PROPOSED BOARD RESOLUTION
(Changes to Incentive Plan Measures and Goals)

WHEREAS in a memorandum dated July 22, 2026, a copy of which is filed with the records of the Board as Exhibit 08/20/2026C (Memorandum), the Interim Chief Executive Officer (CEO) recommended changes to the measures and goals for the SBU Controllable O&M and Base Capital Spend metric for FY 2026 under the Winning Performance Team Incentive Plan (WPTIP) and Executive Annual Incentive Plan (EAIP) as well as the measures and goals for the Total Spend metric for the FY 2024 – FY 2026, FY 2025 – FY 2027, and FY 2026 – FY 2028 performance cycles under the Long-Term Incentive Plan (LTIP) in order to reflect changes in strategic initiatives and projects; and

WHEREAS the People and Governance Committee has reviewed the proposed changes and recommends approval;

BE IT RESOLVED, That the Board approves the changes to the measures and goals for the SBU Controllable O&M and Base Capital Spend metric for FY 2026 under the WPTIP and EAIP as well as the measures and goals for the Total Spend metric for the FY 2024 – FY 2026, FY 2025 – FY 2027, and FY 2026 – FY 2028 performance cycles under the LTIP as more fully described in the Memorandum and its confidential Attachment A.

Approved by TVA Board of Directors

August 20, 2026

JEN
Assistant Secretary

Exhibit 08/20/2026C

July 22, 2026
CEO Organization

Board of Directors

SUBJECT

Approval of changes to the measures and goals for the SBU Controllable O&M and Base Capital Spend metric for FY 2026 under the Winning Performance Team Incentive Plan (WPTIP) and Executive Annual Incentive Plan (EAIP) as well as the measures and goals for the Total Spend metric for the FY 2024 – FY 2026, FY 2025 – FY 2027, and FY 2026 – FY 2028 performance cycles under the Long-Term Incentive Plan (LTIP).

BACKGROUND

For FY 2026, the Board approved the use of the SBU Controllable O&M and Base Capital Spend metric for the WPTIP and EAIP, and for the FY 2024 – FY 2026, FY 2025 – FY 2027, and FY 2026 – FY 2028 LTIP performance cycles, the Board approved the use of the Total Spend metric. When the Board approved the goals for these metrics, the Board noted that the goals may need to be revised if Board-approved changes in strategic initiatives or projects occur. Since the Board adopted these goals, the Board has approved changes in strategic initiatives and projects to cancel the Cheatham County Energy Solution project, approved construction of a new gas facility that is expected to be placed in service in 2032, which is later than management previously estimated for financial planning purposes, and approved the elimination of unassigned innovation funding.

RECOMMENDED ACTION

Based on the importance of aligning annual and long-term organizational performance to the Board's strategic objectives, the Board is requested to approve the exclusion of funding estimates and actual expenditures related to the Cheatham County Energy Solution project, the new gas facility construction project expected to be placed in service in 2032, and unassigned innovation funding from the goals and performance results for the SBU Controllable O&M and Base Capital Spend metric for FY26 WPTIP and EAIP as well as the goals and performance results for the Total Spend metric for the FY 2024 - FY 2026, FY 2025 - FY 2027, and FY 2026 - FY 2028 performance cycles under the LTIP, including approving the accompanying definition sheets and related goals, which are included in the confidential Attachment A.

RATIONALE FOR CHANGES

Management believes that the proposed changes are necessary to align the WPTIP/EAIP and LTIP performance measures and goals with the current Board-approved strategic initiatives and projects.

SPECIAL CONSIDERATIONS

There are no special considerations other than what has been noted above.

Mike Skaggs

Michael D. Skaggs
Interim President and Chief Executive Officer

Attachment
Cc: Mary Margaret Painter

August 3, 2026

Edward C. Meade
Executive Vice President and
General Counsel Interim

Date