



# 2021 Investor Day

September 21, 2021





# Important Information

## Forward Looking Statements

Statements made in this presentation that are not based on historical facts are forward-looking, may involve risks and uncertainties, and are intended to be as of the date when made. Forward-looking statements include, but are not limited to, statements relating to Evergy's strategic plan, including, but not limited to, those related to earnings per share, dividend, operating and maintenance expense and capital investment goals; the outcome of legislative efforts and regulatory and legal proceedings; future energy demand; future power prices; plans with respect to existing and potential future generation resources; the availability and cost of generation resources and energy storage; target emissions reductions; and other matters relating to expected financial performance or affecting future operations. Forward-looking statements are often accompanied by forward-looking words such as "anticipates," "believes," "expects," "estimates," "forecasts," "should," "could," "may," "seeks," "intends," "proposed," "projects," "planned," "target," "outlook," "guidance," "remain confident," "goal," "will" or other words of similar meaning. Forward-looking statements involve risks, uncertainties and other factors that could cause actual results to differ materially from the forward-looking information.

In connection with the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, Evergy, Inc., Evergy Kansas Central, Inc. and Evergy Metro, Inc. (collectively, the Evergy Companies) are providing a number of risks, uncertainties and other factors that could cause actual results to differ from the forward-looking information. These risks, uncertainties and other factors include, but are not limited to: economic and weather conditions and any impact on sales, prices and costs; changes in business strategy or operations; the impact of federal, state and local political, legislative, judicial and regulatory actions or developments, including deregulation, re-regulation, securitization and restructuring of the electric utility industry; decisions of regulators regarding, among other things, customer rates and the prudence of operational decisions such as capital expenditures and asset retirements; changes in applicable laws, regulations, rules, principles or practices, or the interpretations thereof, governing tax, accounting and environmental matters, including air and water quality and waste management and disposal; the impact of climate change, including increased frequency and severity of significant weather events and the extent to which counterparties are willing to do business with, finance the operations of or purchase energy from the Evergy Companies due to the fact that the Evergy Companies operate coal-fired generation; prices and availability of electricity in wholesale markets; market perception of the energy industry and the Evergy Companies; the impact of the Coronavirus pandemic on, among other things, sales, results of operations, financial condition, liquidity and cash flows, and also on operational issues, such as the availability and ability of the Evergy Companies' employees and suppliers to perform the functions that are necessary to operate the Evergy Companies; changes in the energy trading markets in which the Evergy Companies participate, including retroactive repricing of transactions by regional transmission organizations and independent system operators; financial market conditions and performance, including changes in interest rates and credit spreads and in availability and cost of capital and the effects on derivatives and hedges, nuclear decommissioning trust and pension plan assets and costs; impairments of long-lived assets or goodwill; credit ratings; inflation rates; the transition to a replacement for the London Interbank Offered Rate benchmark interest rate; effectiveness of risk management policies and procedures and the ability of counterparties to satisfy their contractual commitments; impact of physical and cybersecurity breaches, criminal activity, terrorist attacks and other disruptions to the Evergy Companies' facilities or information technology infrastructure or the facilities and infrastructure of third-party service providers on which the Evergy Companies rely; ability to carry out marketing and sales plans; cost, availability, quality and timely provision of equipment, supplies, labor and fuel; ability to achieve generation goals and the occurrence and duration of planned and unplanned generation outages; delays and cost increases of generation, transmission, distribution or other projects; the Evergy Companies' ability to manage their transmission and distribution development plans and transmission joint ventures; the inherent risks associated with the ownership and operation of a nuclear facility, including environmental, health, safety, regulatory and financial risks; workforce risks, including those related to the Evergy Companies' ability to attract and retain qualified personnel, maintain satisfactory relationships with their labor unions and manage costs of, or changes in, retirement, health care and other benefits; disruption, costs and uncertainties caused by or related to the actions of individuals or entities, such as activist shareholders or special interest groups, that seek to influence Evergy's strategic plan, financial results or operations; the possibility that strategic initiatives, including mergers, acquisitions and divestitures, and long-term financial plans, may not create the value that they are expected to achieve in a timely manner or at all; difficulties in maintaining relationships with customers, employees, regulators or suppliers; and other risks and uncertainties.

This list of factors is not all-inclusive because it is not possible to predict all factors. Additional risks and uncertainties are discussed from time to time in current, quarterly and annual reports filed by the Evergy Companies with the Securities and Exchange Commission (SEC). Reports filed by the Evergy Companies with the SEC should also be read for more information regarding risk factors. Each forward-looking statement speaks only as of the date of the particular statement. The Evergy Companies undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as required by law.

## Non-GAAP Financial Measures

Evergy uses adjusted EPS and adjusted O&M which are non-GAAP financial measures. A reconciliation of the non-GAAP measures to the most directly comparable GAAP measure is included in the appendix.

# Empowering A Better Future

## Customers

*Provide affordable and regionally competitive rates*  
*Deliver Tier 1 quality and service*  
*Serve as the trusted energy provider*

## Communities

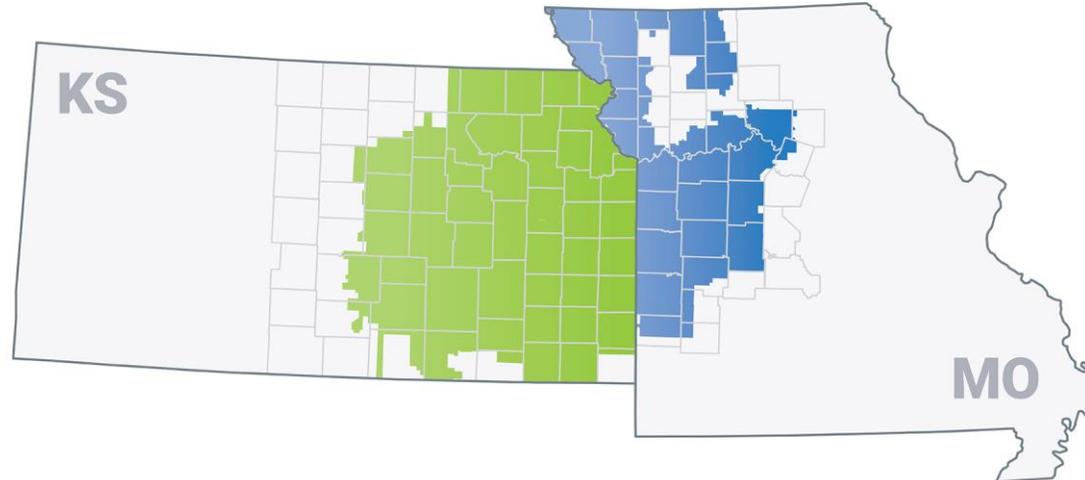
*Foster economic development*  
*Ensure open and transparent regulatory and stakeholder relationships*  
*Serve as good stewards of resources*

## Employees

*Be a great place to work for our talent*  
*Foster engagement and excellence*  
*Embrace and advance diversity, equity, and inclusion*

## Shareholders

*Committed to delivering consistent and superior total shareholder returns*  
*Allocate capital to drive sustainable and diverse energy solutions*



***Focused on empowering a better future for our key stakeholders  
and upholding our core values of safety, integrity, ownership, and adaptability***

# A Focus On Service

## Supporting Hurricane Ida Relief



## Storm Restoration



## Winter Storm Uri





# Evergy's Executive Leadership Team



**David Campbell**

*President & Chief Executive Officer*



**Kirk Andrews**

*EVP & Chief Financial Officer*



**Kevin Bryant**

*EVP & Chief Operating Officer*



**Greg Greenwood**

*EVP & Chief Strategy Officer*



**Chuck Caisley**

*SVP Public Affairs &  
Chief Customer Officer*



**Lesley Elwell**

*SVP & Chief Human  
Resources Officer*



**Heather Humphrey**

*SVP General Counsel &  
Corporate Secretary*



**Charles King**

*SVP & Chief Technology Officer*



# Agenda

- Introduction & Business Update



David Campbell  
*President & CEO*

- Environmental, Social & Governance
- Operational Excellence
- Customer Experience & Retail Rates
- Regulatory Priorities
- Generation Transition & Renewable Strategy
- Financial Overview
- Long-Term Drivers & Key Takeaways
- Q&A Session



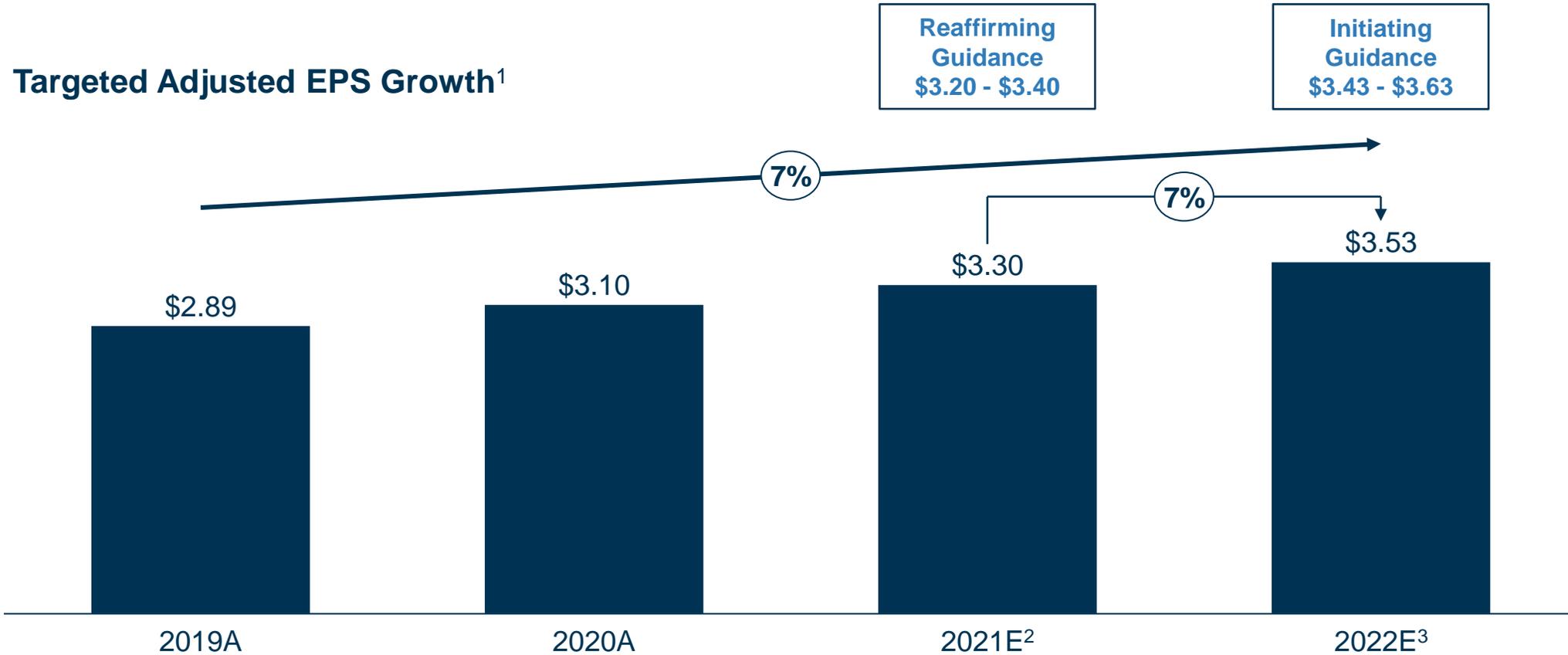


# Delivering On Our Sustainability Transformation Plan (STP) Objectives

1	Capital Expenditures	~\$9B 2020 – 2024E	☑ Reaffirmed
2	Rate Base Growth	5% to 6% 2019 – 2024E	☑ Reaffirmed
3	Adjusted O&M Savings <sup>1</sup>	~\$330M vs 2018	☑ Reaffirmed
4	Adjusted EPS Growth <sup>1</sup>	6% to 8% 2019 – 2024E	☑ Reaffirmed



# Consistent Earnings Growth | Initiating 2022E Outlook



**Initiating 2022 adjusted EPS<sup>1</sup> (non-GAAP) guidance range of \$3.43 to \$3.63**

1. Adjusted EPS is a non-GAAP financial measure.  
2. Mid-point of 2021 adjusted EPS (non-GAAP) guidance range of \$3.20 - \$3.40.  
3. Mid-point of 2022 adjusted EPS (non-GAAP) guidance range of \$3.43 - \$3.63.

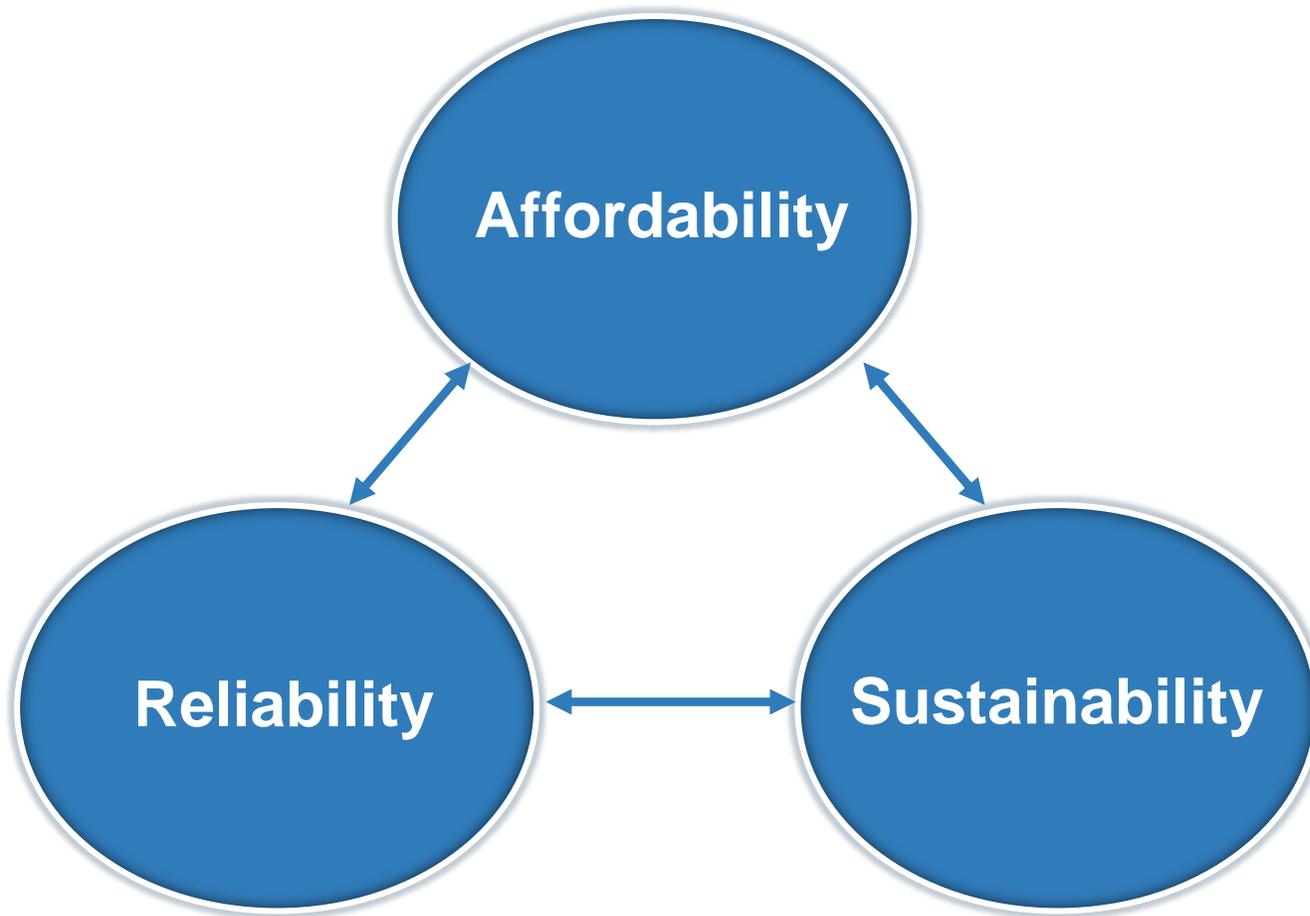


# Sustaining Performance Trajectory Through 2025

	<u>Reaffirmed</u>	<u>2025E</u>
1 Capital Expenditures	~\$9B 2020 – 2024E <input checked="" type="checkbox"/>	\$2.4B ~30% renewables
2 Rate Base Growth	5% to 6% 2019 – 2024E <input checked="" type="checkbox"/>	5% to 6% 2021E-2025E 6% 2024E-2025E
3 Adjusted O&M <sup>1</sup> Savings	~\$330M vs 2018 <input checked="" type="checkbox"/>	~\$345M vs 2018
4 Adjusted EPS Growth <sup>1</sup>	6% to 8% 2019 – 2024E <input checked="" type="checkbox"/>	6% to 8% 2021E-2025E

**Extending 6-8% adjusted EPS annualized growth target through 2025, off of 2021 base year. Ongoing continuous improvement and focus on affordability, reliability, and sustainability**

# Core Tenets Of Evergy Strategy



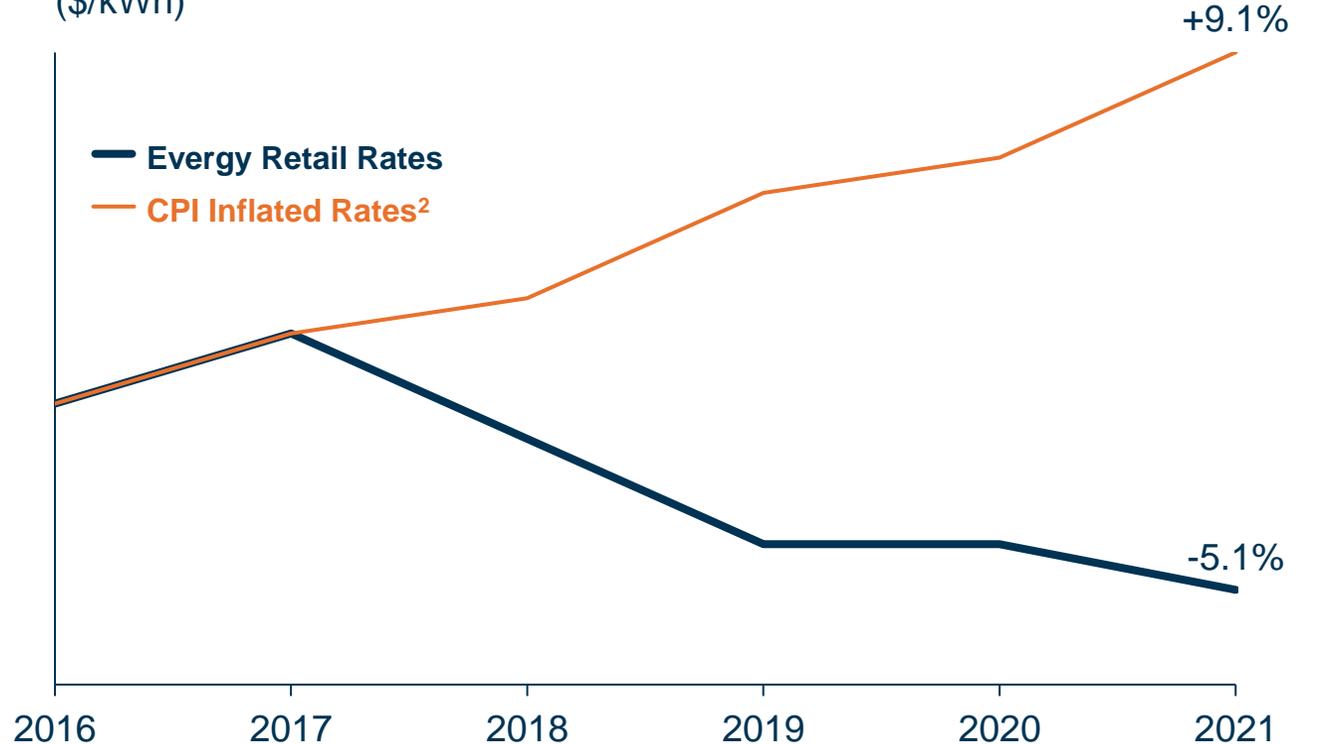
- ✓ **Affordability**: Keeping rates affordable and improving regional rate competitiveness
- ✓ **Reliability**: Targeting top-tier performance in reliability, customer service and generation
- ✓ **Sustainability**: Advancing ongoing emissions reductions and fleet transition as part of plan to achieve 70% carbon reduction by 2030 and net-zero<sup>1</sup> by 2045

*Evergy is focused on driving a continuous improvement culture that consistently delivers against our affordability, reliability, and sustainability objectives*

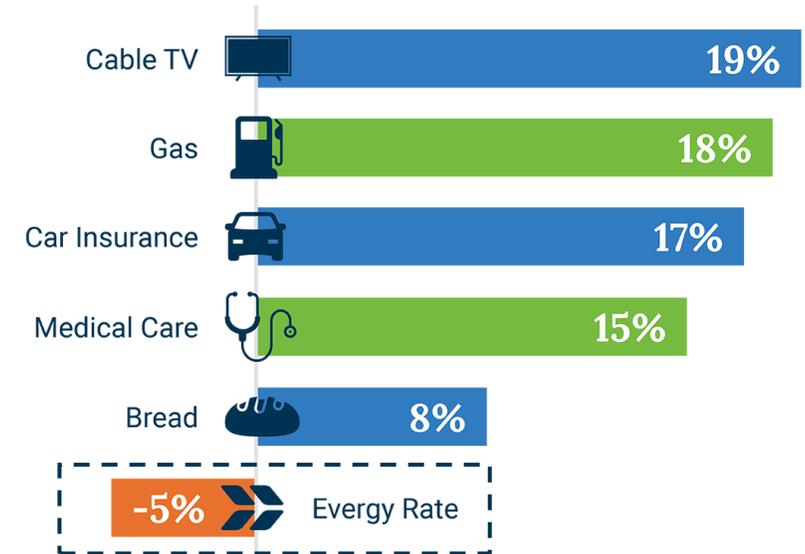


# Affordability Focus | Customer Rates

Average Price<sup>1</sup>  
(\$/kWh)



Percentage Increase in Price 2016-2021<sup>3</sup>



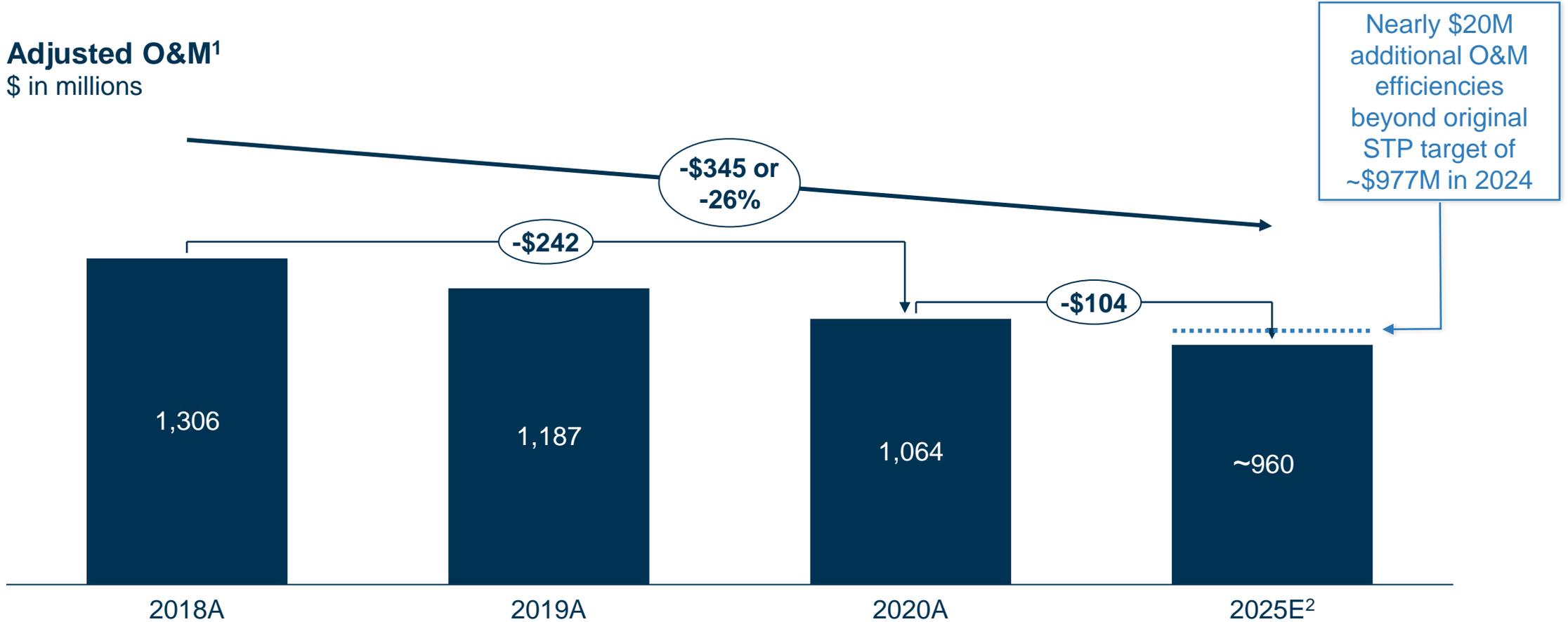
**Evergy has reduced its average retail rates by 5%, while CPI is up 9% since 2016; cumulative rate increases are projected below inflation through 2025**

1. Prices changes are calculated using twelve-month average ending December 31 for each annual period except for 2021, which is period ending July 31, 2021.  
 2. Source: CPI, US Bureau of Labor Statistics.  
 3. Source: US Bureau of Labor Statistics and Federal Reserve Bank of St. Louis; except for Evergy Retail Rate.



# Affordability Focus | Adjusted O&M

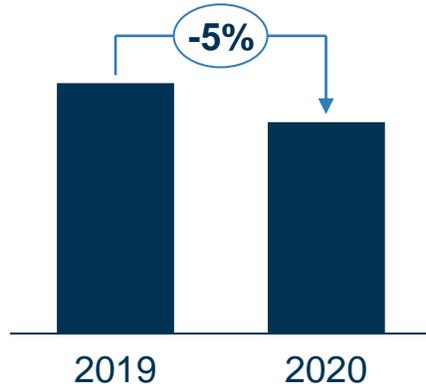
**Adjusted O&M<sup>1</sup>**  
\$ in millions



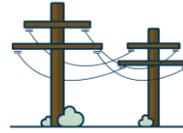
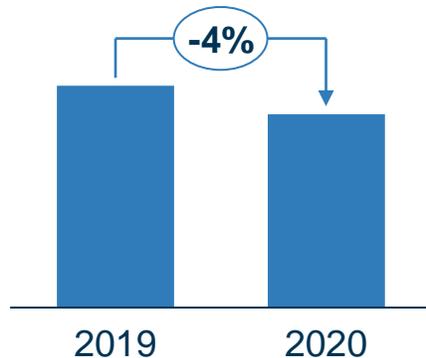
**Significant ongoing cost improvements advance affordability objectives and support infrastructure investments that improve reliability and the customer experience**

# Reliability Focus | Operational Excellence

**SAIDI**  
Outage minutes per customer



**SAIFI**  
Outage frequency per customer



Modernizing transmission and distribution lines



Investing in smart grid technologies



Innovating vegetation management practices



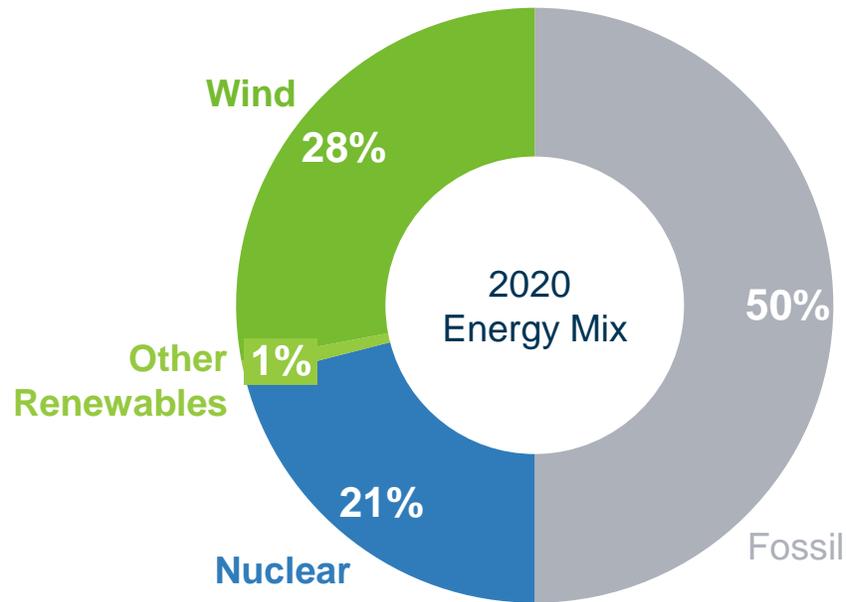
Focusing on seasonal generation flexibility to meet demand in peak seasons

**Targeting top-tier performance in reliability, customer service, and generation through grid modernization and continuous improvement in operations**

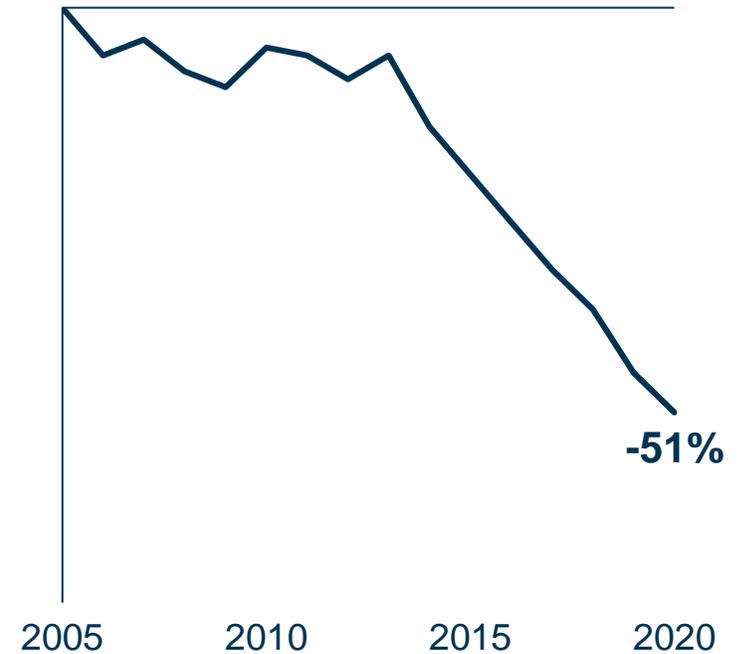


# Sustainability Focus | Clean Energy & Portfolio Transition Progress

50% Emissions-Free Energy in 2020



51% CO<sub>2</sub> Reductions since 2005

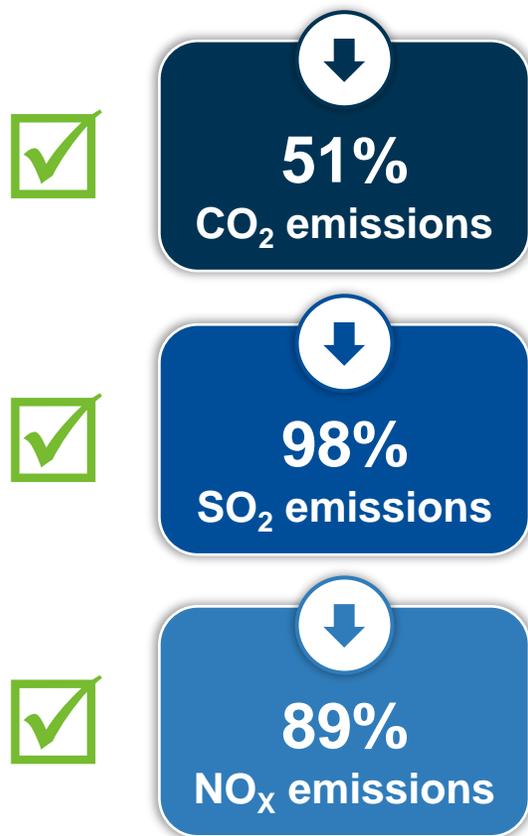


**Delivered 50% carbon free energy in 2020 and reduced CO<sub>2</sub> emissions 51% since 2005**

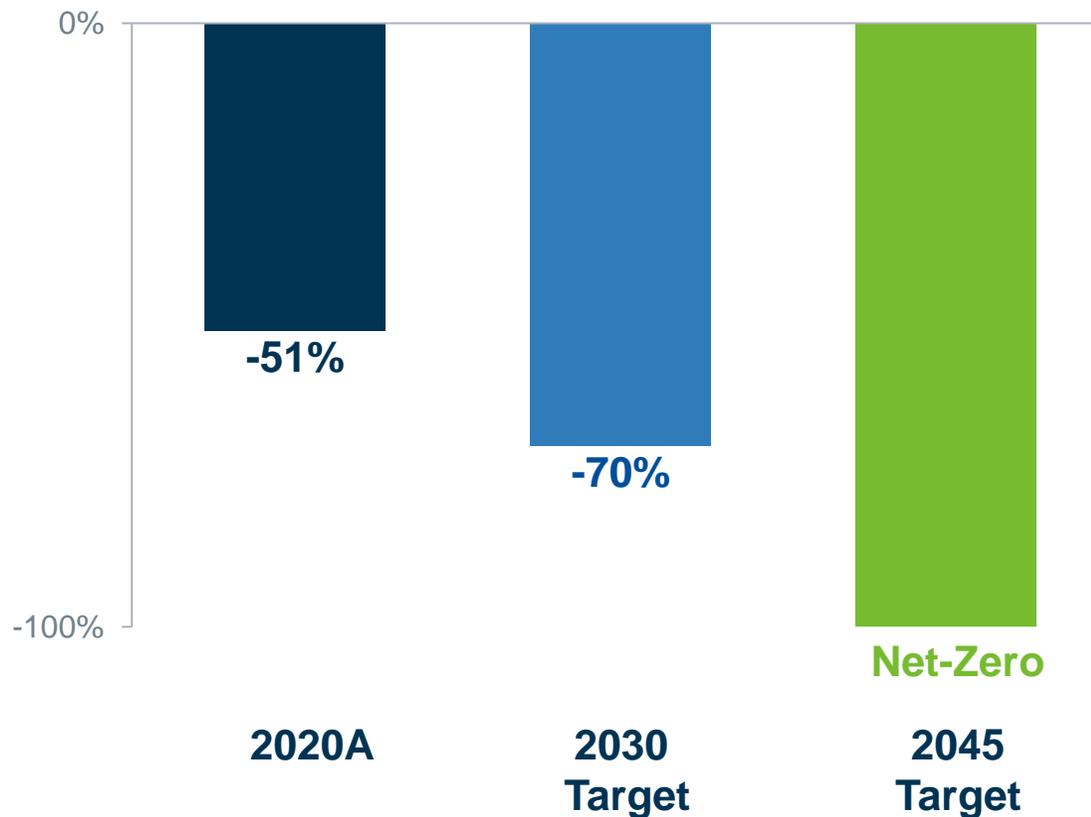


# Sustainability Focus | Emissions Reductions Track Record & Targets

## Achieved Emissions Reductions Since 2005



## CO<sub>2</sub> Emission Reductions Targets<sup>1</sup>



**Track record of significant emissions reductions and targeting net zero carbon emissions by 2045**

# Evergy's Value Proposition



All-electric regulated utility driving continuous improvement and performance management culture



Reduced carbon emissions 51%; well-positioned to transition generation portfolio cost-effectively



Geographically advantaged to participate in clean energy infrastructure buildout



Targeting 6-8% annualized adjusted EPS<sup>1</sup> growth 2021-25. No additional equity; strong balance sheet



# Agenda

- Introduction
- Environmental, Social & Governance



Heather Humphrey  
*SVP General Counsel  
& Corporate Secretary*

- Operational Excellence
- Customer Experience & Retail Rates
- Regulatory Priorities
- Generation Transition & Renewable Strategy
- Financial Overview
- Long-Term Drivers & Key Takeaways
- Q&A Session



# ESG Efforts Align With & Support Evergy Strategy

## MISSION

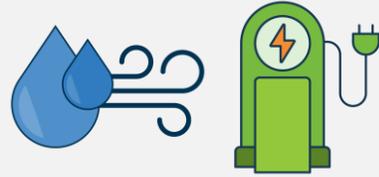
We empower a better future

## VALUES

*People First,  
Safety, Integrity,  
Ownership, Adaptability*

## STRATEGIC PRIORITIES

*Affordability, Reliability,  
Sustainability*



### **Environmental**

- Emissions reductions
- Natural resources management
- Customer solutions
- Community impacts
- Energy efficiency



### **Social**

- Economic development
- Community engagement
- Human capital development
- Diversity, equity and inclusion
- Supplier diversity



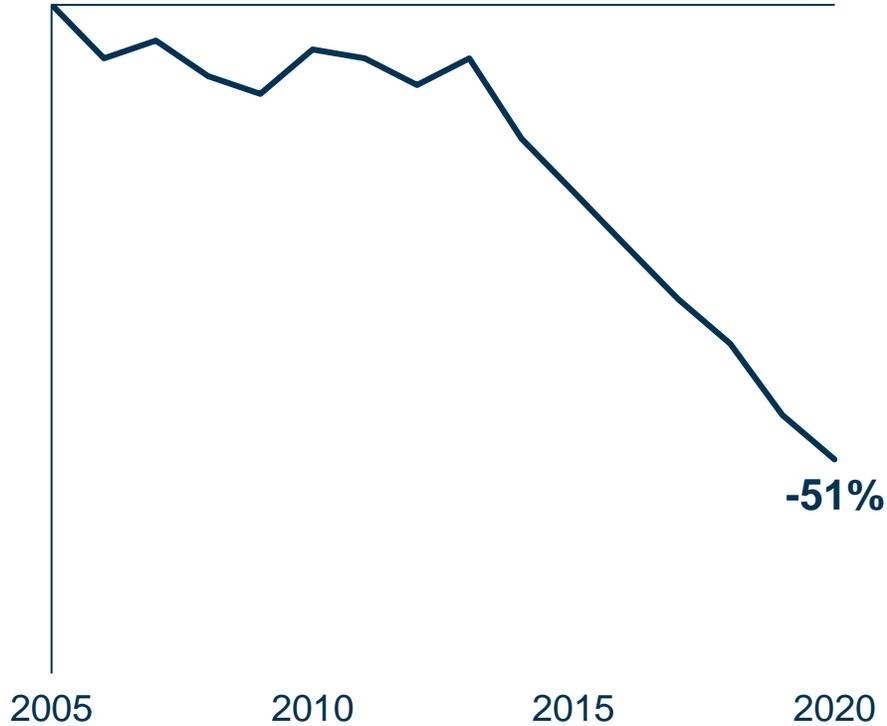
### **Governance**

- Board oversight
- Board composition and diversity
- Cybersecurity
- Enterprise risk oversight
- Executive compensation

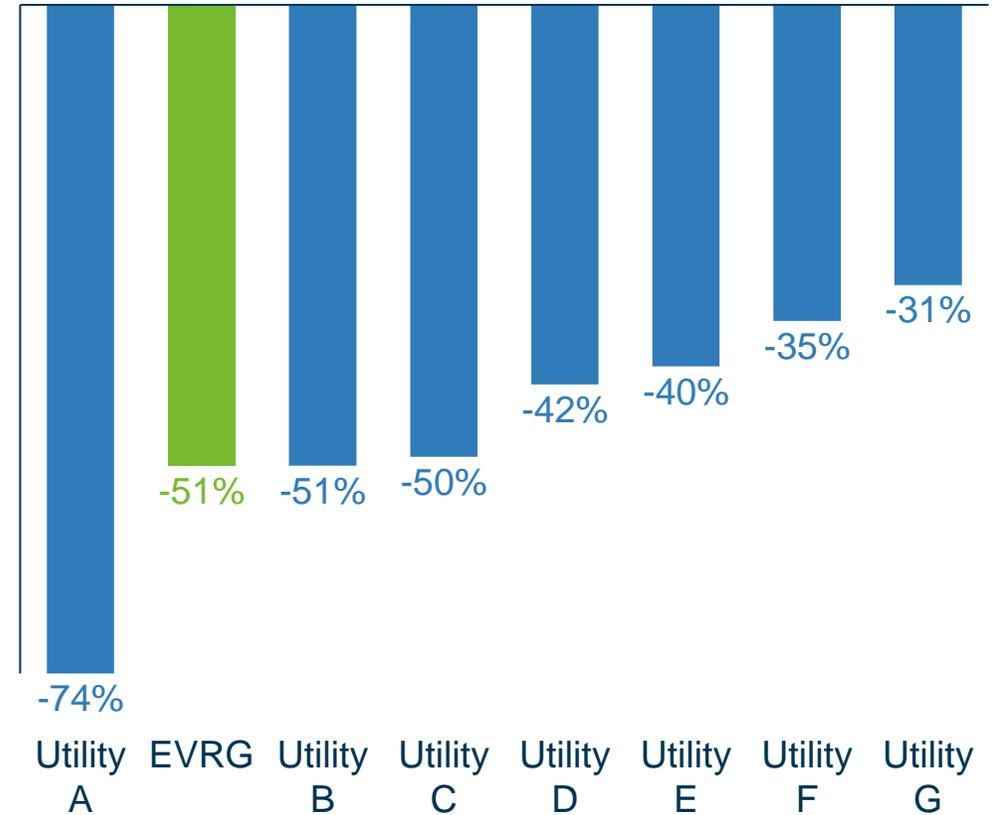
***Evergy's ESG focus aligns with the Company's mission, values, and strategic priorities; implementing a robust and accelerating focus across ESG priorities***

# Evergy Carbon Emissions Reductions vs Peers

Evergy CO<sub>2</sub> Reductions Since 2005



CO<sub>2</sub> Reductions Since 2005 vs Midwest Utility Peers<sup>1</sup>

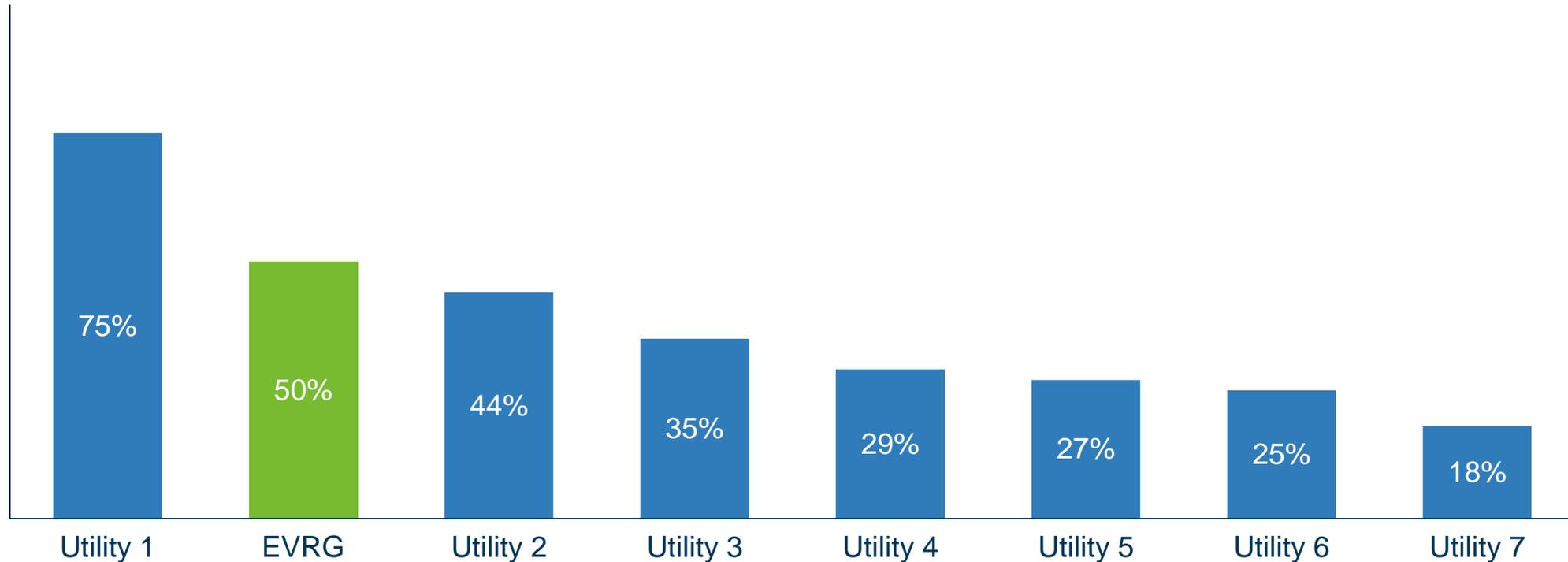


**Evergy's 51% reduction in CO<sub>2</sub> since 2005 compares favorably to Midwest peer utilities**



# Relative Clean Energy Mix

2020 Emission-free Energy Mix – Evergy and Midwest Peer Utilities<sup>1</sup>

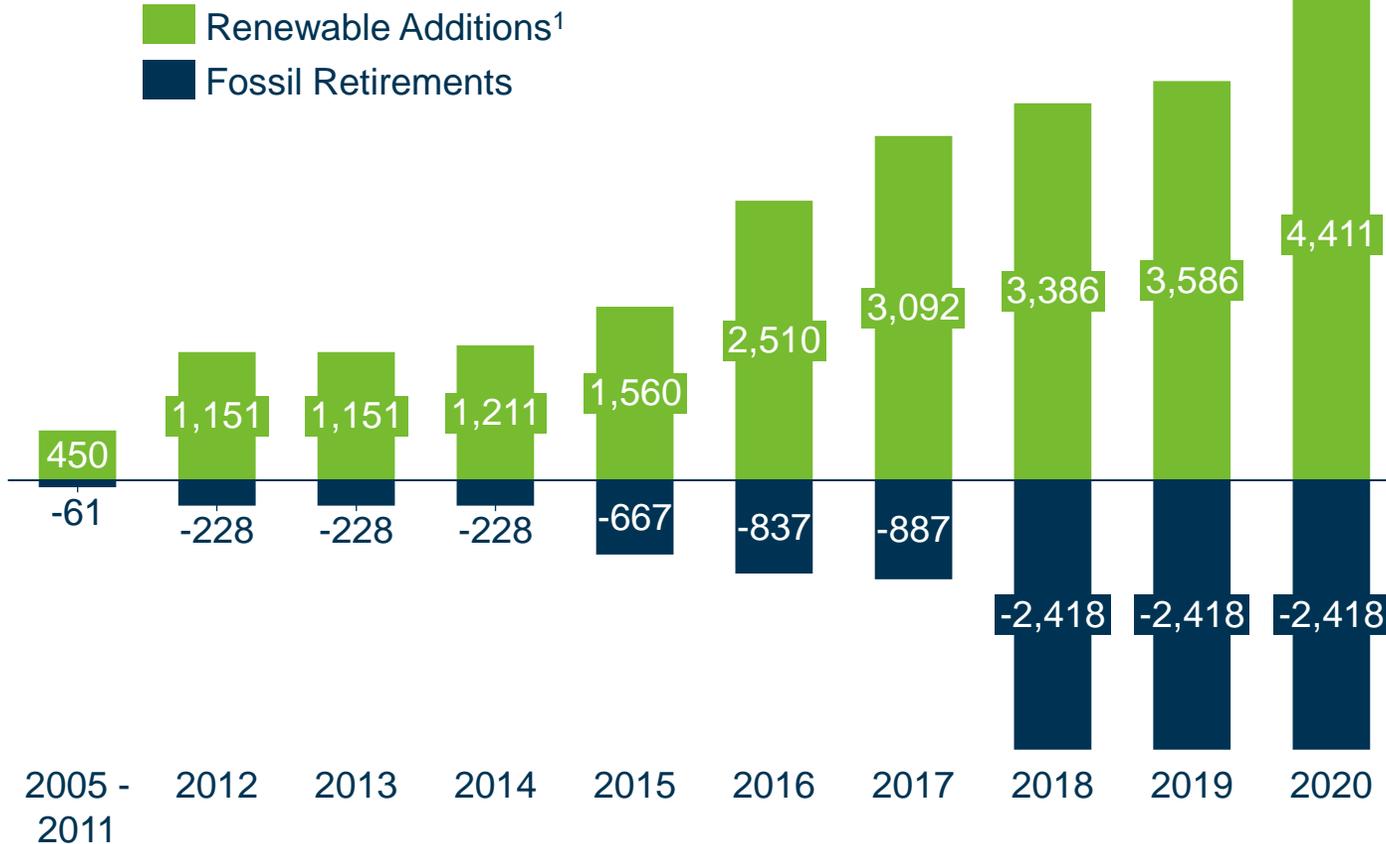


***Evergy's emission-free energy mix compares favorably to Midwest peer utilities***

<sup>1</sup> Represents 2020 MWh's produced from renewables and nuclear generation sources compared to total generation as disclosed by Midwest investor-owned utilities with market caps greater than ~\$7B as of 8/31/21.

# Generation Portfolio Transition

## Cumulative Retirements / Additions (MW)



- ✓ Since 2005, Evergy has added more than 4,400 MW of renewables and retired more than ~2,400 MW of fossil generation
- ✓ Coal as a share of rate base is expected to decline from ~30% in 2020 to ~19% by the end of 2025
- ✓ The decline in coal's share of rate base will accelerate with planned coal retirements under the Integrated Resource Plan in 2030 and 2032

**Coal as a share of rate base is expected to decline to ~ 19% by 2025**

# Updated Resource Plan

Projected Additions & Retirements (MW)<sup>1</sup>



**3,040 MW of solar**



**800 MW of wind**



**1,905 MW of coal retirements**

**Energy is planning to add over 3,800 MW of renewables and retire over 1,900 MW of coal through 2032**

# Social | Community & Employee Engagement<sup>1</sup>

*Evergy's "People First" culture fosters engagement, diversity, equity, and inclusion*

**2021 EEI Innovation Award for Supplier Diversity**



**\$7.5 MILLION**  
IN PHILANTHROPIC SUPPORT

**150+**  
Diverse Vendors in 2020

**\$156 MILLION**

SPENT WITH DIVERSE SUPPLIERS

**30+** YEARS ACTIVE SUPPLIER DIVERSITY INITIATIVE

**~\$2M**  
COVID RELIEF FUNDS



Named a **Top U.S. Utility in Economic Development**

**20,000**  
EMPLOYEE VOLUNTEER HOURS



**240+** community Boards with Evergy representatives

SITE SELECTION MAGAZINE'S  
**2020**  
TOP UTILITIES

Employee Snapshot: 55% Bargaining Unit, 23% Female, 15% People of Color





# Human Capital Development



**~280,000 training hours** provided to more than **5,000 employees**



**20% increase** in employee engagement since 2019

**Diversity, Equity & Inclusion initiatives** focused on development, recruiting, engagement, and supplier diversity



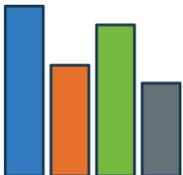
**Human Performance Initiative** kicked off in

2021 to:

- Improve performance
- Reduce safety incidents
- Improve culture

**7 Business Resource Groups** focused on:

- Fostering a diverse, equitable, and inclusive workplace
- Developing future leaders
- Connecting employees throughout our entire service territory
- Strengthening our company culture



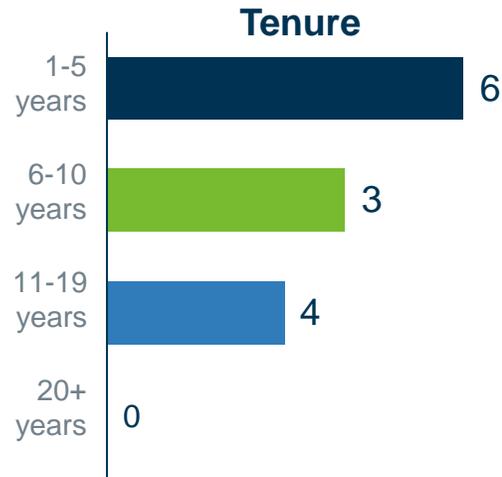
**~10,000 hours** of education provided through “Evergy Analytics University” to upskill and prepare employees for the technology shift associated with changing, data-driven work processes

*Evergy is focused on being a diverse, equitable, and inclusive company that empowers better futures for our employees and our communities*



# Evergy Board Profile

<b>Board Snapshot</b>	Director Diversity	Committee Chairs	Director Independence
	<b>38%</b> diverse/female	<b>50%</b> diverse/female	<b>85%</b> independent



Average tenure: 7.7 years

Separate CEO & Chair, with Lead Independent Director

- ✓ All committee chairs independent
- ✓ Significant board transition in 2020-2021, with six departures and four additions:
  - + David Campbell, newly appointed CEO, recruited externally
  - + Paul Keglevic, former CEO and CFO of Energy Future Holdings and partner at PWC
  - + Mary Landrieu, former three-term U.S. Democratic Senator from Louisiana & former Chair of Senate Energy Committee
  - + John Wilder, Executive Chair of Bluescape Resources and former CEO of TXU Corp
- ✓ Average board tenure reduced from 10 years in 2019 to current tenure of <8 years<sup>1</sup>

**Setting the tone at the top with a diverse, experienced, independent Board**



## Additional 2021 Actions

- ✓ Published first TCFD report; significantly expanded Sustainability Report
- ✓ Introduced net zero target by 2045 and 70% emissions reduction by 2030
- ✓ Modified 2021 executive incentive plan to support Diversity, Equity & Inclusion initiatives
- ✓ Won EEI Innovation Award for Supplier Diversity, recognizing Light Source program
- ✓ Updated Resource Plans in KS and MO with 3,840 MW of new renewable generation by 2032
- ✓ Closed \$2.5B Sustainability-linked Master Credit Facility

***Accelerating ESG focus in both actions and disclosure***



# Agenda

- Introduction
- Environmental, Social & Governance

- **Operational Excellence**



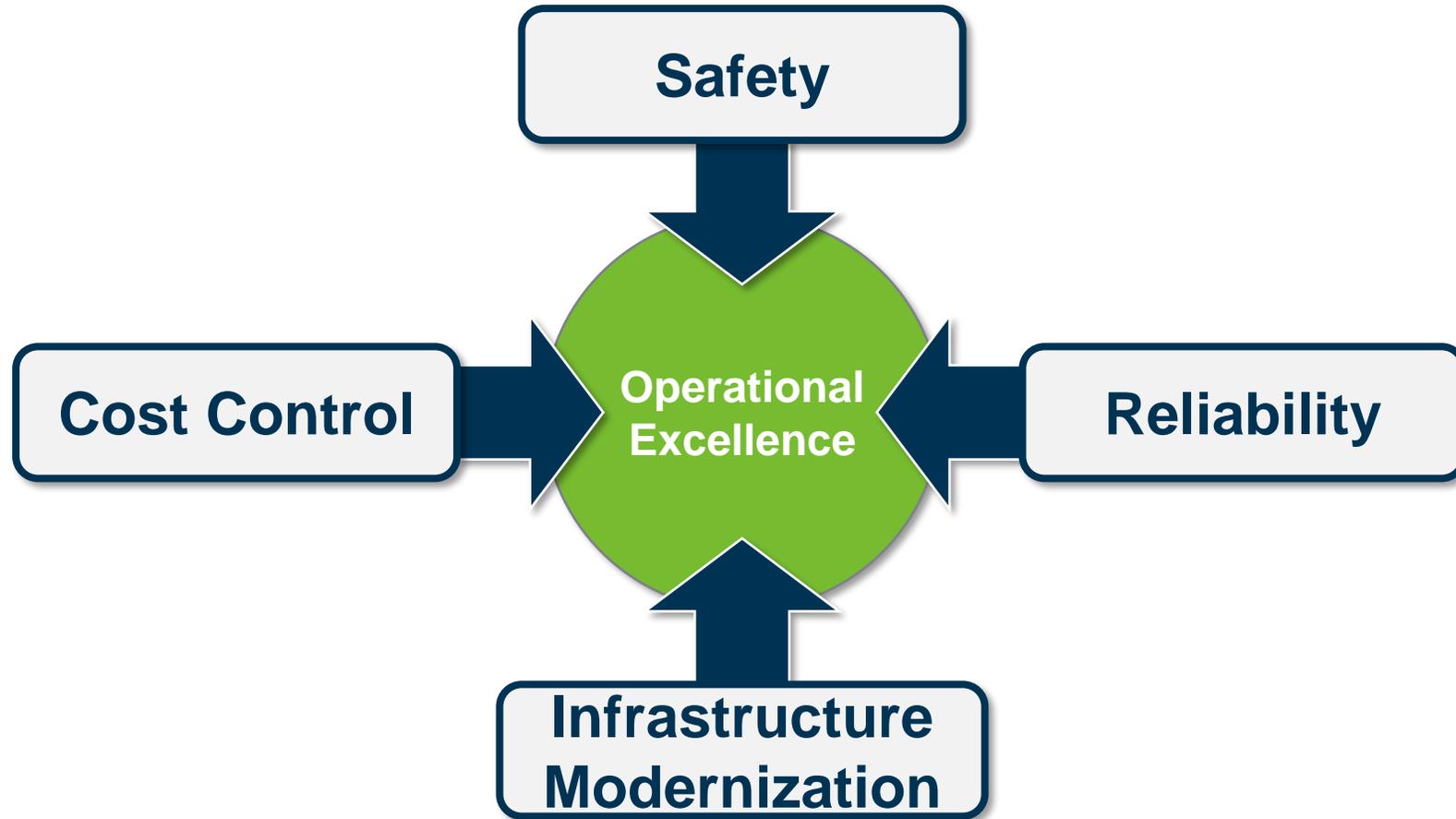
Kevin Bryant  
*EVP & COO*

- Customer Experience & Retail Rates
- Regulatory Priorities
- Generation Transition & Renewable Strategy
- Financial Overview
- Long-Term Drivers & Key Takeaways
- Q&A Session





# Driving Operational Excellence



*Daily focus on operational excellence, consistent execution, and continuous improvement*

# Safety-First Culture

## DART

Injury severity rate  
2019-2020



2<sup>nd</sup> Quartile

## PVA

Preventable Vehicle Accident Rate  
2019-2020



1<sup>st</sup> Quartile

-  Human and Organizational Performance
-  Focus on Expectations & Prevention
-  Driving Proactive Reporting
-  Leveraging Technology to Stay Safe



*First priority is keeping our team and communities safe every day and driving a safety-first culture*



# Customer Reliability

## SAIDI

Outage minutes per customer  
2019-2020



2<sup>nd</sup> Quartile

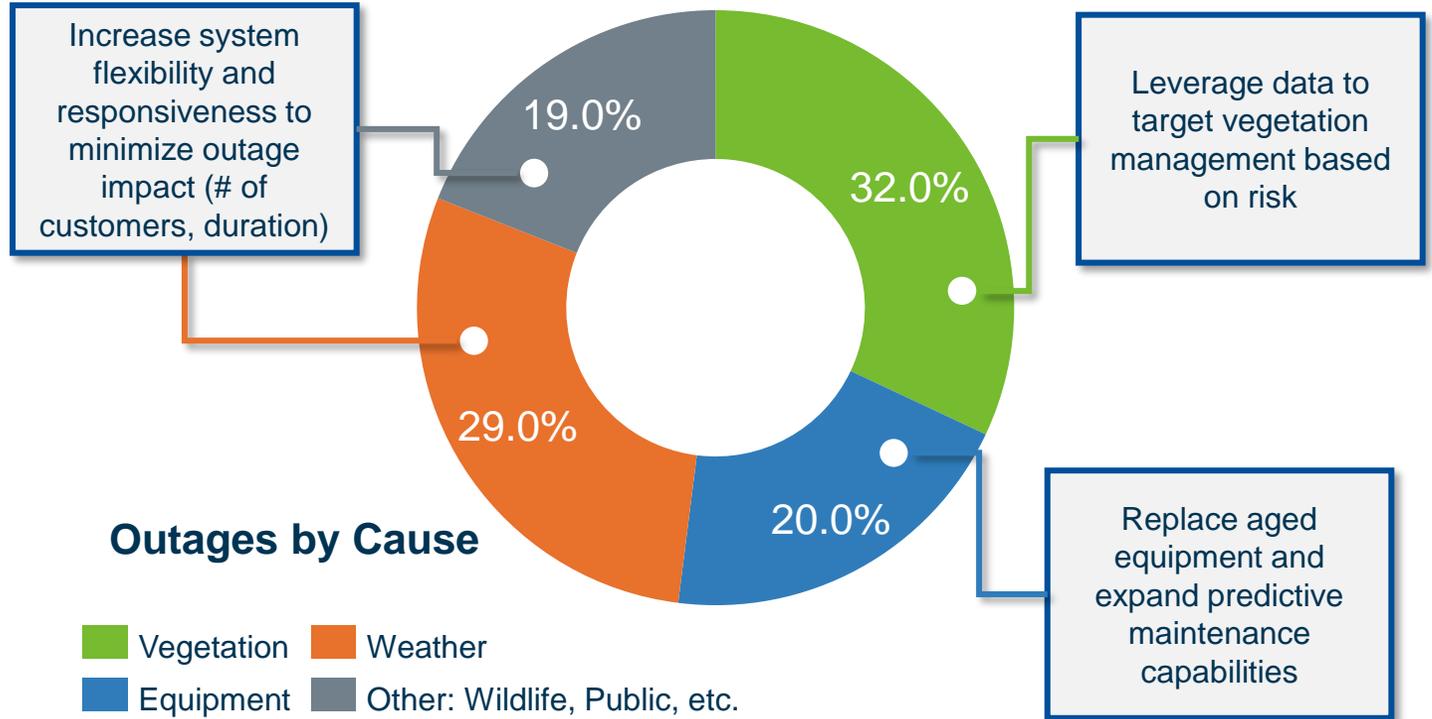
## SAIFI

Outage frequency per customer  
2019-2020



2<sup>ND</sup> Quartile

## Focuses for Improvement by Outage Driver



*Building on a strong track record, targeting ongoing reliability improvements and sustained Tier 1 performance*

# Fleet Availability



## COAL

### Coal Commercial Availability

Fleet availability to market demands

2018-2020



- Targeting availability when profitable by focusing on **Commercial Availability**, enhancing **flexible operations** and implementing **seasonal cycling**



## NUCLEAR

- Allowing market-driven **flexible operations** and **optimizing outage schedules** to better align Wolf Creek operations with market dynamics



## NATURAL GAS & OIL

- Maintaining **near-perfect Commercial Availability** across fleet and continuing excellence in **market-driven start reliability** through expanded condition-based maintenance



## RENEWABLES

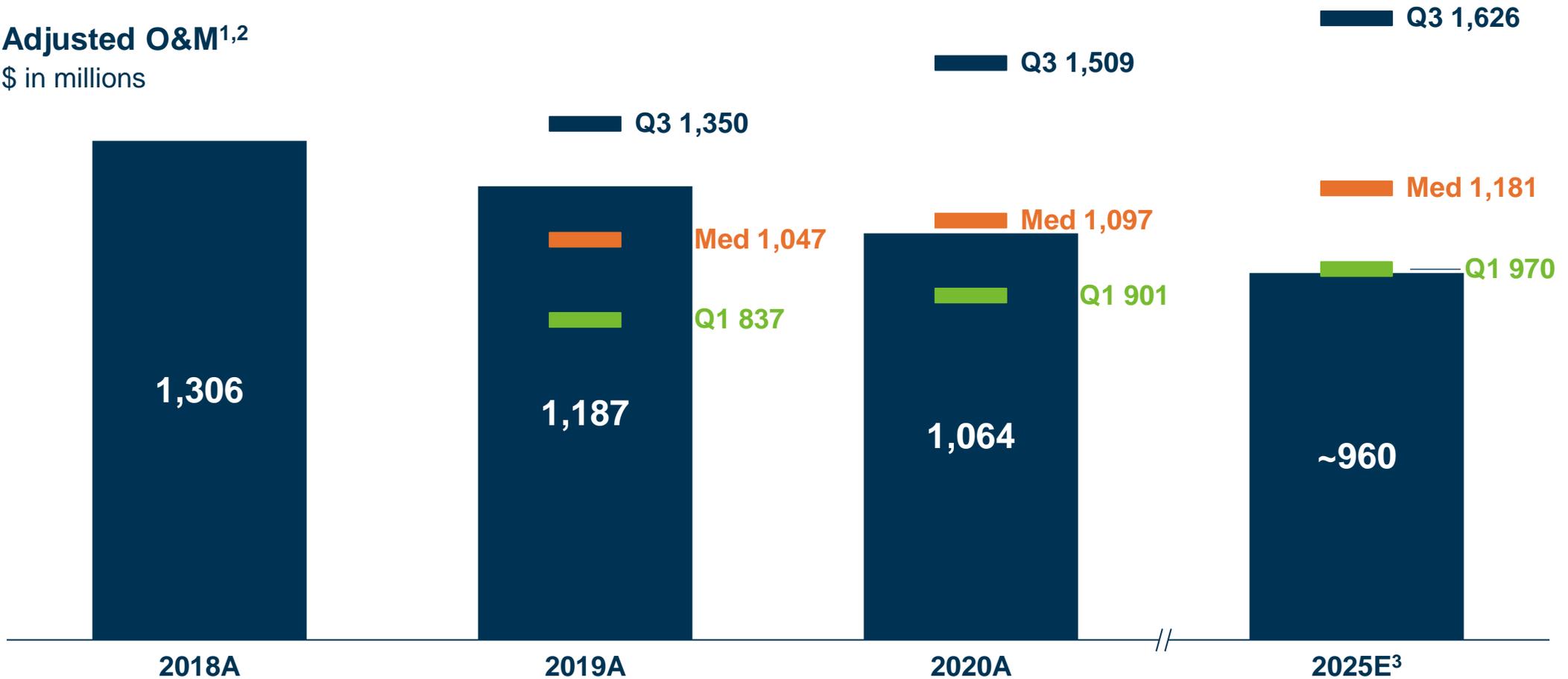
- **Expanding predictive maintenance** to ensure high equipment availability to maximize production tax credits

*Evolving operations to focus on commercial availability and aligning with evolving market dynamics to minimize fuel costs for customers*



# Cost Management

**Adjusted O&M<sup>1,2</sup>**  
\$ in millions



**Capturing merger savings and operating efficiencies to reduce 2018 O&M by 26% (~\$345M) by 2025; also on track to capture net fuel and purchased power savings**

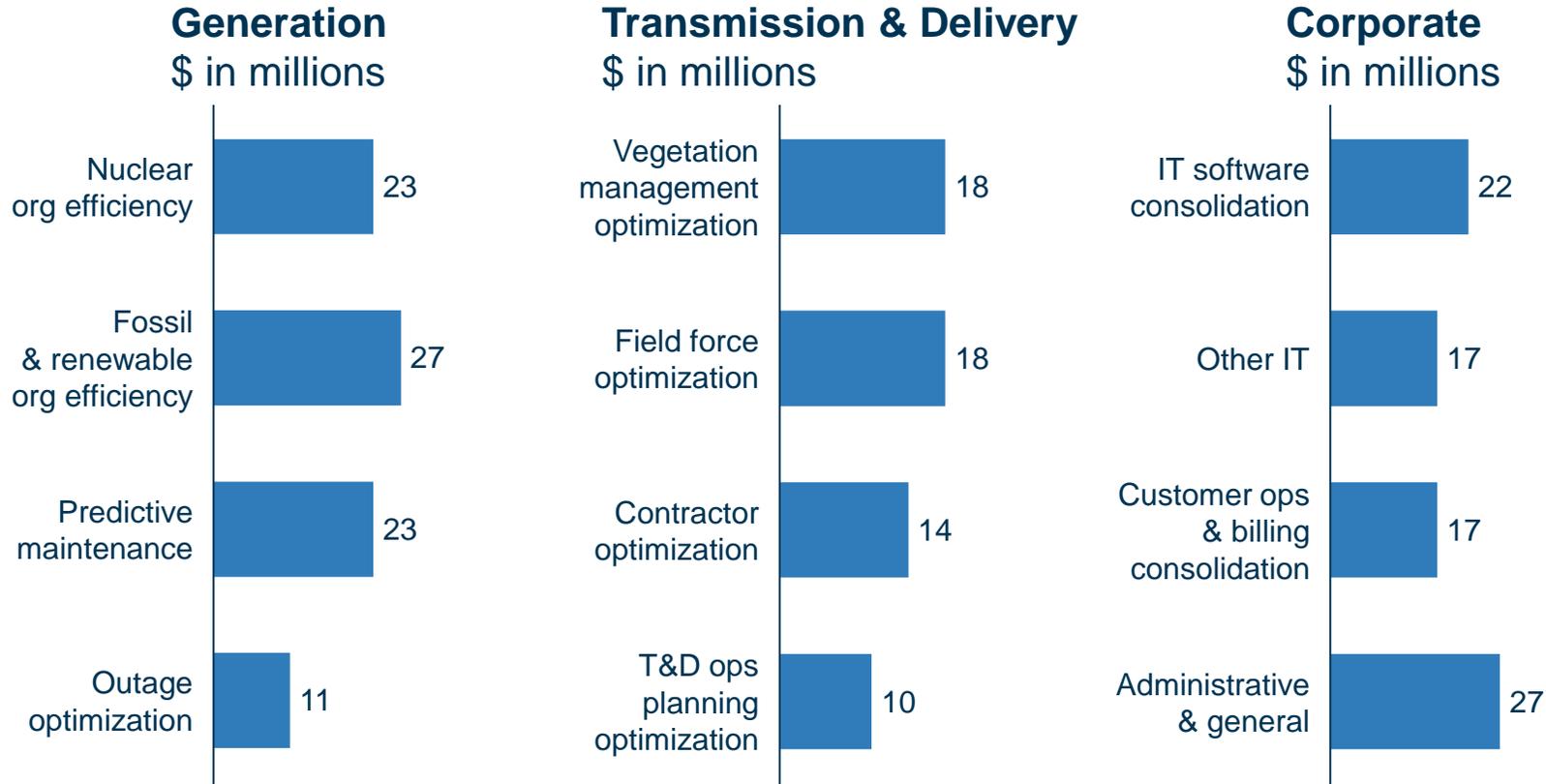
1. Adjusted O&M is a non-GAAP financial measure. See appendix for reconciliation to most comparable GAAP information.  
 2. Peer adjusted O&M benchmarking for 2019 and 2020, conducted by Boston Consulting Group, are based on function-specific metrics from domestic investor-owned electric utilities with 0.5-3.0M customers and derived from FERC Form 1 data from 2019 and 2020 with adjustments to normalize certain metrics for Evergy (e.g., energy efficiency program costs, customer uncollectible accounts, and employee pension & benefits). 2025E peer benchmarks are estimated by adjusting the 2020 quartiles for 1.5% annual inflation.  
 3. 2025E adjusted O&M (non-GAAP) guidance of \$957M to \$967M.





# Adjusted O&M<sup>1</sup>

2019 – 2025E operational savings categories



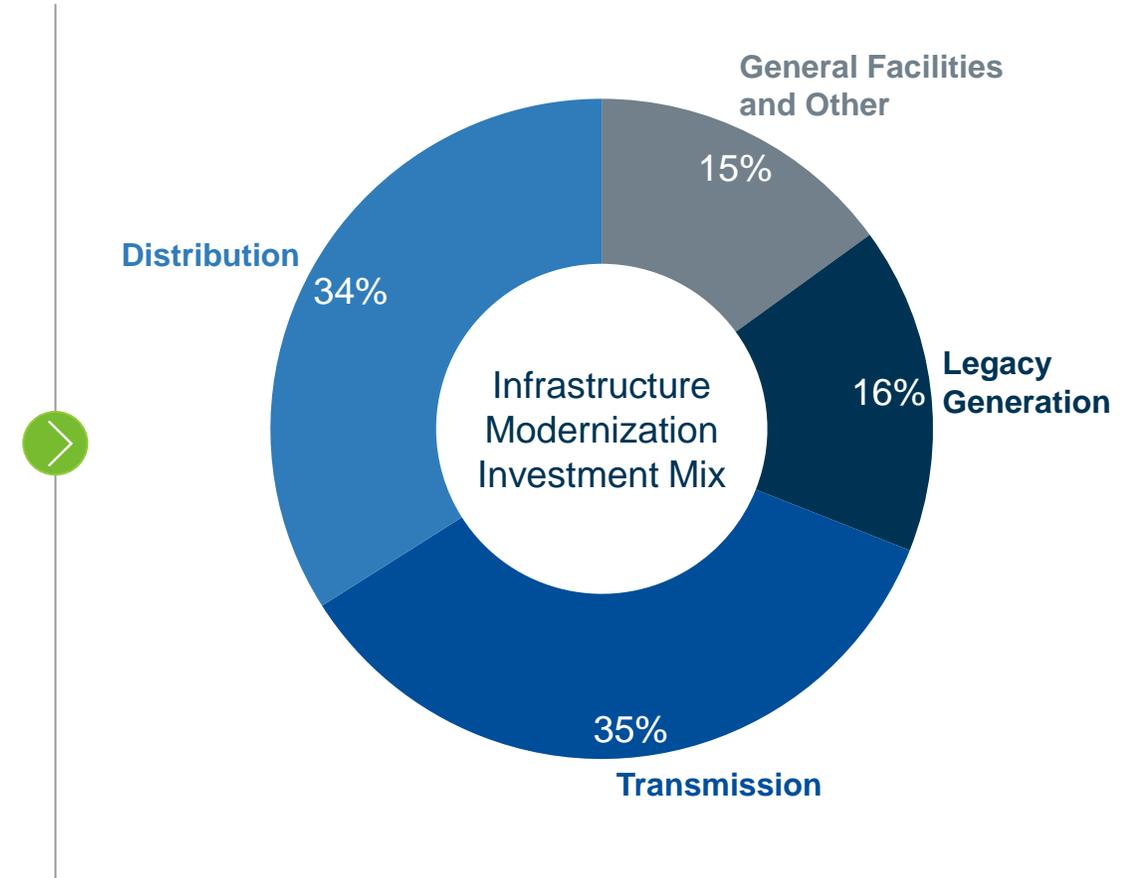
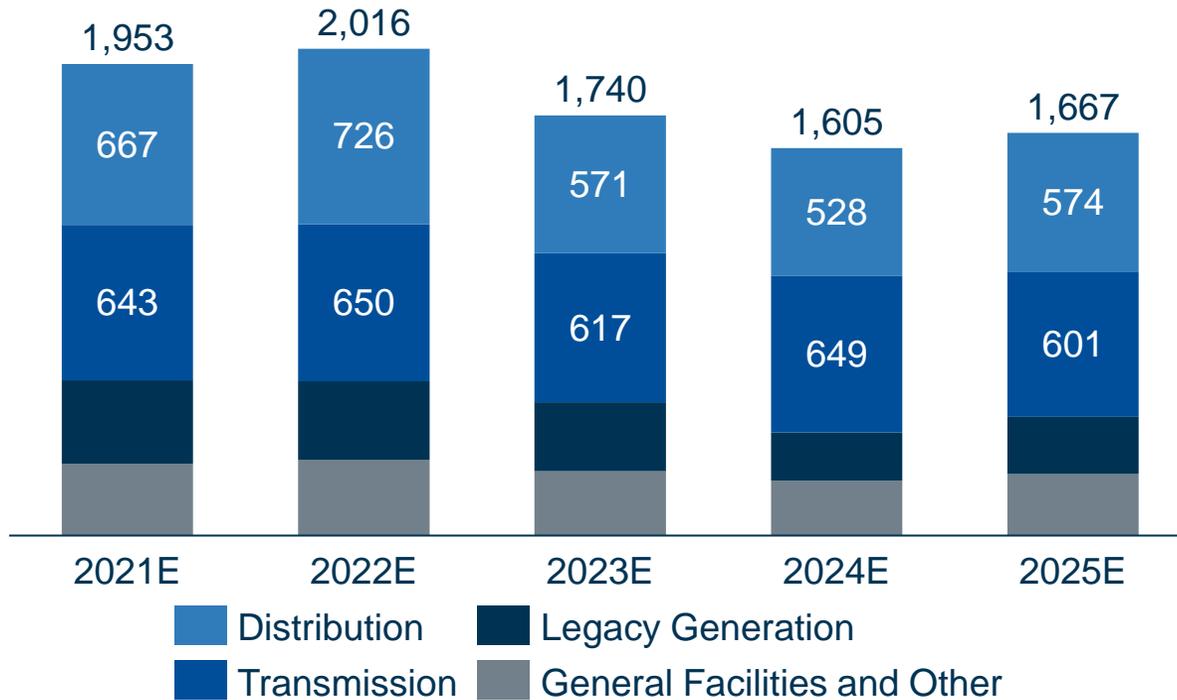
**Customer benefit:**  
 For every \$1 of operational savings, ~\$7 of infrastructure investment can be added, improving customer experience and reliability while maintaining customer rate neutrality

	\$119M	2018-19
+	\$227M	2019-25E
	~\$345M	Operational Savings
x	~7	Capital Investment multiplier
	<b>~\$2.4B</b>	<b>Rate Neutral Capital Investment</b>

**Comprehensive efficiency improvement program across operations and corporate functions**

# Infrastructure Modernization

**2021E-2025E Base CapEx**  
\$ in millions



***“Grid of the Future” will be more resilient and better prepared for continued expansion of electrification, distributed resources, and renewable generation***

# Transmission Resiliency

*Replacing aged transmission lines to increase resiliency against severe weather and prevent equipment failures*



*Targeting high impact, with high-risk transmission asset replacements*

***Investing in transmission infrastructure to create a resilient backbone and support the grid through the ongoing energy transition***

# Distribution Modernization



*Rebuilding miles of aged overhead distribution lines and replacing aged substation assets to support customer reliability*

*Replacing assets that serve critical loads like healthcare and local community emergency management services*



***Distribution investment targeting low-performing equipment and replacing aged, near end-of-life assets in order to deliver sustained Tier 1 reliability for our customers***

# Technology & Communications



*Leveraging the latest technology to modernize the grid and improve resiliency*



# Agenda

- Introduction
- Environmental, Social & Governance
- Operational Excellence

- **Customer Experience & Retail Rates**



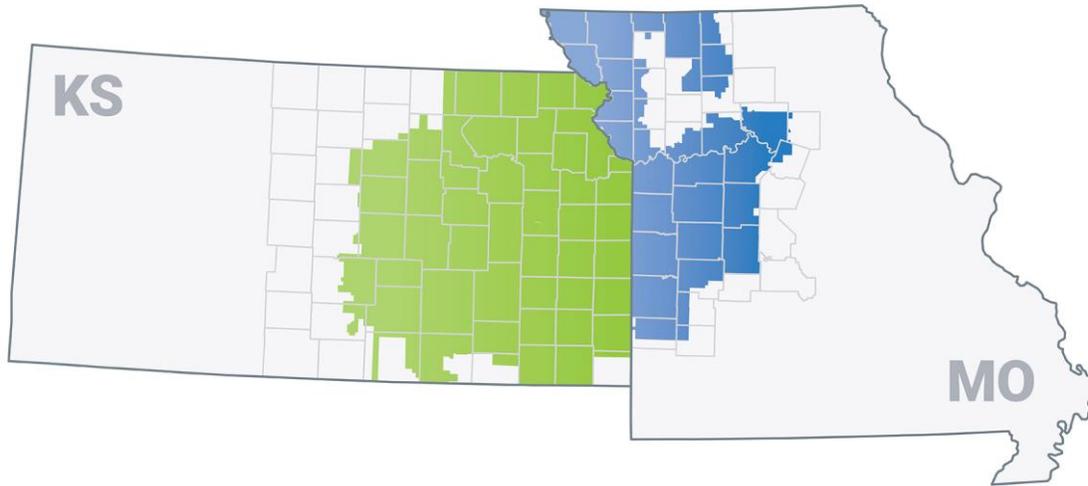
Chuck Caisley  
*SVP Public Affairs & CCO*

- Regulatory Priorities
- Generation Transition & Renewable Strategy
- Financial Overview
- Long-Term Drivers & Key Takeaways
- Q&A Session



# Leading Electric Utility In Kansas & Missouri

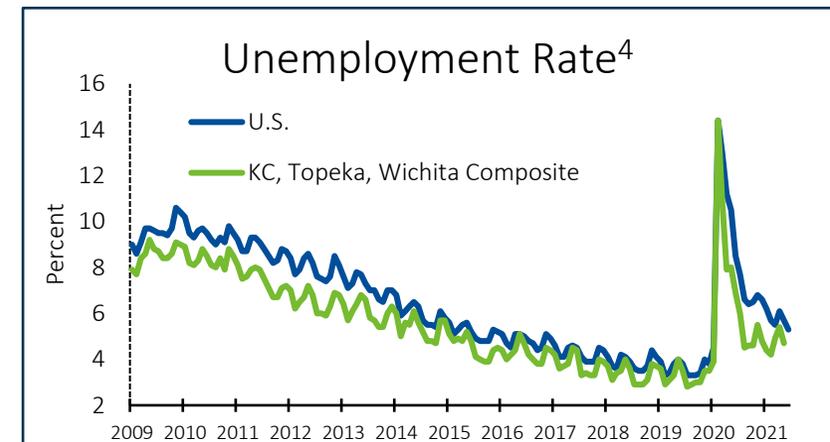
## Evergy Customer Profile<sup>1</sup>



- ~1,422,000 residential customers; 38% of sales
- ~192,000 commercial customers; 42% of sales
- ~7,000 industrial customers; 20% of sales
- 55% rate base Kansas; 33% Missouri; 12% FERC

## Regional Highlights

- 1.8% average annual GMP<sup>2</sup> growth 2015-2019
- 41 consecutive quarters of growth in Evergy customers
- Kansas has 4th largest installed wind generation in the United States (7,016 MW)<sup>3</sup>
- New Kansas City airport under construction; set to open in 2023



**Largest utility in Kansas and one of the largest in Missouri, serving over 1.6 million customers**

1. Statistics as of 12/31/20.

2. Source: Moody's Analytics Gross Metro Product Composite average of Kansas City, Topeka, and Wichita 2015 – 2019.

3. US Department of Energy, Wind Exchange, Total Installed Capacity as of end of Q4 2020.

4. US Bureau of Labor Statistics.



# Focus On The Customer Following The GPE-Westar Merger

## Evergy's Focus on the Customer

- **Provide affordable and regionally competitive rates**
  - Rates ↓ ~5% since 2016
  - Delivered ↑ \$420M in savings to customers since 2017
- **Deliver Tier 1 quality and cost-effective service**
  - Invested in new customer system, new online service tools, and new outage notification system
- **Serve as our customers' trusted energy provider**
  - Example programs include energy efficiency, electric vehicle charging network, and renewables direct tariffs
  - Partnering with large commercial and industrial customers to deliver sustainability solutions

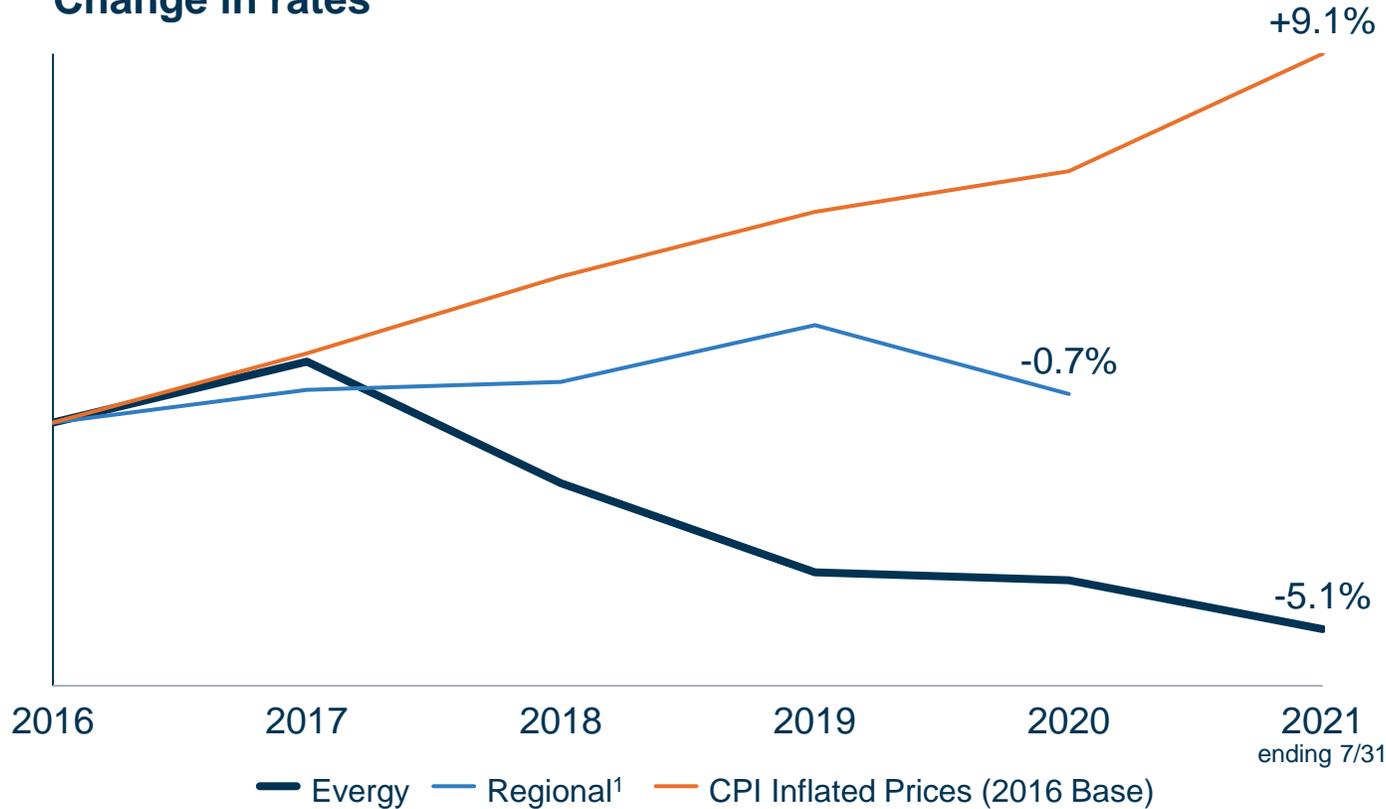


**Westar and Great Plains Energy merger in 2018 positioned Evergy to deliver significant savings to customers, capture operational efficiencies, and invest to enhance the customer experience**



# Customer Affordability & Bill Trajectory

### Change in rates



### Annual Change (CAGR, %)

Evergy, 2016-21	-1.0%
Evergy, 2016-24E <sup>2</sup>	+0.5%
CPI Inflation, 2016-24E <sup>3</sup>	+1.8%



- After the expected impacts of Evergy's rate cases in Missouri (2022) and Kansas (2023), annualized impacts will remain well below inflation
- Operating and fuel cost efficiencies minimize rate impacts and enable beneficial infrastructure investments

**Reflecting focus on affordability, rate increases well below inflation and improving regional rate competitiveness**

1. Regional Price is sourced from EIA and is comprised of revenues and sales for all sectors based for the following states: Iowa, Kansas, Missouri, Nebraska, North Dakota, South Dakota, Arkansas, Oklahoma, Texas, Colorado. Regional Price 2020 data will not be finalized by EIA until October 2021  
 2. Excludes 2021 winter weather event impacts.  
 3. Source: US Bureau of Labor Statistics for historic CPI; 2022-2024 estimated annualized CPI equal to 2016-2021 actual annualized rate.

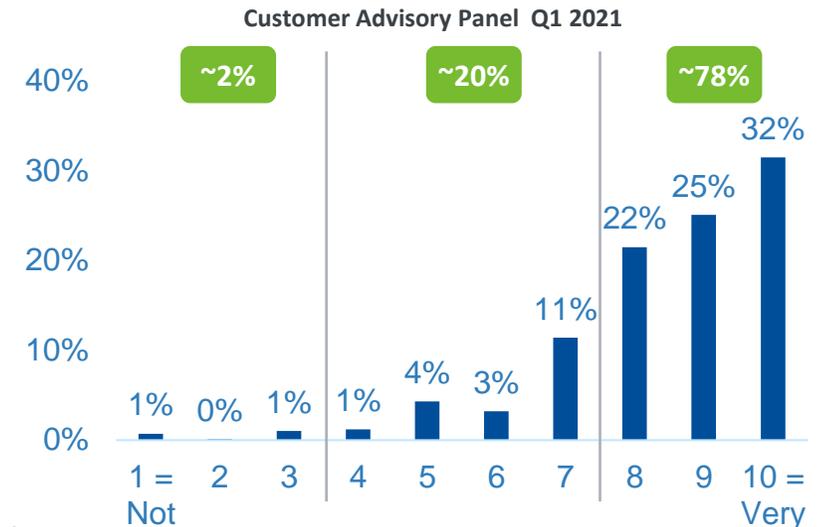




# Enhancing The Customer Experience

- **Creating an omnichannel customer experience**
  - Personalize customer communications and notifications
  - 24/7 digital self-service through best-in-class online portals
  - Online marketplace for energy efficiency products and services
- **Modernizing electric rates and streamlining bills**
  - Enhance online tools to analyze and manage energy use
  - New, specialized rates, including: expanded time-of-use, subscription, pre-pay and flat rates
- **Expanding electric vehicle charging infrastructure**
  - Partner with customers to invest in fleet charging and electrified mass transit
- **Increasing access in energy efficiency programs and renewables**
  - Expand energy efficiency investment to Kansas
  - Increased solar and wind subscription offerings for residential and business customers

## Overall Satisfaction with Evergy



*Focused on driving continuous improvement in customer experience, through automation, improved digital experience and investing in new customer programs and offerings*



# Innovative Customer Programs | Missouri Energy Efficiency Initiatives

## MEEIA CYCLES 1 AND 2

### Impact

  
**270,000+**  
Residents

  
**6,000+**  
Businesses

  
**50** Jobs  
Created Locally

## ENERGY EFFICIENCY

### Results to date

  
**769 million kWh** electricity saved since 2013

  
**64,000+** homes powered with energy saved

  
**122,549** equivalent number of cars taken off the road with reduced emissions

  
**\$2.58** benefits for each dollar spent

## MEEIA CYCLE 3

**11** Energy Efficiency Programs

**\$234 million**  
in Anticipated Energy Savings

**\$10 million**  
in Income Qualified Programs

**3-year proposal** continuing our commitment to energy efficiency and sustainability

## MEEIA CUSTOMER IMPACT

  
**4,400** Residential Energy Walk-thrus

  
**3,000+** Commercial Lighting Projects

  
**\$31,503,000** Business Rebates

  
**9.8 out of 10** T-Stat Install Customer Satisfaction

  
**525,000 Bulbs** Given to Local Food Banks

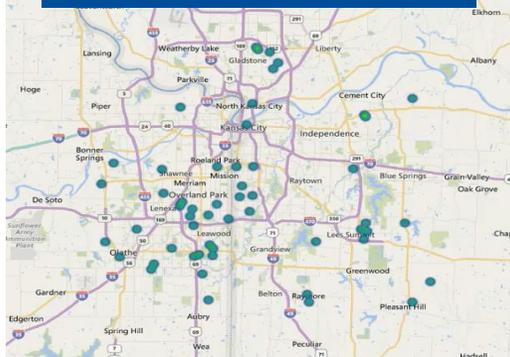
  
**50,000** Annual Unique Online Audits

**Invested nearly \$350 million in Missouri energy efficiency programs under the Missouri Energy Efficiency Investment Act (MEEIA), impacting over 270,000 residents and delivering substantial energy savings**

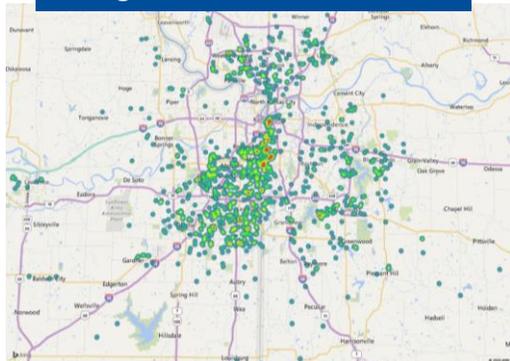


# Innovative Customer Solutions | Leading Electric Vehicle Charging Network

Registered EV Drivers 2015



Registered EV Drivers 2021



## Program Highlights

- Installed and operate **1,100+ charging stations** (Level 2) plus **30+ DC Fast Chargers**
- Serves publicly accessible, high population density / long dwell time areas, and workplaces with balanced geographic dispersion
  - Utility infrastructure, not behind the customer's meter
  - Single standard communications and payment platform
- Launched in 2015; expanded in 2019 and 2020
  - Expansion included additional DC Fast Chargers on Interstate highways and the Kansas Turnpike
  - Established pilot projects in mass transit charging
- Partnerships with large customers to explore EV fleet charging infrastructure options
- Electric transportation dockets ongoing in Missouri and Kansas



*Pioneered, installed and operating one of the largest utility-owned EV networks in the US*



# Trusted Energy Provider | Partnering With Customers



- Evergy has entered into a long-term agreement with Spirit AeroSystems, one of the world's largest manufacturers of aerostructures for commercial airplanes, defense platforms and business/regional jets
- The agreement will supply Spirit's 12 million square foot manufacturing facility and headquarters in Wichita with enough wind power to be completely powered by renewable energy when Flat Ridge 3 is completed
- This agreement will supply Spirit with competitively priced energy and advance their overall sustainability and ESG efforts
- Reflecting these benefits, Evergy received Spirit AeroSystems' 2021 Sustainability Partner Award

***Supplying nearly 60 large commercial and industrial customers with more than 430 MW of renewable energy to meet sustainability and ESG goals***



# Agenda

- Introduction
- Environmental, Social & Governance
- Operational Excellence
- Customer Experience & Retail Rates

- **Regulatory Priorities**



Chuck Caisley  
*SVP Public Affairs & CCO*

- Generation Transition & Renewable Strategy
- Financial Overview
- Long-Term Drivers & Key Takeaways
- Q&A Session





# Executing On Regulatory Priorities



## ***Kansas Corporation Commission***

- ✓ Completed STP Workshops in May 2021
- ✓ Stakeholder engagement underway with anticipated Fall Energy Efficiency filing
- ✓ Electric transportation docket in process with expected December order
- ✓ Winter Storm Uri compliance plan filed awaiting Staff recommendation and Commission order
- ✓ Predetermination filing for new solar investment and cessation of coal operations at Lawrence Energy Center made this month; 180-day procedural schedule
- ✓ IRP filed in June 2021 with parties' comments due in November



## ***Missouri Public Service Commission***

- ✓ Completed STP Workshops in June 2021; quarterly updates will be filed
- ✓ Winter Storm Uri AAO proceeding filed in June; resolution expected by year-end
- ✓ Electric transportation docket hearings in process with order expected by year-end to early 2022
- ✓ IRP filed in May 2021 with parties' comments due in late September
- ✓ Rate cases will be filed in January 2022



## ***Federal Energy Regulatory Commission***

- ✓ FERC transmission and generation formula rates updated annually, effective January 1 and June 1, respectively, to reflect changes in cost of service

***Active regulatory calendar progressing; Missouri rate cases to be filed in January 2022***



# Constructive Ratemaking | Kansas



Cost Recovery Mechanisms	Description
<b>Energy Cost Adjustment</b>	Fuel Adjustment Clause Rider projects annual amount of fuel & purchased power costs, with true-up mechanism
<b>Pension Tracker</b>	Pension and OPEB allows company to accumulate pension and other post-employment expenses in excess of amounts built into rates and recover over a period not to exceed five-years
<b>Property Tax Rider</b>	Property Tax Surcharge Rider recovers annual incremental increase in property tax above what is built into base rates
<b>Energy Efficiency Rider</b>	Energy Efficiency Cost Recovery Rider recovers deferred costs associated with Commission approved programs
<b>Transmission Rider</b>	Transmission Delivery Charge Rider (TDC) recovers transmission related costs associated with electric service to Kansas retail customers
<b>Critical Infrastructure/Cyber Tracker</b>	Recovery of non-labor O&M costs specific to CIP/Cybersecurity efforts
<b>Abbreviated Rate Case</b>	Allows for traditional rate recovery outside of base rate cases for select items approved and filed within one year of traditional case

***Constructive regulatory mechanisms addressing major expenses between general rate cases***



# Constructive Ratemaking | Missouri



Cost Recovery Mechanisms	Description
<b>Fuel Adjustment Clause</b>	Base rates include base level of fuel & purchased power costs, adjustment clause addresses fuel expense changes between base rate cases
<b>Pension Tracker</b>	Pension and OPEB tracker allows company to accumulate pension and other post-employment expense differences from amounts built into rates and recover over five-year period
<b>Missouri Plant in Service Accounting (PISA)</b>	Allows for deferral and recovery of 85% of financing costs and depreciation expense for PISA qualified plant investments
<b>Energy Efficiency</b>	Missouri Energy Efficiency Investment Act Program Rider (MEEIA) allows company to value and recover demand-side investments equivalent to traditional infrastructure investment
<b>Renewable Energy Standard Rate Adjustment Mechanism Rider<sup>1</sup></b>	Enables recovery of costs including carrying costs to comply with Missouri renewable energy standard (Missouri West only)

***Constructive regulatory mechanisms addressing major expenses between general rate cases***

1. Renewable Energy Standard Rate Adjustment Mechanism Rider available in Evergy Missouri West; not available in Evergy Missouri Metro. Missouri Metro has similar mechanism: Missouri Renewables Energy Standard Tracker.



# Stakeholder-Focused Legislation | Securitization In Kansas & Missouri

## *Reducing Customer Costs*



### **Plant Retirements**

- Minimizes costs by allowing for securitization of remaining book value of generation to be retired
- Both Kansas and Missouri laws establish predetermination processes for the retirement of generation plants, enabling greater certainty



### **Extraordinary Costs**

- Missouri West intends to seek to securitize extraordinary costs resulting from Uri with 15-year recovery period from customers
- Securitization would reduce the estimated customer impacts by 40% relative to traditional regulatory recovery over the same time period

***Recently passed securitization legislation creates ability to reduce customer impacts from generation facility retirements and extraordinary events like Winter Storm Uri***

# Upcoming Rate Cases In Missouri & Kansas

## Missouri - 2022

- Two separate rate cases
  - 1) Evergy Metro Missouri
  - 2) Evergy Missouri West
- Test year ending June 30, 2021
- Expected filing: January 2022
- True-up date: May 31, 2022
- Rates effective: December 2022



## Kansas - 2023

- Two separate rate cases
  - 1) Evergy Kansas Central
  - 2) Evergy Metro Kansas
- Test year ending September 30, 2022
- Expected filing: April 2023
- True-up date: June 30, 2023
- Rates effective: December 2023



***First rate cases reflecting Evergy combined operations will align rates with current operations***



# Agenda

- Introduction
- Environmental, Social & Governance
- Operational Excellence
- Customer Experience & Retail Rates
- Regulatory Priorities

- **Generation Transition & Renewable Strategy**



**Kirk Andrews**

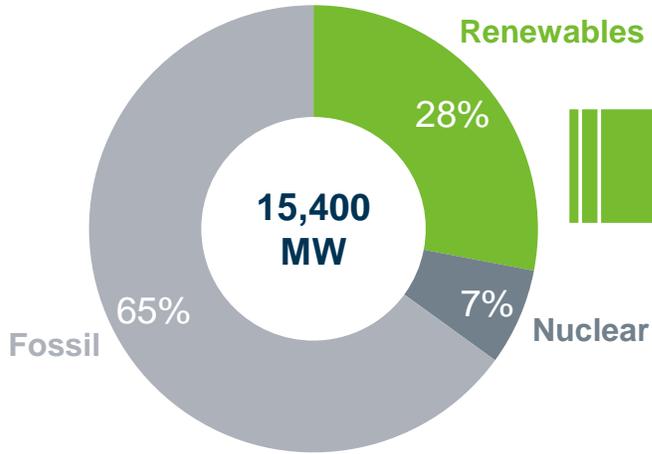
*EVP & CFO*

- Financial Overview
- Long-Term Drivers & Key Takeaways
- Q&A Session

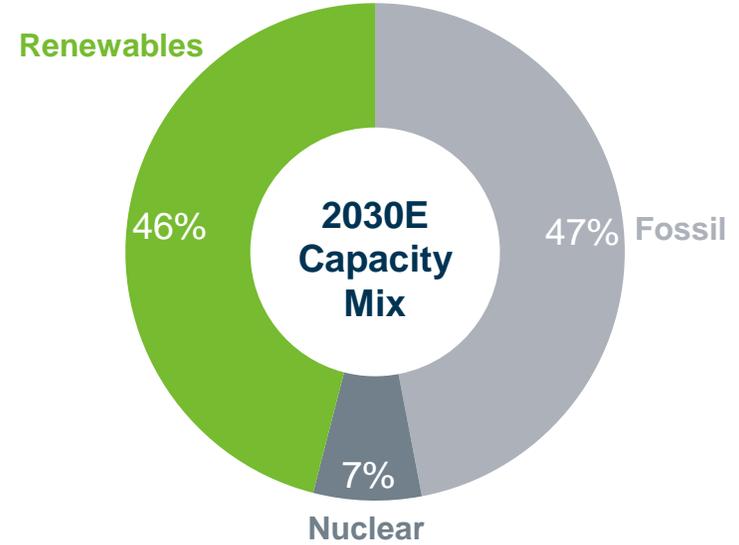
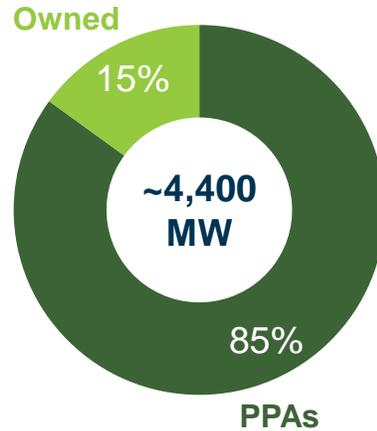


# Renewable Strategy Overview

28% of capacity is renewable today...



...renewable portfolio is primarily PPAs



## Western Plains Wind Farm (KS)

- 280 MW owned by Evergy
- Recovered via levelized pricing mechanism
- Competitively priced for customer
- Typical utility earnings profile

## Build on Success of Western Plains... Focus on Owned Renewables

- Life of asset visibility at competitive rates
- Owner/operator: regulated and accountable
- Increasing precedents in region
- Financed on balance sheet vs debt-attributed PPAs

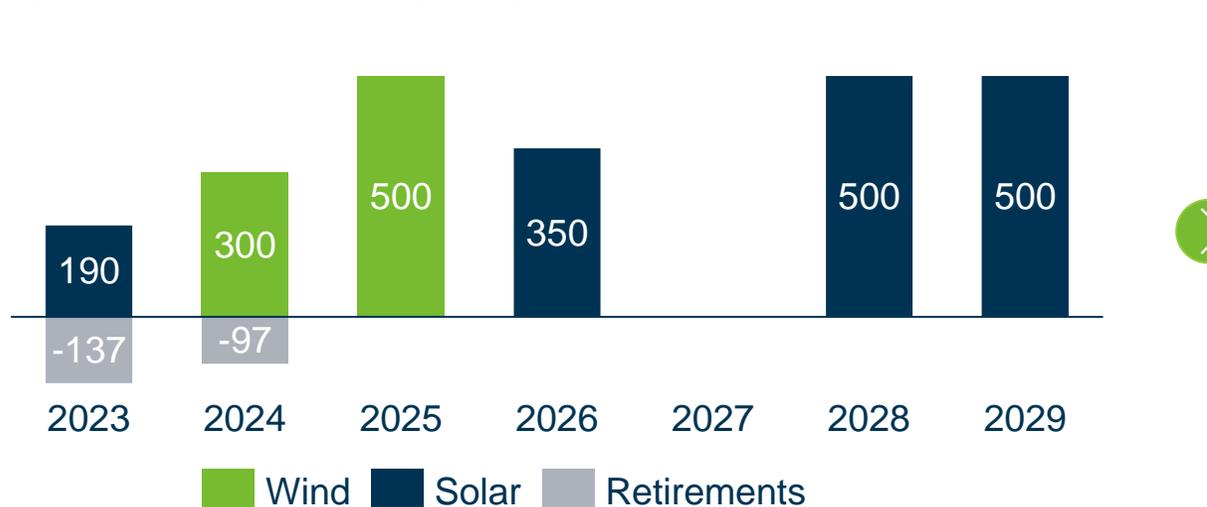
**Diversifying and decarbonizing future fleet through owned renewables**



# Resequencing Near-Term Renewables

- Planning 190 MW of solar investment in Kansas in 2023; delaying original 2024 solar investment to 2026
- Prioritizing wind in 2024 and 2025 in order to optimize wind PTCs that are set to expire in 2026

Updated Planned Capacity Additions & Retirements (MW)<sup>1</sup>



- **Ongoing renewable additions**
  - Planning future RFPs to evaluate additional owned renewables
  - Exploring self-development models
  - Evaluating PPA buy-ins and repowering opportunities

**~\$3.5B of renewable investment by 2029**



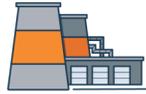
# Updated Plan For KS Solar & Coal Retirement In 2023

## Process

- Filed for pre-determination earlier this month
- Expect the KCC's 180-day procedural schedule to conclude in March 2022



KS solar addition (+190 MW)  
~\$250M of investment



LEC 4 coal retirement (-137 MW)  
~\$160M expected securitization



LEC 5 coal retirement, retaining gas operations (350 MW)  
~\$120M remaining rate base

487  
MW of  
coal to  
retire



## Customer Benefit

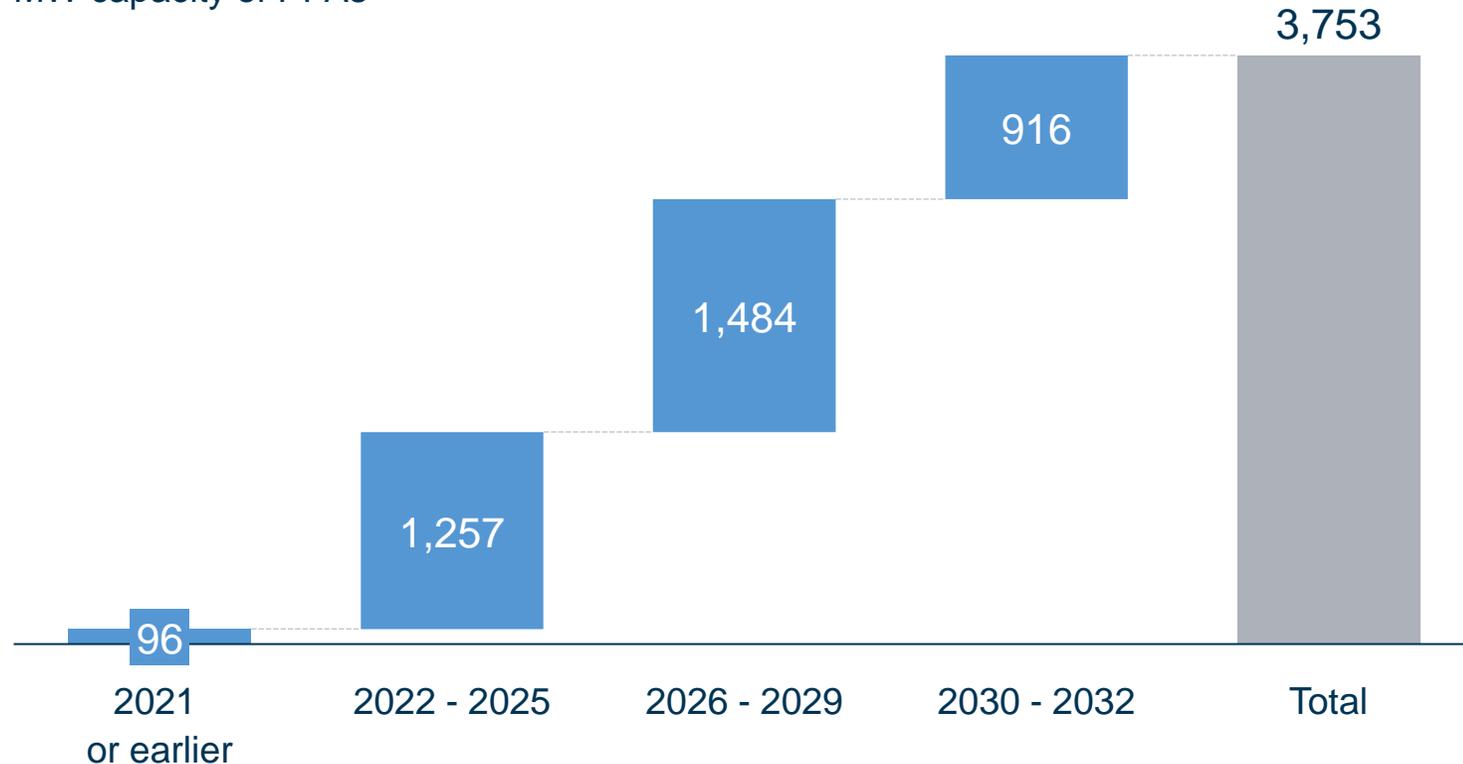
	Annual Impacts
Solar Facility Addition	\$21M
LEC 4 retirement & LEC 5 gas	(40)
LEC 4 net fuel costs	(5)
LEC 4 securitization	17
 <b>Total Customer (Benefit)</b>	<b>~(\$7M)</b>

**~\$7M annual benefit to customers while ensuring reliability and shrinking coal MW; neutral to earnings vs. STP**

# Potential Wind PPA Buy-Ins & Repowerings

## Wind Power Purchase Agreements – Year of PTC Expiration

MW capacity of PPAs

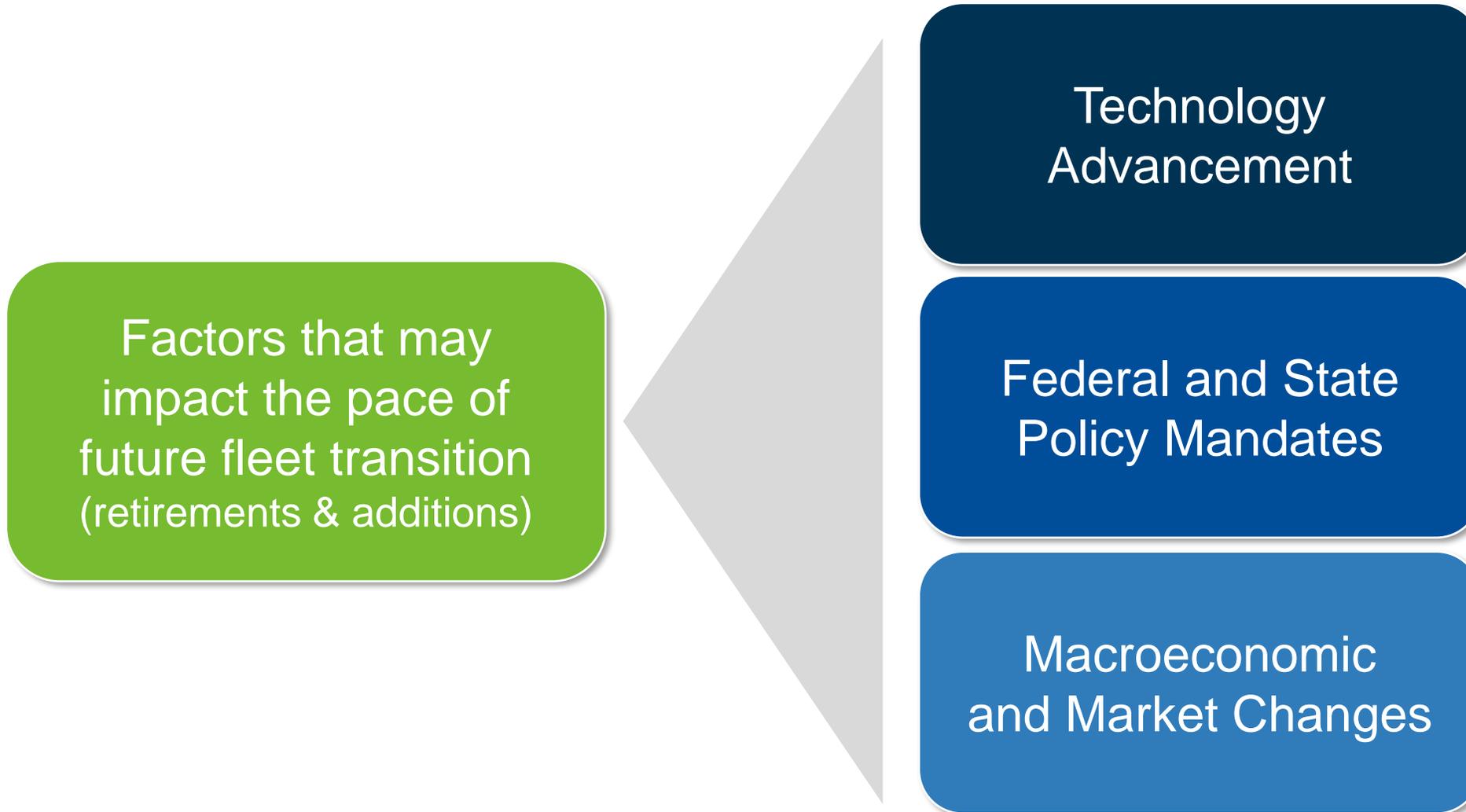


- Buy-ins and repowerings represent potential future capital investment opportunities
- Buy-ins allow Evergy to invest & manage assets to provide best customer value
- Repowering can enable access to the PTC (if available), reducing customer costs
- Potential for additional tailwinds to come out of federal budget reconciliation bill

***The expiration of PTCs and contracts for wind PPA portfolio create potential for buy-in and/or repowering growth opportunities that beneficially impact customers through lower fuel costs***



# Long-Term Fleet Transition Opportunity





# Agenda

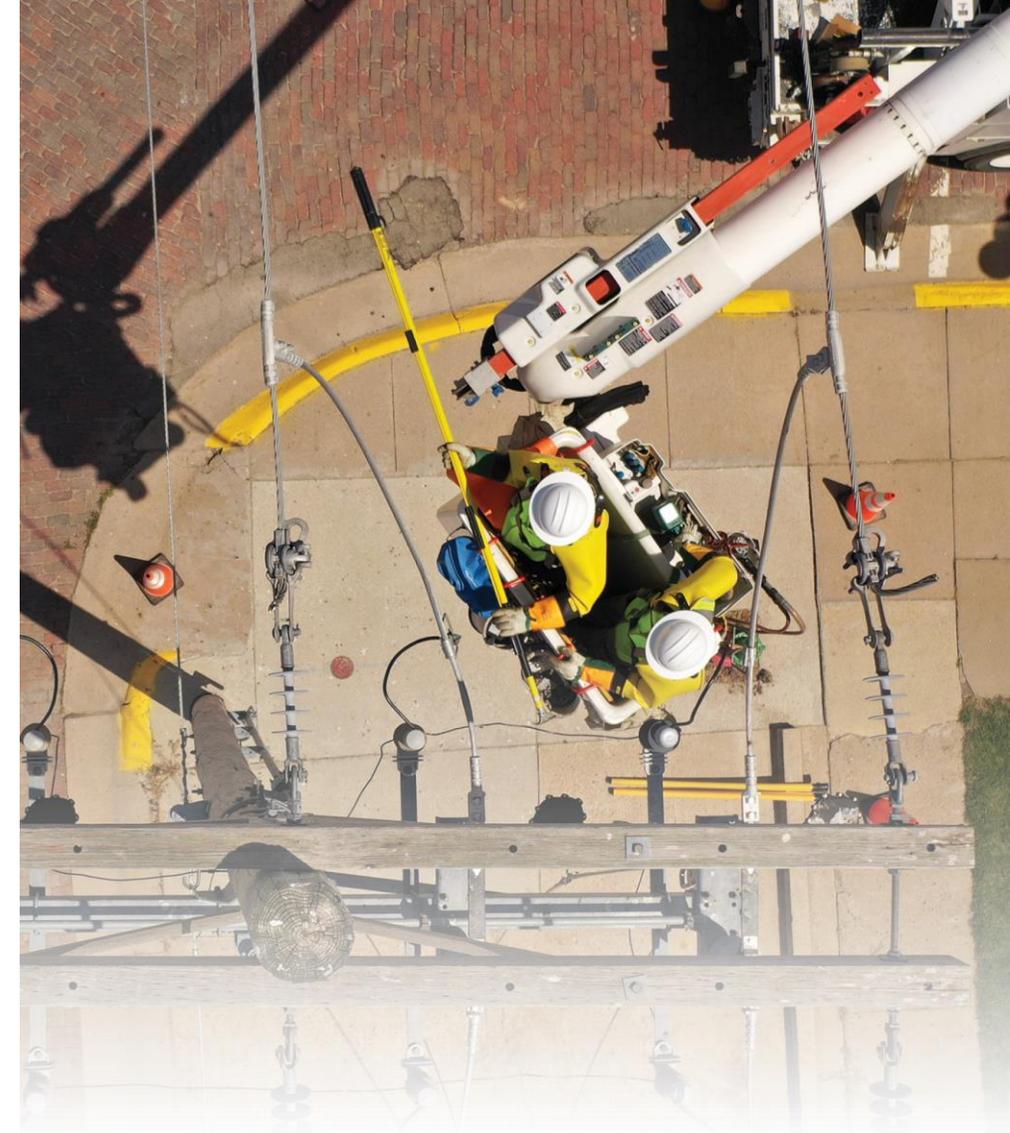
- Introduction
- Environmental, Social & Governance
- Operational Excellence
- Customer Experience & Retail Rates
- Regulatory Priorities
- Generation Transition & Renewable Strategy

- **Financial Overview**



**Kirk Andrews**  
*EVP & CFO*

- Long-Term Drivers & Key Takeaways
- Q&A Session





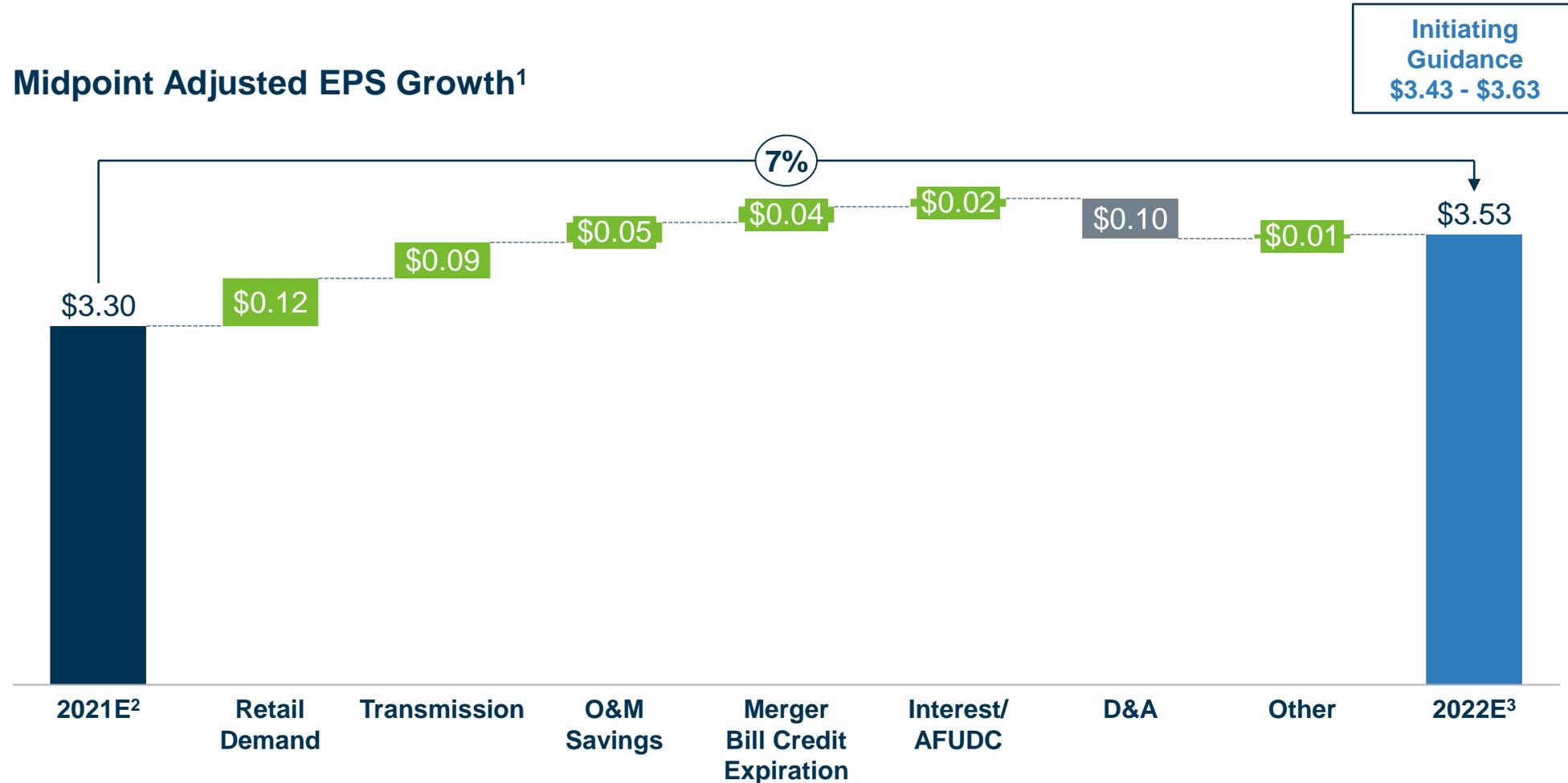
# Financial Overview | Key Messages

- ✓ Initiating 2022 adjusted EPS<sup>1</sup> guidance of \$3.43 to \$3.63 – another year of ~7% growth
- ✓ Extending and rebasing targeted adjusted EPS growth of 6% to 8% for 2021-2025
- ✓ \$2.4B (~30% renewables) of investment opportunities in 2025: ~6% rate base growth
- ✓ Robust operating cash flow, minimal cash taxes – no new equity planned
- ✓ Key balance sheet metrics in line with rating agency targets
- ✓ Shifting to owned renewables
  - 190 MW of new solar targeted end of 2023
  - 800 MW new wind planned 2024-2025



# 2022 EPS Guidance & Drivers

Midpoint Adjusted EPS Growth<sup>1</sup>



Initiating  
Guidance  
\$3.43 - \$3.63

**Initiating 2022 adjusted EPS guidance of \$3.43 – \$3.63**

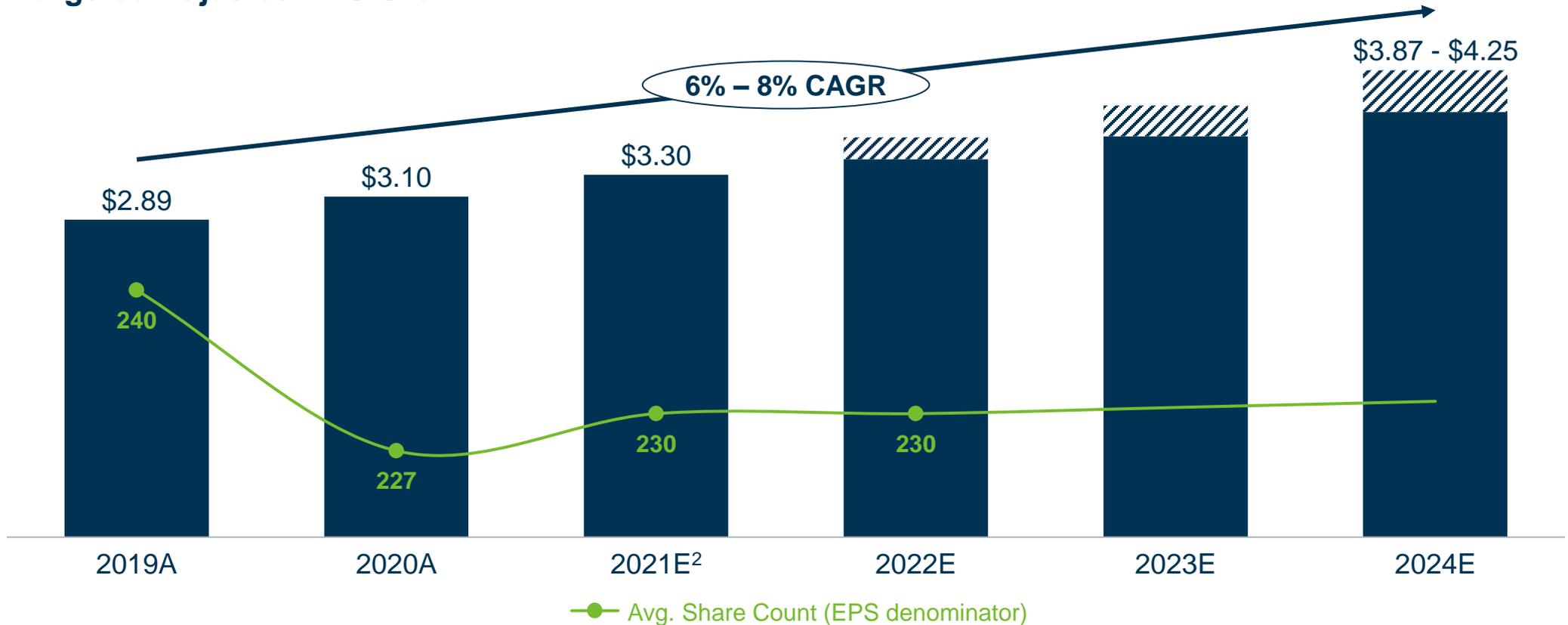
1. Adjusted EPS is a non-GAAP financial measure. See appendix for reconciliation to most comparable GAAP information.  
 2. 2021E is \$3.30/sh. mid-point of 2021 adjusted EPS (non-GAAP) guidance range of \$3.20 to \$3.40.  
 3. 2022E is \$3.53/sh. mid-point of 2022 adjusted EPS (non-GAAP) guidance range of \$3.43 to \$3.63.





# 2019 – 2024E Earnings Growth Profile

## Targeted Adjusted EPS Growth<sup>1</sup>

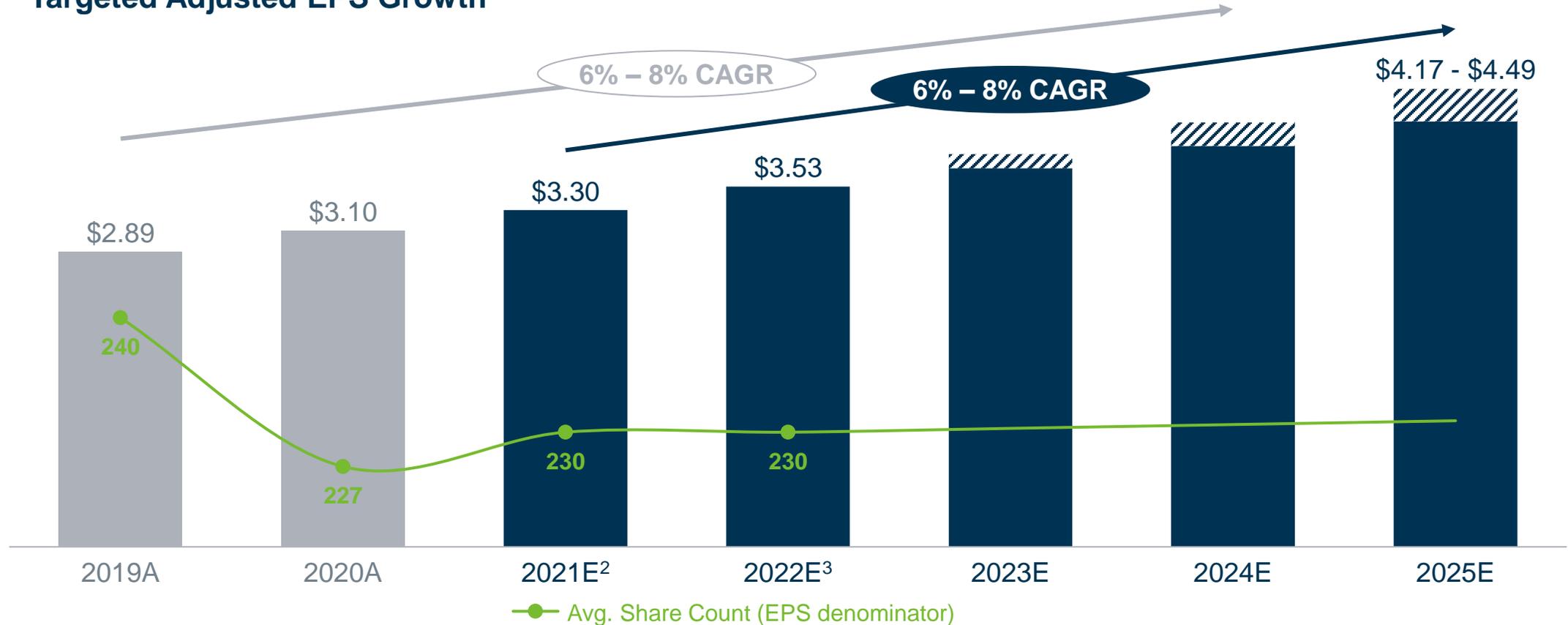


**6%-8% adjusted EPS growth target on track 2019-2024E**

1. Adjusted EPS is a non-GAAP financial measure. See appendix for reconciliation to most comparable GAAP information.  
 2. 2021E uses \$3.30/sh. mid-point of 2021 adjusted EPS (non-GAAP) guidance range of \$3.20 to \$3.40.

# Extending Earnings Growth 2021E – 2025E

## Targeted Adjusted EPS Growth<sup>1</sup>



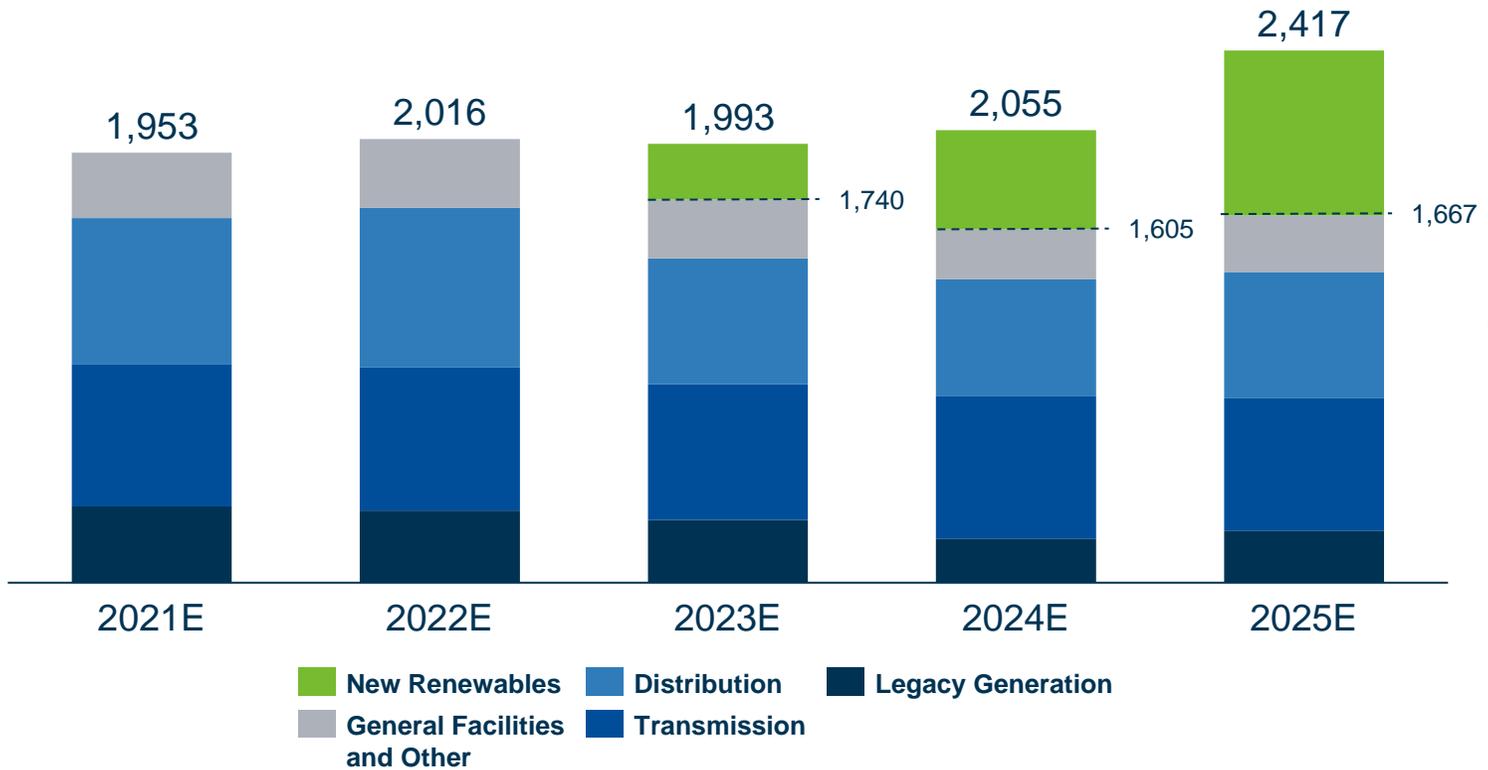
**Rebasing and extending 6%-8% adjusted EPS growth target 2021E-2025E**

1. Adjusted EPS is a non-GAAP financial measure.  
 2. 2021E uses \$3.30/sh. mid-point of 2021 adjusted EPS (non-GAAP) guidance range of \$3.20 to \$3.40.  
 3. 2022E uses \$3.53/sh. mid-point of 2021 adjusted EPS (non-GAAP) guidance range of \$3.43 to \$3.63.

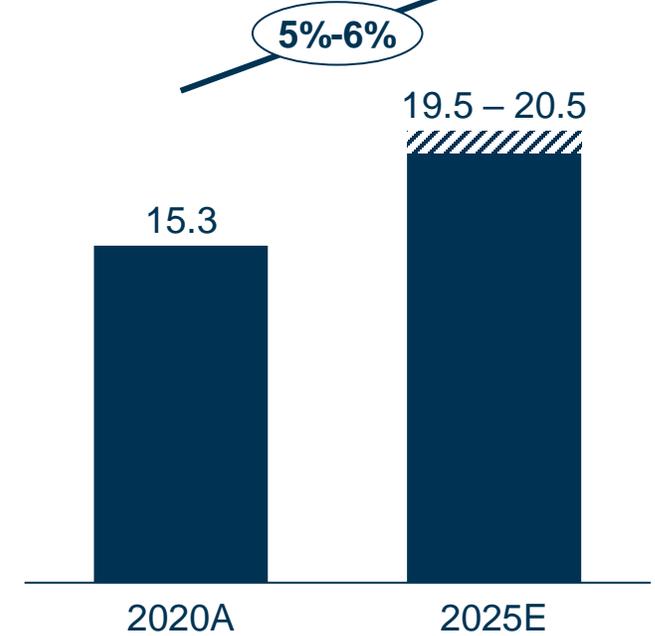


# Five-Year Capital Expenditure Plan

**2021E – 2025E CapEx**  
\$ in millions



**Rate Base Growth**  
\$ in billions



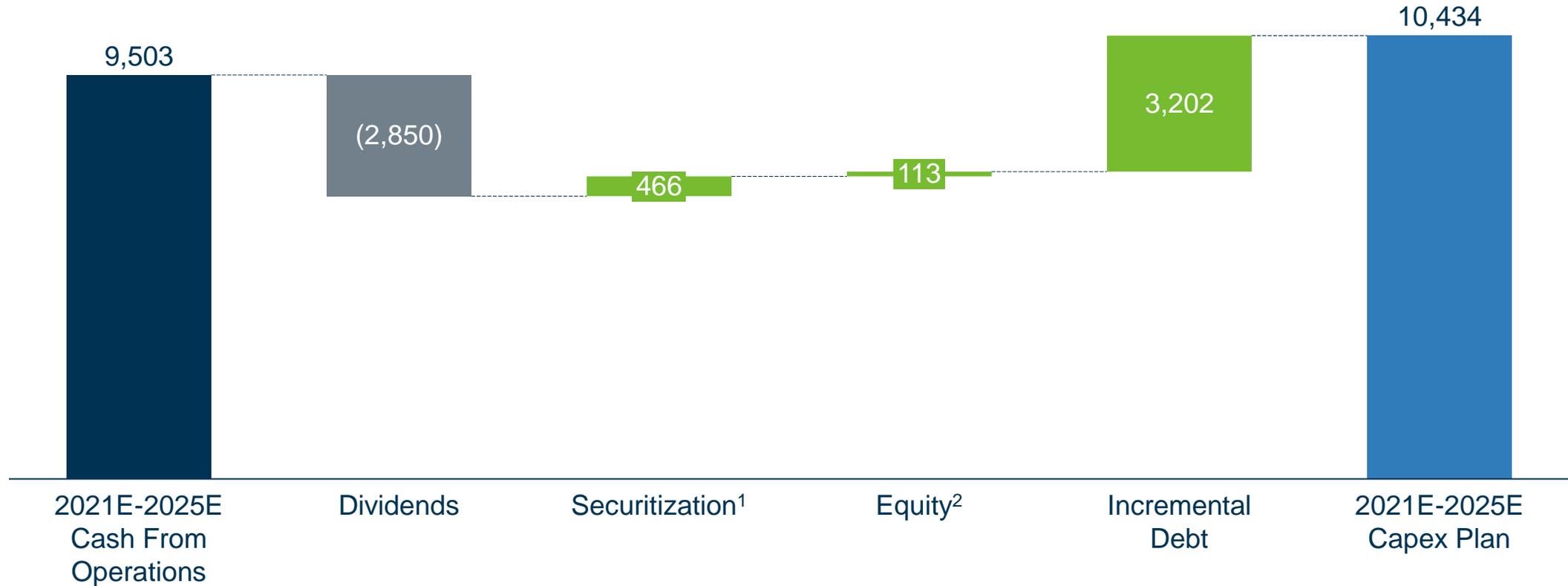
**Base investment to drive reliability and renewable investment to reduce emissions and lower costs**



# 2021E – 2025E Financing Plan

## Sources & Uses

\$ in millions

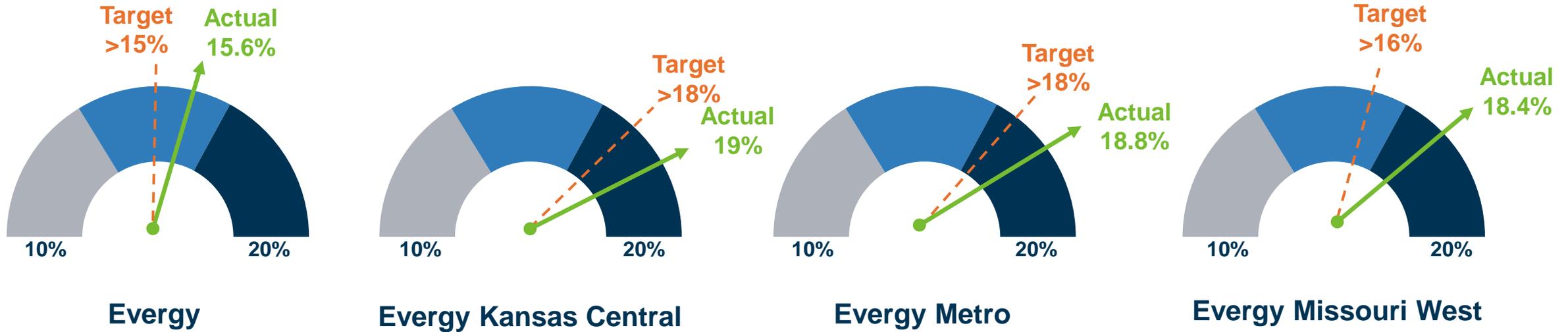


***Cash flow, higher rate base, and debt expected to fund capital and dividends; maintaining strong balance sheet with no additional equity***

1. Includes securitization proceeds projections for both plant retirements and winter storm costs.  
 2. Bluescape equity issued in April 2021.

# Solid Credit Metrics

## 2020 CFO pre-WC/Debt<sup>1</sup>

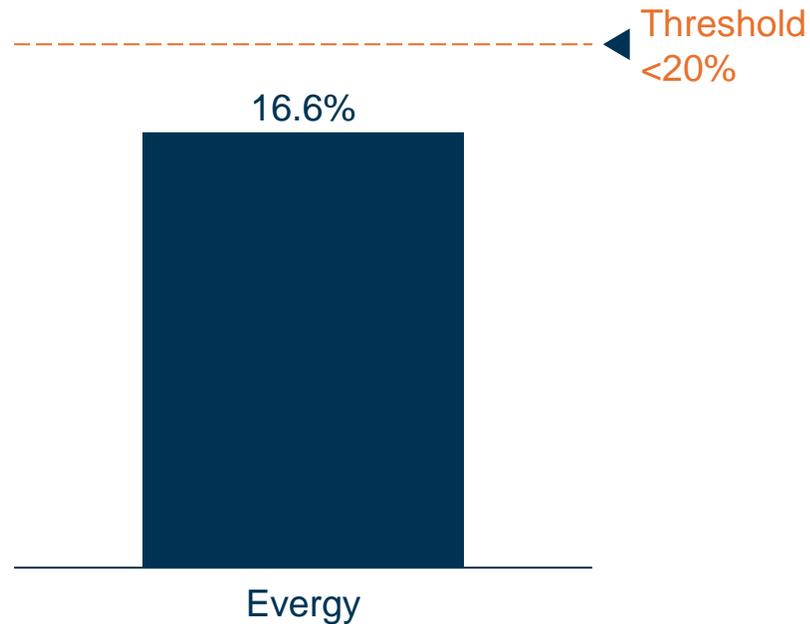


**Credit metrics stronger than targets**

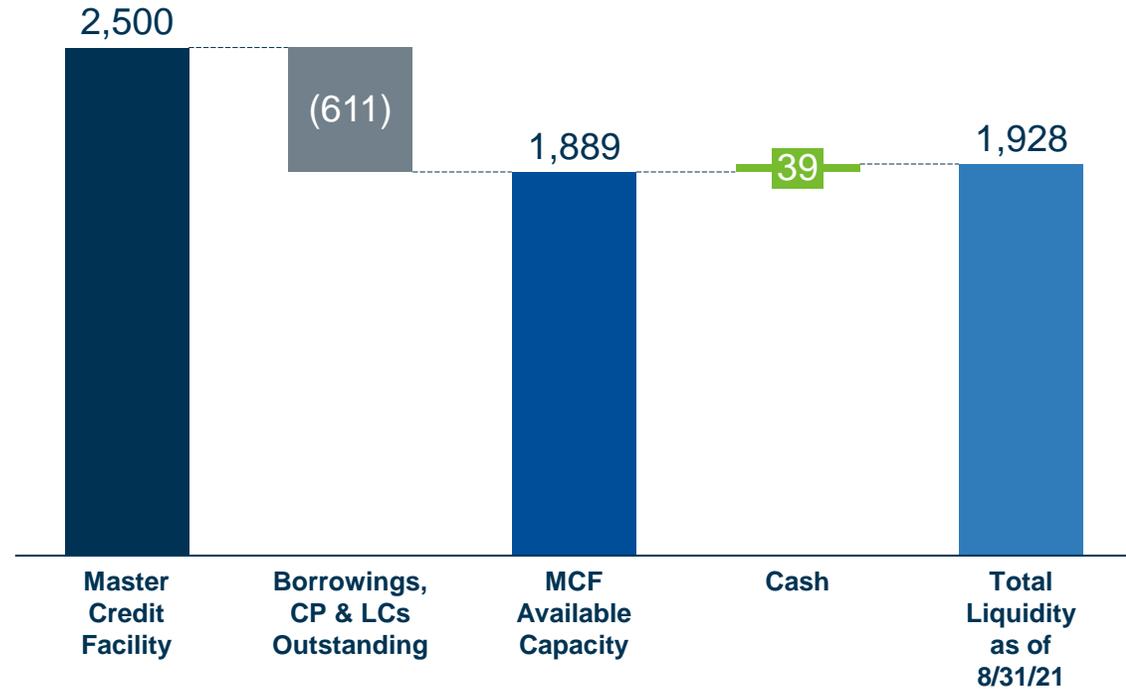


# Modest Leverage & Robust Liquidity

### HoldCo Debt to Total Debt (6/30/21E)



### Liquidity (as of 8/31/21) \$ in millions

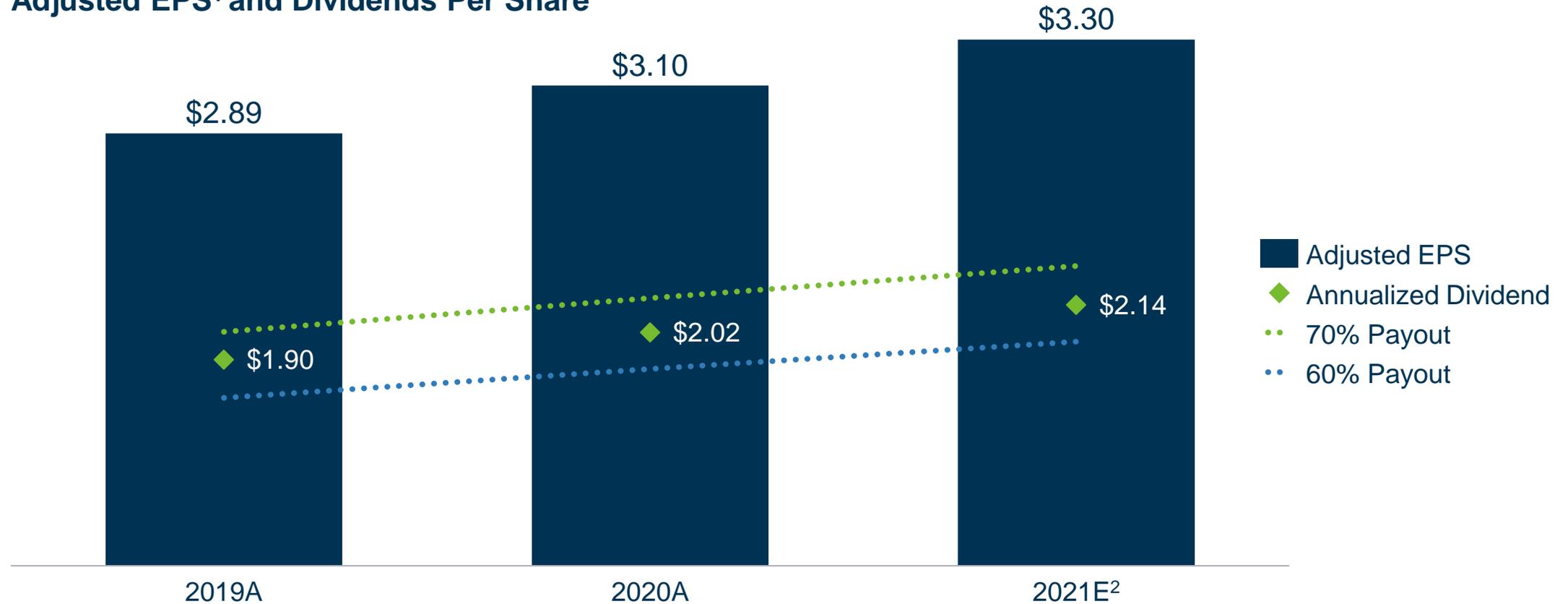


*Healthy balance sheet and plenty of liquidity*



# Steady, Predictable Dividend Growth

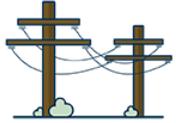
## Adjusted EPS<sup>1</sup> and Dividends Per Share



**Targeting dividend growth in line with earnings growth;  
while maintaining payout ratio between 60% to 70%**



# Delivering On Our Financial Objectives



**Growing** regulated utility



**Investing** in customer-centric infrastructure



**Allocating** capital in line with constructive regulatory mechanisms



**Maintaining** solid credit metrics



**Continuing** disciplined cost management



**Mitigating** risks & **managing** downside



# Agenda

- Introduction
- Environmental, Social & Governance
- Operational Excellence
- Customer Experience & Retail Rates
- Regulatory Priorities
- Generation Transition & Renewable Strategy
- Financial Overview

- **Long-Term Drivers & Key Takeaways**



**David Campbell**

*President & CEO*

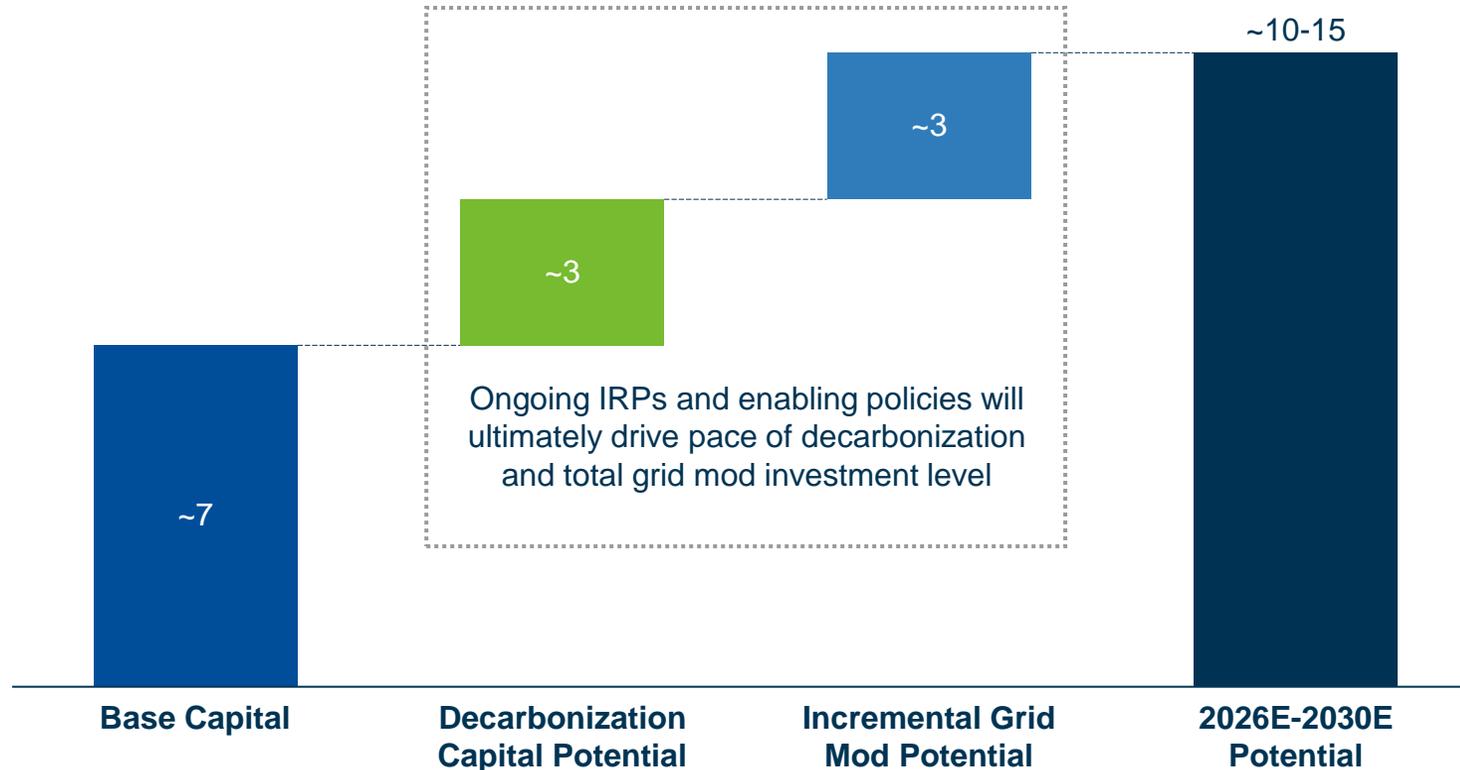
- Q&A Session



# Long-Term Infrastructure Investment Potential

## 2026E-2030E Potential Capital Investment

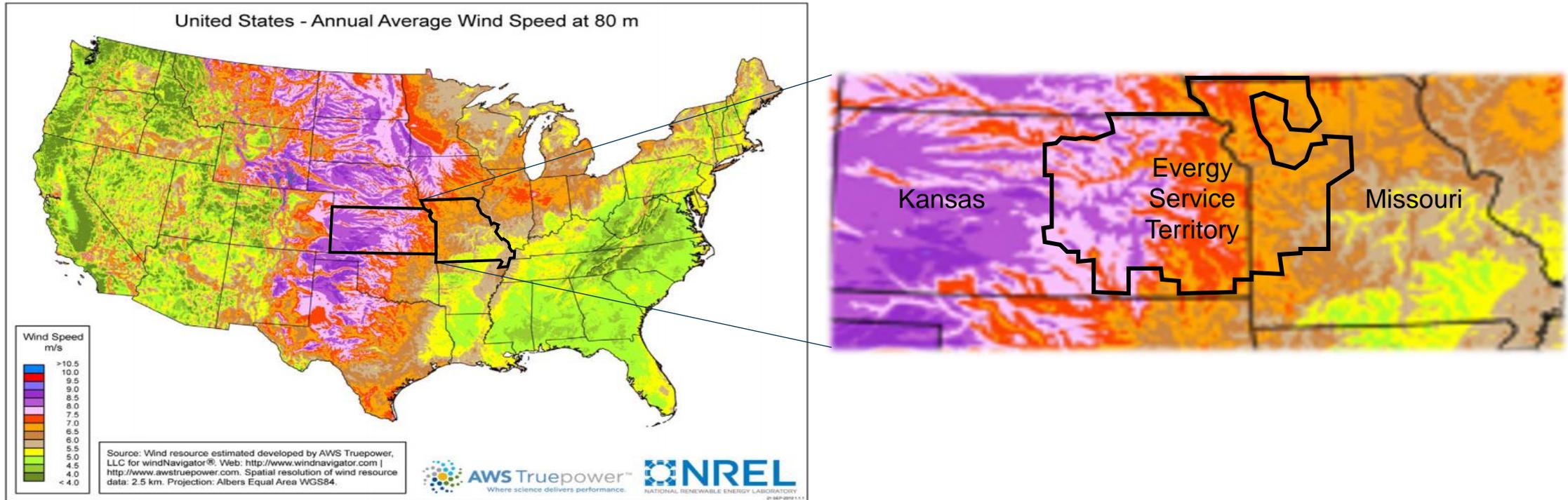
\$ in billions



- Continued base infrastructure investment, including the completion of the Grid Modernization that was launched in the STP
- Significant estimated additional capital deployment to achieve decarbonization goals over the next decade

**Significant ongoing infrastructure investments to advance affordability, reliability and sustainability goals**

# Geographically Advantaged Service Territory | World-Class Wind Resource Potential



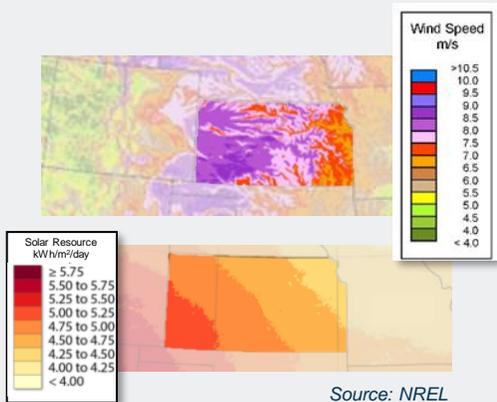
***Kansas is one of the best wind resource corridors in the US; robust long-term runway for regional infrastructure investment***

# Well-Positioned To Capitalize On Long-Term Value Drivers

## Renewables

### Harnessing Regional Resources –

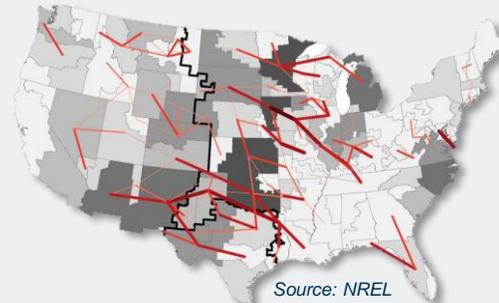
Take advantage of rich regional wind & solar resources through continued new builds and opportunistic repowering and PPA buyouts



## Transmission

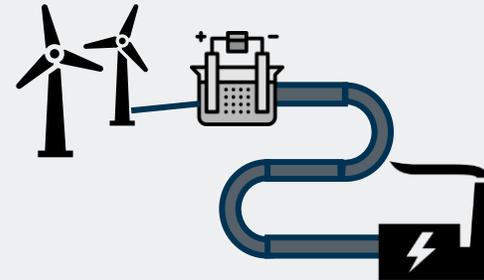
### Building out the Backbone –

Opportunities to strengthen our regional and interregional grid to enhance reliability and advance nationwide renewables goals



## Green Hydrogen

**The Hydrogen Future –** Potentially transformative long-term fuel source; low-cost onshore wind likely a critical enabler. Kansas also benefits from existing gas pipeline & storage network



## Electrification

**Tailwind for Demand –** Sustained growth driver for all-electric utility franchise; electrification trends in transportation, heating, buildings, and commercial and industrial applications



*Evergy is well-positioned over the long-term as an all-electric utility in a world-class renewables zone*

# Evergy's Value Proposition



All-electric regulated utility driving continuous improvement and performance management culture



Reduced carbon emissions 50%; well-positioned to transition generation portfolio cost-effectively



Geographically advantaged to participate in clean energy infrastructure buildout



Targeting 6-8% annualized adjusted EPS and dividend growth 2021-25 with no additional equity needs

**Reflecting confidence in the Evergy value proposition, David Campbell & Kirk Andrews each plan to buy \$0.5M and Bluescape Energy Partners plans to buy \$25M in Evergy shares<sup>1</sup>**



Analyst Q&A Dial In:

Phone: (888) 353-7071

ID: 9269637

*\*Please close or mute webcast  
prior to dialing in.*



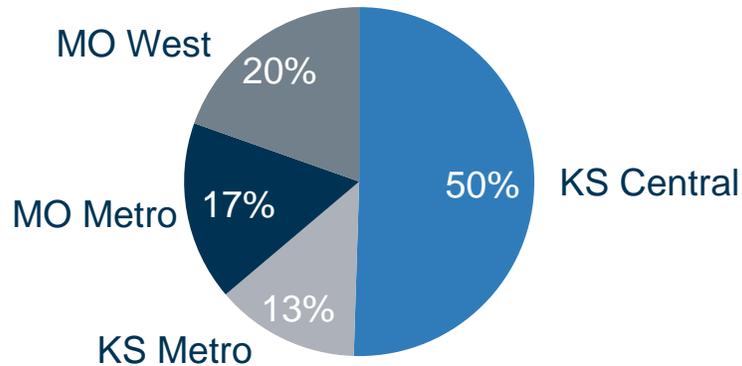
# Appendix



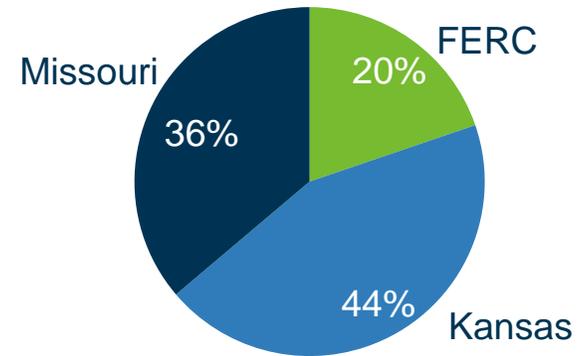


# 2021E – 2025E Capital Investment

\$ in millions	2021E	2022E	2023E	2024E	2025E	Total
Generation	346	326	285	200	236	1,393
Transmission	643	650	617	649	601	3,160
Distribution	667	726	571	528	574	3,066
General Facilities and Other <sup>1</sup>	297	314	267	228	256	1,362
<b>Subtotal Base CapEx</b>	<b>1,953</b>	<b>2,016</b>	<b>1,740</b>	<b>1,605</b>	<b>1,667</b>	<b>8,981</b>
New Renewables	--	--	253	450	750	1,453
<b>Total</b>	<b>1,953</b>	<b>2,016</b>	<b>1,993</b>	<b>2,055</b>	<b>2,417</b>	<b>10,434</b>



**2021E – 2025E Capital Investment**  
by Jurisdiction



**2021E – 2025E Capital Investment**  
by State

# GAAP to Non-GAAP EPS Reconciliation<sup>1</sup>

<b>Adjusted EPS Guidance</b>				
	2021E	2022E	2024E	2025E
<b>GAAP EPS – Guidance</b>	<b>\$3.43 - \$3.63</b>	<b>\$3.43 - \$3.63</b>	<b>\$3.87 - \$4.25</b>	<b>\$4.17 - \$4.49</b>
Non-regulated energy marketing margin related to winter weather event, pre-tax	(0.42)	-	-	-
Non-regulated energy marketing costs related to winter weather event, pre-tax	0.03	-	-	-
Executive transition expense, pre-tax	0.03	-	-	-
Severance costs, pre-tax	0.01	-	-	-
Advisor expense, pre-tax	0.05	-	-	-
Income tax expense	0.07	-	-	-
<b>Adjusted EPS (non-GAAP)</b>	<b>\$3.20 - \$3.40</b>	<b>\$3.43 - \$3.63</b>	<b>\$3.87 - \$4.25</b>	<b>\$4.17 - \$4.49</b>

1. Adjusted earnings per share guidance (non-GAAP) and adjusted O&M (non-GAAP) are financial measures that are not calculated in accordance with GAAP and may not be comparable to other companies' presentations of similarly-named measures or more useful than the GAAP information.

# GAAP to Non-GAAP O&M Reconciliation<sup>1</sup>

<b>2018 Adjusted O&amp;M</b> (\$ in millions)	
<b>2018 GAAP O&amp;M</b>	<b>\$1,116</b>
Great Plains Energy O&M prior to the merger	318
Non-recurring merger-related costs	(101)
<b>Pro Forma O&amp;M</b>	<b>\$1,333</b>
Severance expense	\$(24)
Deferral of merger transition costs	28
Inventory write-off from retiring generating units	(31)
<b>2018 Adjusted O&amp;M (non-GAAP)</b>	<b>\$1,306</b>

<b>Adjusted O&amp;M</b> (\$ in millions)			
	2019A	2020A	2025E
<b>GAAP O&amp;M</b>	<b>\$1,219</b>	<b>\$1,163</b>	<b>\$957 - \$967</b>
Severance expense and rebranding costs	(32)	(99)	-
<b>Adjusted O&amp;M (non-GAAP)</b>	<b>\$1,187</b>	<b>\$1,064</b>	<b>\$957 - \$967</b>

# 2020/2019 EPS: GAAP to Non-GAAP Reconciliation<sup>1</sup>

Year Ended December 31	2020		2019	
	Earnings (Loss)	Earnings (Loss) per Diluted Share	Earnings (Loss)	Earnings (Loss) per Diluted Share
	(millions, except per share amounts)			
Net income attributable to Evergy, Inc.	\$ 618.3	\$ 2.72	\$ 669.9	\$ 2.79
Non-GAAP reconciling items:				
Rebranding costs, pre-tax <sup>(a)</sup>	—	—	12.1	0.05
Severance costs, pre-tax <sup>(b)</sup>	66.3	0.29	19.8	0.08
Advisor expenses, pre-tax <sup>(c)</sup>	32.3	0.14	—	—
Income tax benefit <sup>(d)</sup>	(25.2)	(0.11)	(7.8)	(0.03)
Kansas corporate income tax change <sup>(e)</sup>	13.8	0.06	—	—
Adjusted earnings (non-GAAP)	\$ 705.5	\$ 3.10	\$ 694.0	\$ 2.89

<sup>(a)</sup> Reflects external costs incurred to rebrand the legacy Westar Energy and KCP&L utility brands to Evergy and are included in operating and maintenance expense on the consolidated statements of comprehensive income.

<sup>(b)</sup> Reflects severance costs incurred associated with certain voluntary severance programs at the Evergy Companies and are included in operating and maintenance expense on the consolidated statements of comprehensive income.

<sup>(c)</sup> Reflects advisor expenses incurred associated with strategic planning and are included in operating and maintenance expense on the consolidated statements of comprehensive income.

<sup>(d)</sup> Reflects an income tax effect calculated at a statutory rate of approximately 26%, with the exception of certain non-deductible items.

<sup>(e)</sup> Reflects the revaluation of Evergy Kansas Central's, Evergy Metro's and Evergy Missouri West's deferred income tax assets and liabilities from the Kansas corporate income tax rate change and are included in income tax expense on the consolidated statements of comprehensive income.

# 2018/2019 EPS: GAAP to Non-GAAP Reconciliation

Year Ended December 31	2019		2018	
	Earnings (Loss)	Earnings (Loss) per Diluted Share	Earnings (Loss)	Earnings (Loss) per Diluted Share
	(millions, except per share amounts)			
Net income attributable to Evergy, Inc.	\$ 669.9	\$ 2.79	\$ 535.8	\$ 2.50
Pro forma adjustments <sup>(a)</sup> :				
Great Plains Energy earnings prior to merger	—	—	94.4	0.35
Great Plains Energy shares prior to merger	n/a	—	n/a	(0.50)
Non-recurring merger costs and other	—	—	84.1	0.32
Pro forma net income attributable to Evergy, Inc.	\$ 669.9	\$ 2.79	\$ 714.3	\$ 2.67
Non-GAAP reconciling items:				
Rebranding costs, pre-tax <sup>(b)</sup>	12.1	0.05	—	—
Voluntary severance costs, pre-tax <sup>(c)</sup>	19.8	0.08	23.5	0.09
Composite tax rate change <sup>(d)</sup>	—	—	(52.6)	(0.20)
Deferral of merger transition costs, pre-tax <sup>(e)</sup>	—	—	(28.5)	(0.11)
Inventory write-off at retiring generating units, pre-tax <sup>(f)</sup>	—	—	31.0	0.12
Income tax benefit <sup>(g)</sup>	(7.8)	(0.03)	(6.8)	(0.03)
Adjusted earnings (non-GAAP)	\$ 694.0	\$ 2.89	\$ 680.9	\$ 2.54

- (a) Reflects pro forma adjustments made in accordance with Article 11 of Regulation S-X and ASC 805 - *Business Combinations*. See Note 2 to the consolidated financial statements in the Evergy Companies' combined 2018 annual report on Form 10-K for further information regarding these adjustments.
- (b) Reflects external costs incurred to rebrand the legacy Westar Energy and KCP&L utility brands to Evergy and are included in operating and maintenance expense on the consolidated statements of comprehensive income.
- (c) Reflects severance costs incurred associated with certain voluntary severance programs at the Evergy Companies and are included in operating and maintenance expense on the consolidated statements of comprehensive income.
- (d) Reflects the revaluation of Evergy Kansas Central's deferred income tax assets and liabilities based on the Evergy composite tax rate as a result of the merger in June 2018 and are included in income tax expense on the consolidated statements of comprehensive income.
- (e) Reflects the portion of the \$47.8 million deferral of merger transition costs to a regulatory asset in June 2018 that related to costs incurred prior to 2018. The remaining merger transition costs included within the \$47.8 million deferral were both incurred and deferred in 2018 and did not impact earnings. This item is included in operating and maintenance expense on the consolidated statements of comprehensive income.
- (f) Reflects obsolete inventory write-offs for Evergy Kansas Central's Unit 7 at Tecumseh Energy Center, Units 3 and 4 at Murray Gill Energy Center, Units 1 and 2 at Gordon Evans Energy Center, Evergy Metro's Montrose Station and Evergy Missouri West's Sibley Station and are included in operating and maintenance expense on the consolidated statements of comprehensive income.
- (g) Reflects an income tax effect calculated at a 26.1% statutory rate, with the exception of certain non-deductible items.



# Glossary of Acronyms & Abbreviations

- A&G: Administrative and General
- AAO: Accounting Authority Order
- CAGR: Compound Annual Growth Rate
- CapEx: Capital Expenditure
- CIP: Critical Infrastructure Protection
- CPI: Consumer Price Inflation
- EE: Energy Efficiency
- EV: Electric Vehicles
- EPS: Earnings Per Share
- ESG: Environmental, Social and Governance
- F&PP: Fuel and Purchased Power
- FERC: Federal Energy Regulatory Commission
- GAAP: Generally Accepted Accounting Principles
- GMP: Gross Metro Product
- IOU: Investor-Owned Utility
- IRP: Integrated Resource Plan
- KCC: Kansas Corporation Commission
- LEC: Lawrence Energy Center
- MPSC: Missouri Public Service Commission
- O&M: Operations and Maintenance
- PISA: Plant In Service Accounting
- PPA: Purchase Power Agreement
- PTC: Production Tax Credit
- RFP: Request For Proposal
- STP: Sustainability Transformation Plan
- T&D: Transmission and Delivery
- TCFD: Task Force on Climate-Related Financial Disclosures
- TDC: Transmission Delivery Charge