January 3, 2025

Mr. George R. Sunder
Manager - Benefit Accounting
PPL Corporation
645 Hamilton Street
Allentown, PA 18101

Dear George:

PPL CORPORATION DECEMBER 31, 2024 ASC 712 VALUATION RESULTS FOR LONG TERM DISABILITY PLANS

The purpose of this letter is to provide PPL Corporation (PPL) with ASC 712 obligations as of December 31, 2024 for the continuation of medical, dental, and life insurance, where applicable, for those employees on long-term disability (LTD). The attached exhibits summarize the assumptions and plan provisions underlying the obligations for each of the postemployment benefit plans below:

- [redacted]
- LKE Long Term Disability Plan (for Kentucky participants)
- [redacted]

The discount rate is based on the 10-year Treasury bond yield, which was selected by PPL and is intended to comply with the SEC guidance that the discount rate, if used, be a "risk-free rate." The 10-year Treasury bond yield as of December 31, 2024 was 4.58%.

For purposes of this valuation, individuals who were disabled as of August 1, 2024 were valued.

Obligation amounts at December 31, 2023 and December 31, 2024 reflect the following:

- An expectation for claims incurred but not yet reported or in payment as of December 31.
- An offset for assumed federal subsidies due to the Retiree Drug Subsidy (RDS) program enacted by the Medicare Modernization Act of 2003.

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Valuation Results – LKE LTD Plan

Below is a summary of the ASC 712 obligations as of December 31, 2024 for the LTD postemployment benefit arrangements. The obligation as of December 31, 2024 was developed according to the standards of ASC 712 and ASC 450-20, using actual plan experience, where available.

Division	Liability Prior to Retiree Drug Subsidy Offset	Retiree Drug Subsidy Offset	Liability With Retiree Drug Subsidy Offset	Headcount
LG&E	$2,402,000	$59,000	$2,343,000	16
KU	$4,344,000	$98,000	$4,246,000	27
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The ASC 712 valuation represents an estimate of LKE's obligation to continue medical and life insurance benefits for LTD claimants. This continuation period is the expected remaining duration of each claimant's disability (or until age 65, if sooner).

The total obligation decreased from $9,285,000 as of December 31, 2023 to $7,923,000 as of December 31, 2024 (approximately a 15% decrease). The main reason for the decrease is due to health care cost costs increasing less than expected.

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Actuarial Certification, Reliances and Distribution

PPL Corporation retained Willis Towers Watson US LLC ("WTW"), to perform a valuation of its postemployment welfare benefit plans for the purpose of determining its postemployment plan obligation in accordance with ASC 450-20 and ASC 712. This valuation has been conducted in accordance with generally accepted actuarial principles and practices. However, please note the information discussed below regarding this valuation.

The measurement date is December 31, 2024. The benefit obligations were measured as of December 31, 2024 and are based on participant data as of August 1, 2024.

In preparing the results presented in this letter, we have relied upon information regarding plan provisions, participants, and sponsor accounting policies and methods provided by PPL and other persons or organizations designated by PPL. We have relied on all the data and information provided as being complete and accurate. We have reviewed this information for overall reasonableness and consistency but have neither audited nor independently verified this information. Based on discussions with and concurrence by the plan sponsor, assumptions or estimates may have been made if data were not available. We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations. The results presented in this report are directly dependent upon the accuracy and completeness of the underlying data and information. Any material inaccuracy in the data, plan provisions or other information provided to us may have produced results that are not suitable for the purposes of this report and such inaccuracies, as corrected by PPL, may produce materially different results that could require that a revised report be issued.

As required by U.S. GAAP, the actuarial assumptions and methods employed in the development of the postemployment plan obligation and other financial reporting results have been selected by the plan sponsor. WTW has evaluated the assumptions used and believes that they do not significantly conflict with what would be reasonable. U.S. GAAP requires that each significant assumption "individually represent the best estimate of a particular future event."

The results shown in this letter have been developed based on actuarial assumptions that, to the extent evaluated by WTW, we consider to be reasonable. Other actuarial assumptions could also be considered to be reasonable. Thus, reasonable results differing from those presented in this report could have been developed by selecting different reasonable assumptions.

A summary of the assumptions, methods and sources of data and other information used is provided in Appendix A. Note that any subsequent changes in methods or assumptions for the December 31, 2024 measurement date will change the results shown in this report.

Certain models (as described in ASOP No. 56) were used in preparing the information presented herein. Further information on these models can be found in Appendix A.

The results shown in this letter are estimates based on data that may be imperfect and on assumptions about future events that cannot be predicted with any certainty. The effects of certain plan provisions may be approximated, or determined to be insignificant and therefore not valued. Reasonable efforts were made in preparing this valuation to confirm that items that are significant in the context of the actuarial liabilities or costs are treated appropriately, and are not excluded or included inappropriately. Any rounding (or lack thereof) used for displaying numbers in this letter is not intended to imply a degree of precision, which is not a characteristic of actuarial calculations.

If overall future plan experience produces higher benefit payments than assumed, the relative level of plan costs reported in this valuation will likely increase in future valuations (and vice versa). Future actuarial measurements may differ significantly from the current measurements presented in this letter due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions, changes in economic or demographic assumptions, increases or decreases expected as part of the natural operation of the methodology used for the measurements, and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of such future measurements. Retiree group benefits models necessarily rely on the use of approximations and estimates, and are sensitive to changes in these approximations and estimates. Small variations in these approximations and estimates may lead to significant changes in actuarial measurements.

This letter is provided subject to the terms set out herein and in our Master Professional Services Agreement dated June 12, 2019, and any accompanying or referenced terms and conditions.

The information contained in this document was prepared for the internal use of PPL and its auditors in connection with our actuarial valuation of the postemployment benefits. It is not intended for and may not be used for other purposes, and we accept no responsibility or liability in this regard. PPL may also distribute this document to the appropriate authorities who have the legal right to require PPL to provide them this document, in which case PPL will use best efforts to notify WTW in advance of this distribution. Further distribution to, or use by, other parties of all or part of this document is expressly prohibited without WTW's prior written consent. WTW accepts no responsibility for any consequences arising from any other party relying on this letter or any advice relating to its contents.

The undersigned consulting actuaries are members of the Society of Actuaries and meet the "Qualification Standards for Actuaries Issuing Statements of Actuarial Opinion in the United States" relating to pension plans and other postemployment benefit plans. Our objectivity is not impaired by any relationship between the plan sponsor and our employer, Willis Towers Watson US LLC ("WTW").

Please call with any questions.

Sincerely,

Anthony R. Simone

Joseph P. Schiavo, FSA, EA, CFA
Direct Dial: 215-246-1706
Valuation Actuary

Anthony Simone, FSA, MAAA
Direct Dial: 312-525-2522
Valuation Actuary and Pricing Specialist

The Pricing Specialist is responsible for developing and/or determining the reasonableness of retiree welfare plan trend and participation assumptions as well as assumed per capita claims costs (including the aging/morbidity assumption if applicable). The Valuation Actuary is responsible for other aspects of the valuation (e.g., developing and/or reviewing the reasonableness of other valuation assumptions and methods, ensuring that the valuation model reasonably reflects the substantive plan and actual plan operation, preparing demographic data, performing the valuation, implementing the correct accounting calculations, etc.).

cc: Sabrina Frey – PPL Corporation
Christine Hess – PPL Corporation
Lynn Sauerzopf – PPL Corporation
Eileen Zielinski – PPL Corporation
Otter Bright – PPL Corporation
Katie Cline – PPL Corporation
Kristen Eiding – FSA, EA - WTW
Kristin May, FSA, EA - WTW
Royce S. Kosoff, FSA, EA, CFA – WTW
William M. DeGothseir, FSA, EA, CFA – WTW
Sheri DeCristofaro, FSA, EA – WTW

Appendix A – Statement of actuarial assumptions and methods

Economic Assumptions	
Discount Rate	4.58%

Demographic and Other Assumptions	
Inclusion date	The valuation date coincident with or next following the date on which the employee becomes a participant.
New or rehired employees	It was assumed there will be no new or rehired employees.
Disability benefit commencement date	Upon disablement
Social Security/Medicare Approval Rate	▪ If not already approved for Medicare, 60% assumed to be approved for Medicare following the 29 month waiting period ▪ Once participant assumed to be approved for Medicare, medical offsets applied for Parts A and B
LTD Recovery Rate	Group Long Term Disability (GLTD) table for disabled participants, based on the Society of Actuaries' 2019 GLTD Experience Study Preliminary Report, which reflects the combination of recovery and mortality with a 6 month elimination period
Mortality (used for Life Insurance benefit)	**Base Mortality Table** Male Table used for males; Female table used for females. 1. Base table: Pri-2012 2. Base mortality table year: 2012 3. Table type: No Collar 4. Healthy or Disabled: Disabled **Mortality Improvement Scale** 1. Base scale: MP-2020 2. Projection Type: Generational

Trend Rates

Health Care Cost Trend

Medical/Drug:
2025: 7.00%
2026: 6.75%
2027: 6.50%
2028: 6.25%
2029: 6.00%
2030: 5.75%
2031: 5.50%
2032: 5.25%
2033 and after: 5.00%

Dental: 5.00%

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Per Capita Claims Costs – LKE LTD Plan

Basis for per capita claim cost assumptions

Per capita claim cost is based on the 2025 premium rates for Kentucky’s active employees. Active rates are calculated from several years of recent medical, prescription drug (including rebates), and dental experience. Adjustments are made for plan changes, and results are trended to the projection year. Vendor fees and other expected administrative fees are included.

Final active rates are adjusted for differences in average age between the active and disabled population. A morbidity factor is also applied which varies with duration from disability.

The average annual per capita health rates for 2025 after adjustment for administrative expenses are shown below.

Union claimant

Years since disablement	Annual cost: Pending Approval with Medicare Part D Subsidy	Annual cost: Pending Approval without Medicare Part D Subsidy
0-1	$54,580	$54,580
1-2	$47,757	$47,757
2-3	$36,159	$36,705
3-4	$24,561	$25,516
4+	$19,649	$20,467
Dependent	$15,842	$15,842

Nonunion claimant

Years since disablement	Annual cost: Pending Approval with Medicare Part D Subsidy	Annual cost: Pending Approval without Medicare Part D Subsidy
0-1	$53,647	$53,647
1-2	$46,941	$46,941
2-3	$35,541	$36,078
3-4	$24,141	$25,080
4+	$19,313	$20,118
Dependent	$14,452	$14,452

Administrative expenses Included in claim cost.

Timing of benefit payments Payable monthly and on average at mid-year

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Methods – Cost and Funded Position

Census date 8/1/2024

Measurement date 12/31/2024

The benefit obligations are based on census data collected as of 8/1/2024. We have projected the benefit obligations forward to 12/31/2024, adjusting for expected benefit payments, expected growth in the benefit obligations, changes in key assumptions and plan provisions, and any significant changes in the plan population. We are not aware of any significant changes in the plan demographics since the census date. Based on discussions with PPL, gains and losses were not assumed from sources such as medical cost growth or other demographic sources.

Benefit obligation Costs are determined using the Term Cost Method. Under this method, the cost represents the expected present value of benefits to be paid to those who are already disabled.

Benefits Not Valued

All other benefits described in the Plan Provisions section of this report were valued.

WTW has reviewed the plan provisions with PPL and, based on that review, is not aware of any significant benefits required to be valued that were not.

Data Sources

PPL furnished participant data as of 8/1/2024. Four records were excluded from the valuation since they are over age 65 and their benefits are offset by Social Security Disability Insurance and would not produce an obligation in the plan. Based on discussions with PPL, assumptions or estimates were made when data were not available, and the data was adjusted to reflect any significant events that occurred between the date the data was collected and the measurement date.

We are not aware of any errors or omissions in the data that would have a significant effect on the results of our calculations.

Assumptions Rationale - Significant Economic Assumptions

Discount rate

As required by U.S. GAAP the discount rate was chosen by the plan sponsor based on 10-year Treasury rate.

Claims cost trend rates

Assumed increases were chosen by the plan sponsor and, as required by U.S. GAAP they represent an estimate of future experience.

Per capita claims costs

Per capita claims costs were chosen by the plan sponsor to be the best estimate of the plan’s per capita claims costs (including expenses) in the plan year beginning on the measurement date (with any expected changes in future years reflected in the trend rate assumption).

Assumptions Rationale - Significant Economic Assumptions

Mortality and LTD Recovery Rates

Assumptions were selected by the plan sponsor and, as required by U.S. GAAP represent a best estimate of future experience.

Source of Prescribed Methods

Accounting methods	The methods used for accounting purposes as described are “prescribed methods set by another party”, as defined in the actuarial standards of practice (ASOPs). As required by U.S. GAAP, these methods were selected by PPL.

Changes in Assumptions and Methods

Change in assumptions since prior valuation	The discount rate for benefit obligations from 3.88% as of December 31, 2023 to 4.58% as of December 31, 2024. The health care cost trend was updated to 7.00% in 2025 grading down to a 5.00% ultimate trend in 2033. The per capita claims costs assumption was updated to reflect recent plan experience.
Change in methods since prior valuation	There were no changes in methods since the prior valuation.

Model Descriptions and Disclosures in accordance with ASOP No. 56

Quantify	Quantify is the WTW centrally developed, tested and maintained Global actuarial valuation system. It is used to perform valuations of clients' benefit plans. Quantify provides the ability to process data, calculate benefits and value benefit liabilities, develop results using applicable standards, and generate client reports. Quantify parameters provide significant flexibility to model populations and plan designs. Various demographic, economic and benefit related assumptions exist for users to model multiple demographic and economic situations. Plan liabilities are calculated based on standard actuarial techniques, developing actuarially reasonable results using the population and parameters entered. The calculation and presentation of liabilities in Quantify relies on the assumptions used and the reasonability of the assumptions selected. Quantify incorporates standard liability methodologies that are intended to reasonably reflect a variety of economic or demographic conditions. The model itself does not evaluate any assumptions

entered for reasonableness, consistency or probability of occurrence.

Quantify is designed specifically for these purposes, and we know of no material limitations that would prevent the system from being suitable for these intended purposes. The actuaries signing this report have relied on the actuaries who develop, test and maintain this system, and have also performed a limited review of results to ensure that system parameters have been set appropriately and plan provisions coded correctly.

Published Demographic Tables

Certain demographic tables described above are standard published tables or are based on standard published tables from models developed by organizations with the requisite expertise

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Plan Provisions – LKE LTD Plan

Eligibility	Employees who are approved for LTD benefits. The elimination period is 6 months
Medical Benefits	Eligible for continuation of the medical plans offered to active employees for the participants and eligible dependents generally until the disabled employee's age 65. Upon reaching age 65, participants are assumed to retire and are covered under the terms of the retiree medical plan.
Surviving Spouse Coverage	Surviving spouses of deceased disabled employees are covered under the medical plan for five years following the disabled employee's death, provided they make any required monthly premium contributions.
Employee Contributions	Disabled employees contribute toward the coverage on the same basis as active employees. Employees who are eligible for the Healthy for Life Premium will receive a $125 reduction in their employee contribution.
Life Insurance	Eligible for continuation of the life insurance plan offered to active employees, which is 2 times salary ($250,000 maximum), until age 65. Upon reaching age 65, participants are assumed to retire and are covered under the terms of the retiree life insurance plan (if any).

Future Plan Changes

No future plan changes were recognized in determining the benefit obligations. WTW is not aware of any future plan changes under consideration.

Changes in Benefits Valued Since Prior Year

There were no changes in benefits valued since the prior valuation.

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