

## **PROPOSED BOARD RESOLUTION**

(Long-Term Incentive Plan Scorecard Achievement Approval for Performance Cycle  
Ending in Fiscal Year (FY) 2025)

WHEREAS in a memorandum dated October 15, 2025, a copy of which is filed with the records of the Board as Exhibit 11/06/25B Memorandum), the Chief Executive Officer (CEO) outlined a proposed recommendation regarding the results of the Long-Term Incentive Plan (LTIP) Performance Measures and Goals for the cycle ending in FY 2025; and

WHEREAS on May 11, 2022, the TVA Board approved the LTIP Performance Measures and Goals for the cycle ending in FY 2025; and

WHEREAS the People and Governance Committee has reviewed the results of the LTIP Performance Measures and Goals and recommends approval of the Scorecard Achievement as set forth in the Memorandum and its attachments; and

WHEREAS approval of LTIP Scorecard Achievement for the performance cycle ending in FY 2025 is necessary to assure the continuity of TVA's operations along the lines established while TVA was guided by a quorum of the Board, as more fully explained in the Memorandum;

BE IT RESOLVED, That, with regard to the LTIP performance cycle ending in FY 2025, the Board approves the results of the LTIP Performance Measures and Goals and the Scorecard Achievement as set forth in the Memorandum and its attachments as well as the corresponding payouts.

**Approved by TVA Board of  
Directors**

**November 6, 2025**

**JLG**

**Assistant Secretary**

October 15, 2025  
CEO Organization

Board of Directors

**SUBJECT**

Approval of results of Long-Term Incentive Plan (LTIP) Performance Measures and Goals for the cycle ending in FY 2025.

**BACKGROUND**

Executives and certain individuals in critical positions who make decisions that significantly influence the development and execution of TVA's long-term strategic objectives participate in LTIP. The LTIP Performance Measures and Goals are designed to align with TVA's mission, measure performance achieved for three-year cycles, properly and competitively reward eligible participants, and help improve TVA's long-term success.

The Board established the following LTIP Performance Measures for the cycle ending in FY 2025: Non-Fuel Delivered Cost of Power, Load Not Served, External Performance Indicators for the TVA Nuclear Fleet, and Powerful Partnership Survey, which were weighted at 45%, 30%, 15%, and 10%, respectively, with the approved goals outlined in the attachments. For the three-year LTIP cycle ending in FY 2025, results were based on a three-year average of the FY 2023, FY 2024, and FY 2025 results except for those of the External Performance Indicators for the TVA Nuclear Fleet, which were based on FY 2025 results.

Long-Term Performance Incentive Awards are determined based on the results of the Performance Measures and Goals, called the Scorecard Achievement. For all LTIP participants except the previous CEO, the LTIP Scorecard Achievement can range from 0% to 200% for the performance cycle ending in FY 2025. For the previous CEO, it can range from 0% to 150%.

The Board has the discretionary authority to review the results of Performance Measures and Goals and to approve adjustments to Long-Term Performance Incentive Awards for any or all Participants in appropriate circumstances in accordance with the terms of LTIP.

Under Section 1.6 of the TVA Bylaws, during a period when the Board lacks sufficient membership to form a quorum, the Board members in office are given the authority, as a Board without a quorum, to continue to exercise those powers of the Board "which are necessary to assure continuity of operations of [TVA] along the lines established while [TVA] was guided by a quorum of the Board." Approval of the LTIP Scorecard Achievement for the performance cycle ending in FY 2025 satisfies this standard. TVA's incentive pay program was adopted by the TVA Board under a quorum-approved Compensation Plan and is part of creating operational alignment for the ongoing execution of the business. In addition, LTIP and the FY 2023-FY 2025 Performance Measures and Goals were approved by the Board when it was guided by a quorum. Performance-based compensation (as reflected in LTIP) is a key component of the Board-approved compensation plan, and the non-quorum Board's approval of payouts based on the calculated Scorecard Achievement is an important function needed to effectuate the decisions of the quorum Board, which approved LTIP and the applicable Performance Measures and Goals. Management is not recommending that the non-quorum Board exercise its discretion under LTIP to adjust the Scorecard Achievement (or payout amounts) for any or all participants.

**ALTERNATIVES CONSIDERED**

The CEO and the People and Governance Committee collectively considered results of the LTIP Performance Measures and Goals, along with a qualitative assessment of each LTIP Performance Measure, to determine the final LTIP payout percentage (or Scorecard Achievement) for the cycle ending in FY 2025.

**RECOMMENDED ACTION**

Based on an assessment of TVA's overall performance related to the LTIP Performance Measures and Goals, the CEO recommends approval of the Scorecard Achievement as included in the attachments for the Performance Cycle ending in FY 2025, as well as the corresponding payouts.



Don Moul  
President and Chief Executive Officer  
WT 7B-K

Attachments



October 17, 2025

Rebecca Tolene

Date