life insurance benefits if eligibility would have occurred within the 24-month period following termination, or if more favorable to Messrs. Sorgi, Staffieri or Dudkin, within 24 months of the date on which the event or circumstance constituting good reason first occurs.

Mr. Symons change-in-control agreement is substantially similar to the change-in-control agreement for Mr. Spence, but differs from his agreement in the following respects:

The definition of Change in Control in Mr. Symons agreement also includes the occurrence of any of the following two specific events:

all or substantially all of the assets of subsidiaries of PPL Global, LLC that are located in the United Kingdom are sold or all or substantially all of the United Kingdom assets of the subsidiaries of PPL Global, LLC are transferred to the ownership of one or more business entities that have less than 50% of their ownership interests attributable to PPL Global, LLC and its subsidiaries after such transfer and PPL Global, LLC does not exercise active operational control of such entity or entities; or

either (1) WPD (South West) comes under the control of any person, or persons acting in concert, not having control of WPD (South West) as of May 11, 2006 or (2) the person or persons having the right to control, directly or indirectly, a majority of the votes that may ordinarily be cast at general meetings of WPD (South West) or the right to control the composition of the Board of Directors of WPD (South West) cease to have those rights, if, in either case, PPL Corporation does not maintain an equity or voting interest of at least 50%;

In the event of a qualifying termination of employment, Mr. Symons would generally be entitled to a lump-sum payment equal to two times the sum of his annual base salary and his highest annual cash incentive award in respect of the last three fiscal years;

Mr. Symons agreement provides for a lump-sum payment having an actuarial present value equal to the additional pension benefits he would have received had he continued to be employed by the company for an additional 24 months;

Mr. Symons   agreement does not provide for continuation of welfare benefits for Mr. Symons and his dependents following separation;

Mr. Symons   agreement does not provide for payment or vesting of any incentive compensation awards (including performance units) for uncompleted periods;

Mr. Symons   agreement provides for outplacement services of up to two years (Mr. Spence would be entitled to receive outplacement services of up to three years);

Mr. Symons   agreement does not provide for excise tax gross-ups; and

Mr. Symons   agreement does not provide for any post-retirement health care and life insurance benefits.

In addition to the benefits that the change-in-control agreements provide, the following events would occur in the event of a change in control under the company   s compensation arrangements:

the restriction period applicable to any outstanding restricted stock unit awards lapses for those awards granted under the SIP;

the performance period applicable to any outstanding performance unit awards will be deemed to conclude prior to the change in control, and a pro rata portion of all unvested units will become immediately vested as though there had been achievement of goals satisfying the target award (although the change-in-control agreements with respect to Mr. Spence would provide a cash payment in addition to this amount based on assumed achievement at the maximum level);

the restriction period on any outstanding stock options under the SIP lapses on qualifying termination of employment;

upon a qualifying termination, all participants in the PPL SERP and LG&E SERP immediately vest in their accrued benefit, even if not yet vested due to age and service; and

upon a qualifying termination, the PPL SERP benefit improves by a pro rata portion of the additional years of service granted to the officer, if any, that otherwise would not be earned until a specified period of years had elapsed or the officer had reached a specified age.

See the table beginning on page 67 for the estimated value of benefits to be paid if Messrs. Spence, Sorgi, Staffieri, Symons or Dudkin were terminated on December 31, 2016, after a change in control of PPL for qualifying reasons. Because no change of control event was associated with Mr. Grey s departure from the company, no amounts associated with a change in control are included in the table for him.

PPL has trust arrangements in place to facilitate the funding of benefits under the PPL SERP, the Executive Deferred Compensation Plan, change-in-control agreements and the DDCP if a change in control were to occur. Currently, the trusts are not funded. The trusts provide for the company to fund the trusts at the time a potential change in control occurs. The funds are refundable to the company if the change in control does not actually take place.

A potential change in control is triggered when:

- the company enters into an agreement that would result in a change in control;
- the company or any investor announces an intention to enter into a change in control;
- the Board of Directors declares that a potential change in control has occurred; or
- an investor obtains 5% or more of the company s common stock and intends to control or influence management (requiring a Schedule 13D to be filed by the investor with the SEC).

Within 60 days of the end of each year after the change in control occurs, PPL is required to irrevocably deposit additional cash or property into the trusts in an amount sufficient to pay participants or beneficiaries the benefits that are payable under terms of the plans that are being funded by the trusts as of the close of each year. Any income on the trust assets would be taxed to PPL and not to the beneficiaries of the trusts, and such assets would be subject to the claims of general creditors in the event of PPL s insolvency or bankruptcy.

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EXECUTIVE COMPENSATION

Retention Agreements

On May 6, 2015, in connection with the planned retirement of Mr. Grey, PPL entered into a Retention Agreement with Mr. Grey. The Retention Agreement provided for Mr. Grey s retirement from PPL on January 31, 2016, except that if PPL would have entered into an agreement prior to January 31, 2016, the consummation of which would constitute a Change in Control of PPL, Mr. Grey would have instead retired upon the consummation of the Change in Control.

The Retention Agreement provided that, during the retention period, Mr. Grey s compensation would continue to be set by the CGNC, consistent with past practice and the compensation arrangements of other senior executives of PPL, except that the service-based vesting requirements of any long-term incentive awards granted during the retention period would not require Mr. Grey to remain employed by PPL after the retention period and Mr. Grey s salary and bonus targets would not be reduced from the level in effect on the effective date of the Retention Agreement other than any reduction that is consistent with a general reduction by PPL of the salary or bonus targets of its senior executive officers. In addition, during the retention period, Mr. Grey remained eligible to receive all benefits and perquisites consistent with those generally provided by PPL to senior executives. The Retention Agreement also provided for PPL to pay the reasonable and documented attorneys fees incurred by Mr. Grey in connection with entering into the Retention Agreement, in an amount not to exceed $25,000.

Following the expiration of the retention period, Mr. Grey became entitled to receive a lump-sum payment equal to $830,000 in addition to amounts otherwise payable pursuant to PPL s Executive Severance Plan.

PPL previously entered into a retention agreement with Mr. Dudkin under which he holds 16,131 shares of restricted stock units. The retention agreement ends June 17, 2017, at which time the restrictions lapse.

Termination Benefits

The NEOs are entitled to various benefits in the event of a termination of employment, but the value of those benefits and their components vary depending upon the circumstances. A qualifying termination in connection with a change in control of PPL Corporation, or WPD (South West) for Mr. Symons, triggers contractual benefits under the change in control and equity award agreements described above. A retirement results in benefits and payments in cash or stock that are set forth in various executive plans referred to above. A termination resulting from death or disability also has a number of benefit consequences under various benefit plans.

The table set forth below provides the company s estimates of the probable value of benefits that would have been payable to the NEOs assuming a termination of employment as of December 31, 2016, for reasons of retirement, voluntary termination, death, disability, involuntary termination not for cause, change of control or qualifying termination in connection with a change in control. As for Mr. Grey, who retired on January 31, 2016, information is provided for what he actually received upon his departure from PPL. In addition, as permitted by SEC disclosure rules, the table does not reflect any amount provided to an NEO that is generally available to all salaried employees. Also, the table does not repeat information disclosed in the Pension Benefits in 2016 table, the Nonqualified Deferred Compensation in 2016 table or the Outstanding Equity Awards at Fiscal Year-End 2016 table, except to the extent that vesting or payment may be accelerated. If an NEO did not yet qualify for full retirement benefits or other benefits requiring longer service, that additional benefit is not reflected below. If an NEO had the ability to elect retirement

and thereby avoid forfeiture or decreased benefits, the table assumes that retirement was elected and is noted as such in the footnotes to the table.

In the event that an executive is terminated for cause by the company, no additional benefits are due under the applicable plans and agreements.

Severance. See CD&A Additional Information Special Compensation Severance Benefits for a discussion of the company s practice as to severance benefits. The NEOs, other than Mr. Symons, are participants in the PPL Executive Severance Plan. The plan provides for severance benefits for executives in the event of a termination of employment that is not for cause. Cause is defined as misconduct materially injurious to the company, insubordination, fraud or breach of confidentiality against the company or egregious violation of company policy. Pursuant to this plan, each of the NEOs, other than Mr. Symons, is eligible for two years of base salary, a lump-sum amount for 24 months of health plan continuation (COBRA) and outplacement services for the lesser of two years or $50,000 in fees. Benefits are conditioned on a release of liability from the NEO. Mr. Grey received severance benefits under the PPL Executive Severance Plan when his employment was terminated in January of 2016 as part of organizational changes resulting from the spinoff of the company s competitive generation business.

As discussed above in Change-in-Control Arrangements, there is a structured approach to separation benefits for involuntary and select good reason terminations of employment in connection with a change in control of PPL Corporation. PPL has entered into agreements with each of the NEOs that provide benefits to the officers upon qualifying terminations of employment in connection with a change in control. The benefits provided under these agreements replace any other severance benefits provided to the NEOs by PPL, including any benefit under the PPL Executive Severance Plan or any prior severance or change-in-control agreement.

The table below includes the severance payments, the value of continued welfare benefits and outplacement benefits as Other separation benefits, and the value of gross-up payments for required Federal excise taxes on excess parachute payments as Tax gross-up amount payable for Mr. Spence.

Account balances under the PPL Executive Deferred Compensation Plan, the LG&E and KU Nonqualified Savings Plan and the LG&E Energy Corp. Nonqualified Savings Plan become payable as of termination of employment for any reason, or as of the time previously elected. Current balances are included in the Nonqualified Deferred Compensation in 2016 table on page 58 above and are not included in the table below.

Annual Cash Incentive Awards. It is PPL s practice to pay a pro rata portion of the accrued but unpaid annual cash incentive award to executives who retire or who are eligible to retire and (1) die while employed or (2) terminate employment due to a disability during the performance year. Payments occur at the regularly scheduled time as paid to other executive officers. Only Mr. Sorgi is currently ineligible to retire.

In the event any of the NEOs were to die or terminate employment due to a disability, the CGNC has the authority to consider an award. If Mr. Sorgi was to leave voluntarily, he would not be entitled to an annual cash incentive award.

In the event of a qualifying termination in connection with a change in control of PPL Corporation, annual cash incentive awards that have been determined, but not yet paid, are payable under the terms of the change-in-control agreements entered into with the NEOs. Also in the case of a change in control, if a termination under these change-in-control agreements occurs during the performance year, accrued incentive cash awards are payable on a prorated basis for the period worked during the year using the assumption that performance goals were attained at target.

Long-term Incentive Awards. Restrictions on restricted stock units generally lapse upon retirement, death or termination of employment due to disability under the ICPKE and the SIP, or in the event of a change in control under the ICPKE. Under the SIP, if there is a change in control, restrictions lapse if there is a termination not for cause or for good reason. Restricted stock units are forfeited under both plans in the event of voluntary and involuntary termination if the executive is not retirement eligible.

Effective with performance units granted in 2014, if the NEO is eligible to retire, and retires after the first year of the performance period, the NEO is eligible for the award, if any, without proration at the end of the performance period. In the event of a change in control, the performance period ends and there is pro rata vesting as if the target

shareowner return was achieved. See Change-in-Control Arrangements above for a discussion of enhanced benefits that are triggered if Mr. Spence is terminated in connection with a change in control of the company. Performance units are forfeited in the event of voluntary termination if the executive is not eligible to retire.

In all events where performance units are not forfeited, we have included the prorated value based on the assumption of performance achievement at target (other than for Mr. Spence, who is entitled to an additional cash payment in the case of a change in control to provide payout at the maximum payout level), except where the NEO is retirement-eligible and the first year of the performance period year has passed, then the full value is assumed without proration.

All stock options, and phantom stock options, currently outstanding are fully vested and exercisable and therefore are not reflected in the table below.

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EXECUTIVE COMPENSATION

The term of all previously granted PPL stock options is 10 years. Upon the below stated events of termination, the executive may exercise options as follows:

In the event of retirement, (1) for options granted under the SIP, the executive has the earlier of five years from retirement or the remaining term to exercise the options, and (2) for options granted under the ICP, the executive has the remaining term to exercise the options.

In the event of termination of employment as a result of death or disability, the term for options granted under the ICP is reduced to 36 months, and under the SIP is reduced to three years and 60 days, unless the remaining term is shorter.

In the event of a change in control, the term for options granted under the ICP is reduced to 36 months. In the event of a qualifying termination of employment in connection with a change in control under the SIP, the term for options granted is reduced to three years and 60 days for all outstanding options. For options granted in 2010 or after under the ICP, and for all options granted under the SIP, the exercise periods in the event of a change in control are extended to the full term.

In the event of voluntary termination of employment for reasons other than noted above, NEOs have a maximum of 60 days to exercise options granted under the ICP and the SIP that are exercisable but that have not yet been exercised before they are forfeited.

In the event of a termination for cause, the NEOs must exercise all outstanding exercisable options prior to termination or risk immediate forfeiture of all options, whether exercisable or not.

The term of all previously granted phantom stock options to Mr. Symons is 10 years. Upon the below stated events of termination, he may exercise the phantom stock options as follows:

In the event of termination of employment as a result of death, the term for the phantom stock options is reduced to three years from the date of termination.

In the event of termination of employment as a result of disability, or upon retirement, the term for the phantom stock options is reduced to five years from the date of termination or retirement.

In the event of voluntary resignation or involuntary termination other than for cause other than noted above, Mr. Symons has a maximum of 90 days to exercise his phantom stock options that are exercisable

but that have not yet been exercised before they are forfeited.

In the event of a termination for "cause," Mr. Symons must exercise all outstanding exercisable phantom stock options prior to termination or risk immediate forfeiture of all phantom stock options, whether exercisable or not.

Assumptions for the table below:

For NEOs eligible to retire (Messrs. Spence, Staffieri, Symons and Dudkin), we have assumed the executive retires in the case of voluntary or involuntary termination.

For Messrs. Spence, Sorgi, Staffieri, Symons and Dudkin, we have assumed the termination event occurred as of December 31, 2016.

For Mr. Grey, we used January 31, 2016, his actual date of retirement from the company. The disclosure in the table for Mr. Grey is limited to the termination event that actually occurred.

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Named Executive Officer	Retirement or Voluntary Termination	Death	Disability	Involuntary Termination Not for Cause	Change in Control	Termination Following a Change in Control
W. H. Spence						
Severance payable in cash[1]				$ 2,311,376		$11,025,384
Other separation benefits[2]		$ 288,922		76,647		28,399
Tax gross-up amount payable[3]						7,554,010
Performance-contingent restricted stock units[4]	$10,366,301	10,366,301	$10,366,301	10,366,301		10,366,301
Performance units[5]	10,658,589	7,388,852	7,388,852	10,658,589	$7,388,852	