

Standards of Conduct & Integrity for Suppliers

About PPL's Standards of Conduct and Integrity for Suppliers

The Standards of Conduct and Integrity for Suppliers ("Supplier Standards") are an integral part of PPL's corporate compliance program.

These Supplier Standards apply to every supplier of goods or services to PPL Corporation and to the subsidiaries for which PPL Corporation has operating control ("Supplier"). It is the Supplier's responsibility to ensure that others working with the PPL family of companies on behalf of the Supplier (e.g., employees, contractors, directors, managers, officers, and agents) understand that the Supplier Standards' guidelines and expectations also apply to their roles and responsibilities. References in these Supplier Standards to "you" include both the Supplier and those working on behalf of the Supplier.

PPL updates the Supplier Standards periodically and posts the most current version at <http://www.pplweb.com/supply+chain/about/>. Suppliers are responsible for reviewing and complying with any changes to the Supplier Standards published by PPL on such site.

The Supplier Standards contain the legal and ethical principles everyone working with the PPL family of companies must follow. PPL's commitment to maintaining the highest ethical standards begins with the obligation to operate in full compliance with applicable laws, rules, regulations, policies and procedures. Even in the absence of a specific law or policy, everyone working with the PPL family of companies must commit to our corporate core values and act with integrity in all our business decisions and practices. PPL takes all instances of noncompliance seriously.

Introduction

The Supplier Standards provide guidelines for the way PPL expects Suppliers to conduct business when working with PPL. While not every applicable law is addressed, adhering to the Standards means that the Supplier's performance meets both the spirit and the letter of applicable laws, rules, regulations, policies and procedures. Unethical behavior to accomplish a desired result is not acceptable. The actions Suppliers take must be able to withstand the test of full disclosure.

All Suppliers of PPL are responsible for knowing, understanding and abiding by these Supplier Standards, and causing their employees and subcontractors to know, understand and abide as well. Suppliers must abide by the laws in the country where they are located.

Supplier Standards of Conduct and Integrity

Policies and Procedures

The various policies and procedures of PPL are designed to establish PPL's expectations relating to business practices, ensure compliance with applicable laws and regulations, position PPL for success in the competitive marketplace, and protect and enhance PPL's reputation for integrity. Many of PPL's current corporate policies and procedures are available on PPL's internet site. You are accountable for knowing, understanding and complying with PPL corporate policies and procedures as well as your company and workgroup policies and procedures that are applicable to your work with PPL.

Workplace Safety

One of PPL's primary goals is to provide and maintain a work environment that promotes the safety and well-being of our employees, our contractors, our customers and the general public. No job is so important, or so urgent, that precautions, laws or regulations concerning safety can be bypassed. There is always time for safety.

PPL is committed to a safe and secure work environment. A key responsibility of all who work with PPL is to make sure that you provide the leadership, direction and equipment needed to do each job safely.

You must take workplace safety very seriously, attend training, implement safe work practices and take appropriate security precautions. You must be alert to potential safety hazards or unsafe work practices and immediately report dangerous conditions or situations so that workplace accidents and injuries can be avoided.

Sexual and Other Forms of Harassment

PPL strictly prohibits any form of harassment in its workplace, including sexual harassment. PPL will not tolerate harassing conduct based on any impermissible classification, including but not limited to race, color, national origin, gender, age, religion, citizenship, sexual orientation or disability. Harassing conduct can include, but is not limited to, epithets, slurs or negative stereotyping; threatening, intimidating or hostile acts; and written or graphic material that denigrates or shows hostility or aversion toward an individual or group.

Sexual harassment, which is prohibited by PPL policy as well as various laws, includes linking a person's submission to, or rejection of, sexual advances to any decision regarding that person's terms or conditions of employment. It also includes conduct that has the purpose or effect of unreasonably interfering with an individual's work performance or creating an intimidating, hostile or offensive work environment. Sexual harassment can be characterized by unwelcome sexual advances, verbal conduct of a sexual nature, physical conduct such as unnecessary or offensive touching or impeding or blocking movement, or the display of sexually suggestive objects or pictures. Remember that, regardless of legal definitions, PPL expects Suppliers to interact with others in a professional and respectful manner.

Drug and Alcohol Use

PPL is committed to providing a healthy and safe workplace. In order to promote this goal, Suppliers are required to report to work in appropriate mental and physical condition to perform their work for PPL in a satisfactory manner. Accordingly, being under the influence of alcohol or illegal drugs while working on PPL matters, and the possession, use, sale, manufacture or distribution of any illegal drugs or controlled substances on PPL property or PPL time are strictly prohibited. The legal use of prescribed drugs is permitted on the job only if it does not impair a person's ability to perform the essential functions of the job effectively and in a safe manner.

Privacy of Suppliers' Employees and Contractors

PPL periodically collects and maintains personal information, which may include information that relates to Supplier's employees and contractors. Special care is taken to limit access to personal information to PPL personnel with a need to know such information for a legitimate business purpose, and then only when permitted by applicable law. Personal information is released to non-PPL persons only with that person's approval, except to satisfy legitimate investigatory or legal requirements, and then only when permitted by applicable law. Anyone who is responsible for maintaining personal information and those who have access to such information must ensure that private information is not disclosed in violation of applicable law, including data protection laws, or in violation of PPL's policies.

Nuclear Operations in the United States

PPL is committed to operating the Susquehanna nuclear power plant safely. Full compliance with the laws and regulations governing nuclear power plant operations is critical to meeting that commitment.

While PPL has a comprehensive set of procedures and programs, the nuclear business demands the constant vigilance. That vigilance includes a questioning attitude, paying attention to details and performing duties in a safe manner. In addition, PPL is committed to a work environment in which everyone feels free to raise questions and concerns. It is expected that your PPL contacts will ensure that Supplier questions and concerns reported to them are promptly and properly addressed. Promptly responding to concerns enables PPL to address safety issues expeditiously. It also provides a means to continually improve our programs and processes. Concerns can also be raised to any PPL Susquehanna, LLC manager; Susquehanna Concerns Line (1-800-935-4837); or the Nuclear Regulatory Commission. In addition, if you have questions as to whether a procedure or an activity is consistent with applicable laws, regulations or PPL procedures, ask the project manager with whom you work, any PPL Susquehanna, LLC manager or the Susquehanna Concerns Line (1-800-935-4837).

Conflicts of Interest

Your obligation to conduct business with PPL in an honest and ethical manner includes the ethical handling of actual, apparent and potential conflicts of interest. To maintain an objective and impartial relationship on behalf of PPL, you must, at a minimum, refrain from using any PPL name or other resources, such as PPL's information, property or time charged to PPL, to perform activities for the benefit of people or entities other than PPL, unless specifically authorized in writing by PPL.

Insider Trading

Securities laws of the United States and many other countries prohibit employees from buying or selling securities of PPL when they are in possession of “material, nonpublic information” about PPL (also known as “insider trading”). Passing such information on to someone who may buy or sell securities - known as “tipping” - is also illegal. This prohibition also applies to the securities of other companies if you learn material, nonpublic information about other companies in the course of your work with PPL or otherwise.

Information that is considered “material” (and hence, potentially subject to the prohibition on insider trading) may vary somewhat from jurisdiction to jurisdiction, but generally information is material if (a) there is a substantial likelihood that a reasonable investor would consider the information important in determining whether to trade in a security; or (b) the information, if made public, likely would affect the market price of a company’s securities. Whether information is material depends on the facts and circumstances, but examples of information likely to be material include unannounced dividends, earnings, financial results or forecasts; new or lost contracts; new or discontinued products; sales results; important personnel changes; business plans; possible mergers, acquisitions, divestitures or joint ventures; and important regulatory, judicial or legislative actions. You must not misuse such information in any way, whether for personal benefit or the benefit of others.

Information is considered to be nonpublic unless it has become public and adequate time has passed for the securities markets to digest the information. Examples of adequate disclosure include public filings with securities regulatory authorities and the issuance of news releases, and may also include dissemination of information at open forums where meetings with members of the media are present and the public can participate. A delay of one business day is generally considered a sufficient period for routine information to be absorbed by the market. Nevertheless, a longer period of delay might be considered appropriate in more complex transactions.

Improper use or disclosure of material inside information could result in violations of federal securities laws and subject both you and PPL to criminal and civil penalties.

Improper Influence

Suppliers must never offer, give, solicit or receive any money, offers in kind, bribes or kickbacks when working for or dealing with PPL. You also should avoid any action constituting or even giving the appearance of improper influence of others by PPL. Suppliers shall not use PPL funds, or funds on behalf of PPL, to make payments for any unlawful or improper purpose. For further guidance, see the sections on Gifts and Entertainment and Laws Concerning Bribery of Foreign Officials.

Gifts and Entertainment

It may be appropriate in the course of business to provide or receive promotional items, meals, refreshments, transportation, lodging or entertainment to or from others doing business with PPL. It is part of the process of developing good business relationships and creating good will. However, it is PPL's policy to avoid any action constituting – or appearing to constitute – an improper influence of its own employees or others. Providing and accepting gifts and entertainment may create a conflict of interest in certain circumstances. You must always use good judgment and act with moderation.

Gifts or entertainment in any form that would likely result in a feeling or expectation of personal obligation, or that might affect your business judgment or decisions, should not be offered or accepted.

Gifts

PPL employees generally can give or accept a gift if it is unsolicited, is modest in value, is appropriate under the circumstances, is customary and commonly accepted practice in the industry, is not part of a steady stream of gifts from or to a single source, would not create, in the view of a third party, the appearance of a conflict of interest, and does not violate the U.S. Foreign Corrupt Practices Act (the "FCPA"), other U.S. laws and other countries' laws restricting gifts to government officials. Gifts to or from third parties of cash or cash equivalents (including gift certificates, gift cards, securities, below-market loans, etc.) in any amount are prohibited.

Promotional items are generally permitted to be given or accepted. An item is promotional in nature if it is nominal in value, imprinted with corporate advertising and is typically distributed widely to others.

In certain circumstances, it may be appropriate to give or accept a more expensive gift than that which is normally contemplated. For example, in some parts of the world, giving or exchanging gifts of considerable value is lawful and customary. Not accepting a gift could be considered an insult to the giver and not offering a gift might be an insult to the host. This could reflect badly on PPL. In such circumstances, you may give or accept the gift as long as it would not violate any laws and it is unsolicited. Such gifts become PPL property, and you must document your receipt or giving of a gift under these circumstances by notifying your PPL contact in writing. See the section on Laws Concerning Bribery of Foreign Officials for additional guidance.

If you or a member of your family are offered a gift that does not or might not comply with PPL's policy, decline it, explain the guidelines set forth in these Supplier Standards to the gift giver, and notify your PPL contact. If you are contemplating providing a gift that does not or might not comply with PPL's policy, you should contact your PPL contact or PPL's Office of Business Ethics and Compliance for guidance.

Entertainment

PPL permits you to offer or accept meals, refreshments or entertainment offered as a business courtesy during the normal course of business or work relationships with others, provided they are of moderate value, in good taste, occur infrequently and do not violate the FCPA or other applicable laws. Offering or accepting entertainment that is not reasonably related to a business relationship, but is primarily intended to gain favor or influence, is to be strictly avoided. Whenever appropriate, it is generally good business practice to provide meals on a reciprocal basis.

Entertaining PPL employees at cultural or sporting events is acceptable. Similarly, under certain circumstances it may be permissible to attend such events sponsored or hosted by PPL. Any entertainment, however, must in all circumstances be compliant with the FCPA and other applicable laws, as described in the next section. Questions regarding the appropriateness of attending specific events should be directed to your PPL contact.

Laws Concerning Bribery of Foreign Officials

PPL policy, the FCPA and the laws of many countries in which PPL does business prohibit employees, agents or any company in the PPL family of companies from giving or offering to give money or anything of value to a foreign government official, a foreign political party or party official, candidate for political office or an official of certain international organizations, such as the United Nations, for the purpose of influencing any act or decision of that official; obtaining, retaining or directing business to any person; or securing any improper advantage. Many foreign entities appearing to function as private sector businesses are in fact partially state-owned and employees of such enterprises should be treated as government employees for the purposes of compliance with the FCPA and other applicable laws. Payments made indirectly through an intermediary, under circumstances indicating that such payments might be passed along for prohibited purposes, are also prohibited. Liability is not avoided by “turning a blind eye” when circumstances indicate a potential violation.

The FCPA does contain certain exceptions, including an exception for what are termed “facilitating payments,” which are payments of small value to effect routine government actions, such as obtaining permits, visas, mail, utility hookups and the like. However, what constitutes a permissible payment varies under the laws of different countries, and determining what a permissible payment is may involve difficult legal judgments.

The FCPA also requires public corporations to maintain books and records that accurately reflect all corporate transactions and maintain a system of internal accounting controls that provide reasonable assurance that transactions are executed as authorized; that PPL books and records are maintained in such a manner that financial statements can be prepared in accordance with generally accepted accounting principles; and that all corporate assets are properly controlled and accounted for. It is PPL policy to maintain accurate books and records and to maintain a system of internal accounting controls sufficient to ensure compliance with the record-keeping provisions of the FCPA.

Competition and Regulation

The policy of PPL has been and continues to be to strictly comply with the letter and spirit of all applicable laws and regulations governing PPL's businesses. Such laws and regulations include, but are not limited to, antitrust and competition laws, rules and regulations of the Federal Energy Regulatory Commission, laws and regulations of the United States (federal and state), laws of the United Kingdom, laws of the European Union and the laws of all other places in which PPL conducts business operations and activities.

With the enactment of laws allowing transmission "open access" and wholesale and retail competition in the electric and gas industry, there are federal and state requirements in the United States with which PPL must comply that are intended to protect its customers, the market, its competitors, and the reliability of the electric system.

Some of these requirements directed PPL to adopt certain "codes of conduct" for dealing with customers and competitors.

The guidelines below are intended to give you a broad overview of the general principles contained in various "codes of conduct," as well as provide you with basic guidance on laws dealing with competition, including antitrust laws and anti-market manipulation requirements.

Codes of Conduct

You should learn the requirements of these "codes of conduct" if your work for PPL may require you to work with the transmission system or engage in purchases or sales of power or gas or related financial products, or work with customers (including transmission customers, as well as wholesale and retail sales customers), customer information, or competitors.

Disclosure of Information within PPL

The "codes of conduct" and similar requirements restrict the disclosure of certain information about the electric transmission or distribution business to certain members of the PPL family of companies, except in certain emergency situations. Examples of information that may be restricted include real-time or near real-time information about the transmission system or transmission service, customers, or competitors, and certain other information about operations. Appropriate procedures must be followed for all cross-function meetings where those who cannot share these types of information will be present. This type of information often cannot be disclosed to certain officials or employees, unless that information is also made available to the general public at the same time.

Service organizations, such as accounting, finance, communications, human resources, information services and legal, can always receive such information to the extent that the

information is required for the service organization to perform its functions. However, all Suppliers of service organizations must exercise great care to make sure that they do not act as a conduit of this type of information – either through the direct disclosure of such information or the indirect disclosure by conveying advice or conclusions premised on the information – to individuals within PPL who are prohibited from receiving such information.

Nondiscriminatory Practices

In order to ensure a fair competitive environment, if you work for the regulated (transmission and distribution) side of the business, you must treat all similarly situated customers in a nondiscriminatory manner, regardless of which company is their energy supplier or service supplier.

In addition, when performing services for PPL, you may not “point” or “channel” customers to PPL’s energy supply group, and you must treat all generation suppliers equally. You must strictly comply with applicable provisions of PJM’s tariff, and business practices.

Reliability Standards

PPL must strictly comply with all reliability standards of the North American Electric Reliability Corporation and all applicable regional reliability entities. Violations of these requirements can result in substantial monetary penalties and harm PPL’s reputation.

Reliability standards are the planning and operating rules that electric utilities, generators and power marketers, among others, are required to follow to help preserve the dependability of the bulk electric system in North America. You are responsible for learning and understanding any and all reliability requirements that relate to specifically to the services you perform for PPL, including any PPL implementing policies for procedures, and for timely meeting all such requirements.

Anti-Manipulation Rules

In order to prevent manipulation and fraud in energy markets, you must comply with anti-manipulation rules for certain energy market transactions. For example, there are specific anti-market manipulation rules that cover gas and electric transactions under FERC’s jurisdiction and prohibit companies like PPL from using any devices, schemes or artifices to defraud; making any untrue statements of material fact or omitting any material facts necessary to ensure that statements made are not misleading; or engaging in any act, practice or course of business that operates as a fraud or deceit upon any other entity.

Antitrust Laws

Antitrust laws are designed to protect a competitive free enterprise system. These laws are intended to make certain that customer choices in the marketplace are not obstructed by improper

conduct or agreements that would affect price, restrict volumes or reduce the number of suppliers of goods and services.

Laws in the U.S. and Other Countries

All of PPL's business operations and activities in the United States are subject to federal and state antitrust laws. The U.S. antitrust laws, among other things, prohibit agreements among competitors that fix prices, divide markets or limit production, and prohibit monopolistic practices. Conduct or business activities occurring outside the United States that have an effect on trade or commerce within the United States may also be subject to U.S. antitrust laws.

Generally, in the United Kingdom, the European Union and other countries, agreements among competitors that fix prices, divide markets, allocate customers or limit production are also strictly prohibited.

Guidelines

While PPL does – and should – compete vigorously for all of the business that it can get, PPL must do so in a legitimate manner, always mindful of the legal restrictions on our conduct. A few general antitrust guidelines to keep in mind include the following:

- PPL does not discuss or agree on prices or bids with competitors, including pricing policies, terms or conditions of sale (such as promotions, discounts and allowances).
- PPL does not discuss or agree on how territories, customers or products should be allocated or divided with competitors.
- PPL does not allow trade association meetings – which can provide many legitimate benefits – to serve as a forum for competitors to discuss prices or bids, or the division of territories, customers or products.
- PPL does not discuss or agree on reductions of output, product development or innovation with competitors.
- PPL does not price products or services below some meaningful measure of cost with the intention of using your financial ability to sustain those prices long enough to drive competitors out of the market and then raise prices again to recover losses.
- PPL does not participate in discussions with competitors that involve competitively sensitive information, including future prices, profits, costs, market share, etc.
- PPL never engages in a group boycott of a customer, supplier or buyer.
- PPL never enters into an agreement where the purpose or sole effect is to harm a competitor, to deny a competitor access to an input or customer, or to disadvantage a competitor of any of the parties reaching the agreement.

Violations of the antitrust laws can result in both civil and criminal penalties. In a civil case, a competitor or customer in the U.S., for example, can be awarded “treble” damages, which is three times the actual damage award, plus attorneys’ fees and costs, resulting in a substantial expense to PPL. In a criminal case, a conviction often results in significant fines for PPL and jail sentences for those involved.

Antitrust law is very technical and fact-specific. There is no real substitute for sound legal advice based on specific facts.

Gathering of Competitive Information

In order to improve PPL's competitive position, PPL gathers and analyzes information from many sources. Gathering information about competitors, when done legally and ethically, is a legitimate business activity. In gathering competitive information, PPL conducts inquiries in accordance with applicable law. Competitive information should never be obtained, directly or indirectly, by improper means such as bribery, misappropriating confidential information or misrepresenting your status as a PPL Supplier.

Customer and Supplier Relations

Customer Information

You must treat information provided by our customers or developed as part of our business activities as confidential and safeguard it against inappropriate disclosure or access. Suppliers who have access to customer information such as customer lists, customer use data, supplier names or billing rates are responsible for ensuring that the information is not disclosed to others outside PPL without the customer's written approval or as required by law. As explained in "Disclosure of Information within PPL" section, certain "codes of conduct" also prohibit disclosure of customer information between and among certain companies within PPL.

Procuring Goods and Services

If as a Supplier, you are involved in making procurement decisions for PPL, you must make those decisions with uncompromised objectivity of judgment and in the best interests of PPL, using consistent and unbiased standards. It is critical in all phases of the procurement process that you make the best business decision for PPL. You also must avoid conflicts of interest in dealings with PPL's other Suppliers. Suppliers should be selected based on merit, considering things such as price, quality, reputation and integrity, and not based on any personal interest you may have in selecting one Supplier over another. In addition, you must not accept from other Suppliers gifts or entertainment that might influence your decision in the selection process.

Information Security

Every day, Suppliers have access to information that is a valuable asset to PPL. Protecting that information from unauthorized access, release, modification, destruction, loss, theft and use is critical to PPL's success. Each Supplier needs to understand the importance of the various types of information and must be aware of the actions that are necessary to protect it.

As a general rule, PPL information provided to Suppliers should not be shared with any other individuals outside of PPL except as specifically directed by PPL. If you are unsure as to the appropriate treatment of certain information, contact your PPL contact before disclosing the information.

Guidelines for handling information include the following:

- Do not discuss PPL's confidential matters with family members or business or social acquaintances; or in elevators, at restaurants and bars, on public transportation, or in other places where people may overhear; or in the presence of people who do not have a valid business need to know such information.
- Take great care when discussing PPL's information on speaker phones; do so only if you are certain that you are not within earshot of anyone who does not have a valid business need to know such information.
- Always secure PPL's confidential documents away when not in use. Do not leave documents containing confidential information in public areas, in copy rooms, in conference rooms or in other locations where they may be seen by people who do not have a business need to know the content of the documents.
- Ensure that all addressees of e-mails and multi-addressee facsimiles you send related to your work for PPL do, in fact, have a business need to know the information to do their jobs, and take care to ensure that your e-mails and faxes are sent to the correct recipients and are properly addressed.
- Understand and comply with PPL's login ID and password management rules. For example, never share your computer IDs and passwords with another person.
- You may not bring to work you do for PPL any confidential information of any former employer or use such information to aid the business of PPL without the prior written consent of your former employer.

PPL also complies with the requirements of the Federal Trade Commission's Red Flag rules, which require certain companies to implement programs to identify and respond to potential incidents of identity theft. If your work with PPL includes work with personally identifiable information of a PPL employee or customer, then you are expected to understand and comply with PPL's Red Flag program.

PPL Records

PPL needs to maintain complete and accurate records of all its business transactions. These records include, among others, correspondence, payroll records, financial data, operational data and

personnel information. It is PPL's policy to make full, fair and accurate disclosure in compliance with all applicable laws and regulations in all reports and documents that PPL files with, or submits to, the U.S. Securities and Exchange Commission and in all other public communications by PPL. Records for which you are responsible must be accurate and complete.

Records must be retained in accordance with PPL policy and applicable law, including data protection laws. If you learn of a subpoena or a pending or contemplated litigation or government investigation related to your work for PPL, you should immediately contact PPL's Office of the General Counsel. You must retain and preserve ALL records and other information in accordance with the directions you receive from PPL's Office of General Counsel. If you have any questions regarding whether particular information pertains to a pending or contemplated investigation or litigation or may be responsive to a subpoena or regarding how to preserve information, you should preserve the information in question and ask PPL's Office of General Counsel for guidance.

Computer Resources

If PPL provides its Internet, intranet or e-mail systems to you to assist with the performance of your work for PPL, these systems are to be used for PPL business purposes. You are expected to exercise good judgment in using these systems. With regard to e-mail, you should understand that e-mail communications, in addition to being monitored by PPL, can be subpoenaed and discovered in legal proceedings. Therefore, you should treat e-mail communications the same as any other written communications.

PPL recognizes that you may occasionally use the telephone, computer, Internet or e-mail for personal reasons. Permissible personal use is limited and should never interfere with your productivity. Examples of permissible personal use include e-mails that are analogous to brief telephone calls and Internet access that can be described as infrequent and brief. You are expected to use good judgment when using these systems for personal matters. If you are unsure whether a particular personal use is permissible, you should discuss the matter with your PPL contact before using the systems.

With the exception of the limited personal use discussed above, all non-PPL related use of the Internet and e-mail systems is prohibited. Obvious examples of prohibited use include the following:

- To conduct business unrelated to PPL's business or for personal gain.
- To access, send, store or view sexually explicit materials or materials that are offensive, abusive, obscene, defamatory, threatening or otherwise unlawful.
- To use in such a manner so as to violate PPL's policies on equal employment opportunity or harassment – sexual or otherwise.
- To browse, download, post, play, store or forward computer games.
- To disseminate information in violation of copyright laws.

If you receive inappropriate e-mails with or without attachments or links to Web sites, you must take appropriate action to prevent recurrence. You must also delete any such e-mails from the system.

Gifts to and Entertainment of Government Officials

National, state and local governments have their own rules restricting gifts and hospitality (e.g., meals, entertainment, transportation and lodging) that may be provided to government officials and government employees. These rules include an absolute ban on gifts, meals and refreshments, regardless of value, to members of the U.S. Congress or their staff. These rules are very specific, and, for example, prohibit even the purchase of a cup of coffee for a U.S. Congressional staff member. Other jurisdictions prohibit gifts to government officials and government employees in exchange for favorable treatment.

Environmental Commitment

Our Suppliers, and their employees and subcontractors, have an obligation to carry out all PPL activities in ways that preserve and promote a clean, safe and healthy environment, which includes abiding by the environmental laws and regulations of the countries in which PPL operates. The laws in this area are very complex, but in many instances, environmental actions and reactions are common sense.

PPL believes that sound business plans include good environmental performance. PPL has developed extensive policies concerning our relationship with the environment, and PPL is committed to providing environmental training and the resources necessary to carry out its environmental commitment. You have responsibility to understand the environmental aspects of your work for PPL and are expected to conduct your activities in accordance with environmental laws, regulations and corporate environmental policies. Suppliers are responsible for reporting potential environmental compliance concerns so that appropriate actions can be taken. If you become aware of an incident or activity that may have a negative environmental consequence (such as a spill of oil or other hazardous substance), you should report it promptly to your local environmental coordinator, your PPL contact or PPL Services Corporation's Environmental Management Department (EMD). EMD maintains a hotline phone number (610-774-5566) which is answered twenty-four hours a day, seven days a week..

Where to Go with Questions

If you have any questions about the application or interpretation of the Supplier Standards, you should contact

- your PPL contact or the manager to whom your PPL contact reports

- Director - Sourcing - 610-774-5076
- PPL's Senior Director - Business Ethics and Compliance - 800-550-9418

Summary

We all can feel the pressures that are on us to achieve good results. There is a natural tendency to do whatever is required to produce such results. The risk is that we may end up taking shortcuts that compromise our responsibilities. This is what PPL wants to avoid. Our collective integrity over the years has been the result of thousands of our Suppliers exhibiting high standards in all of their dealings with PPL, with each other, with customers and with the public.

These standards are what have set us apart and make PPL a leader in our communities and our industry. Your continued efforts will help keep us there.

October 1, 2009