

PROPOSED BOARD RESOLUTION

(Winning Performance Team Incentive Plan and Executive Annual Incentive Plan Scorecard Achievement Approval for 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 11/06/25A (Memorandum), the Chief Executive Officer (CEO) outlined a recommended approval of TVA's Winning Performance Team Incentive Plan (WPTIP) and Executive Annual Incentive Plan (EAIP) Scorecard Achievement for FY 2025 for all participants as set out in that Memorandum and its attachments; and

WHEREAS on September 17, 2024, the TVA Board approved the WPTIP and EAIP Corporate Performance Measures and Goals for FY 2025; and

WHEREAS as explained in the Memorandum, the Board is authorized to adjust the Scorecard Achievement by plus or minus 20 percent (or exercise other discretion); and

WHEREAS at its meeting on October 16, 2025, the People and Governance Committee reviewed the CEO's recommendations as outlined in the Memorandum and its attachments; and

WHEREAS the People and Governance Committee has reviewed the results of the WPTIP and EAIP Corporate Performance Measures and Goals for FY 2025 and recommends approval of the Scorecard Achievement as set forth in the Memorandum and its attachments for all participants; and

WHEREAS approval of WPTIP and EAIP Scorecard Achievement for 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 the Board approves the results of the FY 2025 WPTIP and EAIP Corporate 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 the FY 2025 Winning Performance Team Incentive Plan (WPTIP) and Executive Annual Incentive Plan (EAIP) Corporate Performance Measures and Goals for all participants.

BACKGROUND

The Board establishes WPTIP and EAIP Corporate Performance Measures and Goals for the year in accordance with the terms of those plans. For FY 2025, the Board approved the applicable Corporate Performance Measures and Goals on September 17, 2024.

The Board established the following WPTIP and EAIP Corporate Performance Measures for FY 2025: SBU Controllable O&M and Base Capital Spend, Transmission Performance Indicator, External Performance Indicator for the TVA Nuclear Fleet, Power Operations Performance Indicator, and Serious Injury Incident Rate, which were weighted at 40%, 15%, 15%, 15%, and 15%, respectively, with the approved goals outlined in the attachments.

WPTIP and EAIP awards are determined based on the results of the Corporate Performance Measures and Goals, called the Scorecard Achievement. The WPTIP and EAIP Scorecard Achievement can range from 0% to 200% for FY 2025 for all participants except the previous CEO for whom Scorecard Achievement can range from 0% to 150%. The attachments detail TVA's performance for FY 2025 based on the approved Corporate Performance Measures and Goals.

The Board also approved amendments to the WPTIP and EAIP on September 17, 2024, that authorize the Board to use a standard discretionary range to adjust the Scorecard Achievement by plus or minus 20 percent to determine the final payout percentage beginning with the FY 2025 performance cycle (or exercise other discretion). This standard discretionary range allows the Board to account for extraordinary events or significant occurrences that impact TVA's performance, but it does not limit the Board's overall discretion to approve the Scorecard Achievement under the plans.

The award for participants under WPTIP or EAIP may also be adjusted by the participant's supervisor based on an evaluation of the participant's individual achievements and performance during the year (otherwise known as the Individual Performance Multiplier).

The maximum payout after all factors have been applied is 225% of a participant's target WPTIP or EAIP award for all participants except the previous CEO, whose maximum payout is 150%. In the event that a participant's WPTIP or EAIP award calculation exceeds the maximum payout, the award will be adjusted not to exceed 225% or 150%, as applicable.

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 WPTIP and EAIP Scorecard Achievement for 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, the FY 2025 Performance Measures and Goals for WPTIP and EAIP were approved by the Board when it was guided by a quorum. Performance-based compensation (as reflected in WPTIP and EAIP) is a key component of the Board-approved compensation plan, and the non-quorum Board’s approval of Scorecard Results for WPTIP and EAIP is an important function needed to effectuate the decisions of the quorum Board, which approved the applicable Corporate Performance Measures and Goals. Management is not recommending that the non-quorum Board exercise its discretion under WPTIP or EAIP to adjust the Scorecard Achievement.

ALTERNATIVES CONSIDERED

The CEO and the People and Governance Committee collectively considered results of the WPTIP and EAIP Corporate Performance Measures and Goals, along with any considerations for adjustments, to determine the final FY 2025 WPTIP and EAIP payout percentage (or Scorecard Achievement).

RECOMMENDED ACTION

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



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

Attachments



Rebecca Tolene October 17, 2025
Date