



Sent by email to: wstark@pplweb.com, cc: ALudwig@pplweb.com

December 3, 2021

Ms. Wendy E. Stark
Senior Vice President, General Counsel and Corporate Secretary
PPL Corporation
Two North Ninth Street
Allentown, Pennsylvania 18101

Re: Shareholder proposal for 2022 Annual Shareholder Meeting

Dear Ms. Stark,

The Unitarian Universalist Association (“UUA”), a shareowner of PPL Corporation (“PPL” or the “Company”), is hereby submitting the attached proposal (the “Proposal”) pursuant to the Securities and Exchange Commission’s Rule 14a-8 to be included in the proxy statement of the Company for its 2022 annual meeting of shareholders. The UUA is co-filing this resolution with the Presbyterian Church (USA). The resolution requests that our Board of Directors issue an independently audited report to shareholders that considers the strategic feasibility and financial consequences of committing to an 80 percent carbon pollution-free electricity interim net zero target by 2030.

The Unitarian Universalist Association (“UUA”) is a faith community of more than 1000 self-governing congregations that brings to the world a vision of religious freedom, tolerance, and social justice. With roots in the Jewish and Christian traditions, Unitarianism and Universalism have been forces in American spirituality from the time of the first Pilgrim and Puritan settlers. The UUA is also an investor with an endowment valued at approximately \$267 million, the earnings from which are an important source of revenue supporting our work in the world. The UUA takes its responsibility as an investor and shareowner very seriously. We view the shareholder resolution process as an opportunity to bear witness to our values at the same time that we enhance the long-term value of our investments.

The UUA, through its Unitarian Universalist Common Endowment Fund, has been a shareholder continuously since and including January 4, 2020, holding at least \$2,000 in market value and will continue to hold at least the requisite number of shares for proxy resolutions through the annual shareholders’ meeting. Verification of this ownership will be sent under separate cover.

The Presbyterian Church (USA) is scheduled to meet with the Company via teleconference on Monday, December 6, at 11:00 a.m. EST and is also available on Monday, December 13, at 3:00 p.m. EST if necessary. The UUA is available to meet at these times. If need be, I can be reached directly at (617) 620-0574 or tbrennan@uua.org.

Very truly yours,



Timothy Brennan,
Special Advisor on Responsible Investing

cc: Andrew McGeorge, Treasurer & CFO, UUA
Robert Fohr, Presbyterian Church (USA)

Enclosure: Shareholder resolution



“RESOLVED: Shareholders request PPL Corporation (“PPL”) Board of Directors issue an independently audited report to shareholders that considers the strategic feasibility and financial consequences of committing to an 80 percent carbon pollution-free electricity interim net zero target by 2030 to align PPL’s net zero climate commitments to the Paris-aligned US nationally determined contribution (“US NDC”) electricity pledge. The Board should summarize its findings in a report to shareholders that is completed at reasonable cost and omit proprietary information.

WHEREAS:

Investors and regulators are calling for companies to test their assumptions and resilience against climate-related risks and provide investors insight concerning the impact on financial statements;^{1 2 3}

The electricity sector is 25 percent of total US greenhouse gas emissions;⁴

The implied temperature rise of the utilities sector is currently 3.7°C,⁵ above Paris-aligned pathways;⁶

The power and utilities sector broadly fails to align critical accounting assumptions and estimates with the goals of the Paris Agreement;⁷

Experts estimate planned future US gas-fired power generation places over \$24 billion of value at risk for investors, and that 31 percent of current US gas-fired power generation is already unprofitable;⁸

The US NDC codified a goal of 100 percent carbon pollution-free electricity by 2035,⁹ which experts agree implies an interim target of 80 percent clean electricity by 2030 relative to a 2005 baseline;¹⁰

The US NDC electricity goal with an 80 percent interim target by 2030 would help avoid combined health and climate damages of \$150 billion to \$705 billion through 2030 or 2035 and \$1 trillion to \$3 trillion through 2050;¹¹

PPL’s energy fuel supply is 98.8 percent fossil fuels (80.3 percent coal, 18.5 percent natural gas), which results in the thirteenth-highest overall CO2 emissions and ninth-highest emission rate of US electric power producers;¹²

As of November 2021, PPL had not committed to an 80 percent interim CO2 reduction goal below 2005 levels by 2030 or set a 100 percent carbon pollution-free electricity goal by 2035; nor had it disclosed how Paris alignment assumptions and regulatory disallowance risk may change via committing to the above US NDC pledge;

Twelve industry peers—but not PPL—via open letter lobbied the executive branch to reduce industry carbon emissions by 80 percent below 2005 levels by 2030;¹³

Industry peers American Electric Power, Dominion, WEC, and Xcel Energy have already committed to an 80 percent interim CO2 reduction goal by 2030.¹⁴

SUPPORTING STATEMENT: Proponents recommend that PPL consider information on assumptions, costs, estimates, and valuations that may be materially impacted.”

- 1: <https://www.iigcc.org/news/investor-groups-call-on-companies-to-reflect-climate-related-risks-in-financial-reporting/>
- 2: <https://www.unpri.org/sustainability-issues/accounting-for-climate-change>
- 3: <https://www.sec.gov/corpfin/sample-letter-climate-change-disclosures>
- 4: <https://www.epa.gov/ghgemissions/sources-greenhouse-gas-emissions>
- 5: <https://www.msci.com/documents/1296102/26195050/MSCI-Net-Zero-Tracker-Oct2021.pdf>
- 6: <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement/key-aspects-of-the-paris-agreement>
- 7: <https://carbontracker.org/reports/flying-blind-the-qlaring-absence-of-climate-risks-in-financial-reporting/>
- 8: <https://carbontracker.org/reports/put-gas-on-standby/>
- 9: [https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/United percent20States percent20of percent20America percent20First/United percent20States percent20NDC percent20April percent202021 percent20Final.pdf](https://www4.unfccc.int/sites/ndcstaging/PublishedDocuments/United%20States%20of%20America%20First/United%20States%20NDC%20April%202021%20Final.pdf)
- 10: <https://energyinnovation.org/wp-content/uploads/2021/09/Studies-Agree-80-Percent-Clean-Electricity-by-2030-Would-Save-Lives-and-Create-Jobs-at-Minimal-Cost.pdf>
- 11: *l.d.*
- 12: <https://mjbradley.com/content/emissions-benchmarking-maps>
- 13: <https://int.nyt.com/data/documenttools/power-sector-letter/3e5ca64b01b81888/full.pdf>
- 14: <https://ihsmarkit.com/research-analysis/netzero-pledges-by-us-utilities-spotlight-different-timelines-.html>