

May 2024

Introducing LifePath Paycheck™ for the TVA 401(k) Plan

Dear Plan Participant:

An exciting new retirement income option is coming to the TVA Savings and Deferral Retirement Plan (401(k) Plan) for those who are interested in a paycheck-like income stream similar to a pension. Beginning June 21, 2024, the 401(k) Plan will offer LifePath Paycheck from BlackRock within new Target Retirement Paycheck Portfolios that will provide access to a lifetime income stream for retirement backed by insurers selected by BlackRock.

With this new retirement income option, participants will see the following changes in the 401(k) Plan on June 21, 2024:

- **Target Retirement Paycheck Portfolios added to the investment menu.** The Target Retirement Paycheck Portfolios will replace the current 2025 and 2030 Target Retirement Portfolios. By replacing some of the current Target Retirement Portfolios with the Target Retirement Paycheck Portfolios, a new option to purchase a lifetime income stream from select insurers will be available to participants in designated age ranges.
- **Target Retirement Income Portfolio replaced with two new options – Target Retirement Income 40/60 Portfolio and Target Retirement Income 50/50 Portfolio.** These two balanced funds are designed for participants during retirement based on whether they elect the lifetime income option from the Target Retirement Paycheck Portfolios or for any participants who desire a diversified, balanced investment strategy.
- **Map certain participants who are currently invested in the Target Retirement Portfolios.** All participants in the Target Retirement Portfolios will be invested in the fund associated with the year closest to when the individual reaches age 65. Participants who are in one of the Target Retirement Portfolios being replaced, who have chosen a different year-dated fund, or who are invested in multiple Target Retirement Portfolios, will have their Target Retirement Portfolio mapped on June 21, 2024. See the *Target Date Mapping* section for more detail.

Participants under age 55 who are invested in the appropriate Target Retirement Portfolio based on date of birth, and participants in funds other than the Target Retirement Portfolios, will see no changes to their investment allocation or elections as part of this action.

All Target Retirement Portfolios in the 401(k) Plan are managed by BlackRock, the nation's largest investment management firm and long-time trusted partner with TVARS. Participants invested in Target Retirement Portfolios should understand how their investments will change when they reach ages 55 and 71. See *Future Automatic Transfers* for additional information.

The changes described in this Notice will take place without any action required on your part. If you have any questions about these actions involving the Target Retirement Portfolios, please feel free to contact TVARS by email (tvars@tva.gov) or by phone 800-824-3870. LifePath Paycheck Resources are also available on the 401(k) Plan page of the TVARS website at www.tvars.com. If you would like more information on the 401(k) Plan features and investment options, or if you want to modify your investment elections at any time before or after these changes take place, please log on to Fidelity NetBenefits® at NetBenefits.com/TVA or call Fidelity at 800-354-7121.

This information has been provided by TVARS.

CHANGES TO THE TVA 401(k) PLAN

New Investment Options

When the market closes (generally 4 p.m. Eastern time) on June 21, 2024, the following investment options will be added to the 401(k) Plan investment menu.

Fidelity Investment Code	Investment Option Name	Gross Expense Information as of May 10, 2024
TG1A	Target Retirement Income 40/60 Portfolio	0.0623%
TG1B	Target Retirement Income 50/50 Portfolio	0.0623%
TG1C	2018 Target Retirement Paycheck Portfolio	0.0623%
TG1D	2021 Target Retirement Paycheck Portfolio	0.0623%
TG1E	2024 Target Retirement Paycheck Portfolio	0.0623%
TG1F	2027 Target Retirement Paycheck Portfolio	0.0623%
TG1G	2030 Target Retirement Paycheck Portfolio	0.0623%
TG1H	2033 Target Retirement Paycheck Portfolio	0.0623%

See the *Target Date Mapping* section below to understand how your investments may change.

Investment Options Being Removed

When the market closes (generally 4 p.m. Eastern time) on June 21, 2024, the following three investment options will be removed from the 401(k) Plan investment menu and will no longer be available:

- Target Retirement Income Portfolio
- 2025 Target Retirement Portfolio
- 2030 Target Retirement Portfolio

See the *Target Date Mapping* section below to understand how your investments may change.

Target Date Mapping

When the market closes (generally 4 p.m. Eastern time) on June 21, 2024, all existing balances and future contributions in the Target Retirement Portfolios offered in the 401(k) Plan will be transferred to the Target Retirement Portfolio based on each participant's date of birth as detailed in the Target Date Age Chart on the next page. The transfer of balances will appear as an exchange on your account history and quarterly statement.

Participants under age 55 who are invested in a Target Retirement Portfolio based on date of birth will see no changes to investment allocation or elections as a part of this mapping.

Target Date Age Chart

Date of Birth Range	Investment Option Name
1952 and before	Target Retirement Income 40/60 Portfolio
1953 – 1954	2018 Target Retirement Paycheck Portfolio
1955 – 1957	2021 Target Retirement Paycheck Portfolio
1958 – 1960	2024 Target Retirement Paycheck Portfolio
1961 – 1963	2027 Target Retirement Paycheck Portfolio
1964 – 1966	2030 Target Retirement Paycheck Portfolio
1967 – 1969	2033 Target Retirement Paycheck Portfolio
1970 – 1972	2035 Target Retirement Portfolio
1973 – 1977	2040 Target Retirement Portfolio
1978 – 1982	2045 Target Retirement Portfolio
1983 – 1987	2050 Target Retirement Portfolio
1988 – 1992	2055 Target Retirement Portfolio
1993 – 1997	2060 Target Retirement Portfolio
1998 and later	2065 Target Retirement Portfolio

Date of birth ranges were provided by BlackRock, Inc. and approved by TVARS.

Target Retirement Portfolio Fund Information

Each Target Retirement Portfolio has a target date in the name of the fund that is intended to reflect the approximate year that a participant attains age 65. The overall suite of Target Retirement Portfolios includes:

- **Original Target Retirement Portfolios:** designed for those younger than age 55 years old.
- **New Target Retirement Paycheck Portfolios:** designed for those who are ages 55 to 71 years old.
- **New Target Retirement Income Portfolios:** designed for those in retirement based on retirement income election or for those who desire a diversified, balanced investment strategy.

The asset mix for the Target Retirement Paycheck Portfolios may include group annuity contracts issued by selected insurers. These group annuity contracts will provide participants with the option to use money from Paycheck Portfolio investments to purchase a lifetime income stream*[^] from selected insurers between the ages of 59 ½ and 71 in accordance with specified rules. *Investment in the Target Retirement Paycheck Portfolios is limited to participants whose birthdays fall within the date of birth ranges shown for each Paycheck Portfolio in the chart under Target Date Mapping as a result of the investments in group annuity contracts.*

The Target Retirement Portfolios invest in BlackRock's LifePath Paycheck Funds. Material distributed by or on websites owned by BlackRock and Fidelity may refer to the investments as BlackRock LifePath Paycheck Funds. Those materials and disclosures apply to the comparable Target Retirement Portfolios.

**Refer to the guaranteed monthly lifetime income stream that you would receive under the terms of individual retirement annuity contracts issued by insurers selected by BlackRock.*

Future Automatic Transfers

By electing to invest your account in a Target Retirement Portfolio designed for participants your age, you are authorizing, when applicable, the following transfer(s) of your investment in such Target Retirement Portfolios:

- To the Target Retirement Paycheck Portfolio designed for participants your age on or around the third Friday of January in the year in which you turn 55.
- To the Target Retirement Income 40/60 Portfolio on or around the second Friday in December in the

year in which you turn age 71 if you choose not to elect a lifetime income stream from your investment in the Target Retirement Paycheck Portfolio.

These transfers will not take place if you have moved your balance and/or provided an alternative investment direction before the change is scheduled to occur, or you are not invested in a Target Retirement Portfolio designed for investors your age. You will be provided with a reminder prior to the applicable change.

Default Investments and Contributions

When the market closes (generally 4 p.m. Eastern time) on June 21, 2024, the new investment options added to the investment menu (see *New Investment Options*), except for the Target Retirement Income 50/50 Portfolio, will become part of the designated default investments for the 401(k) Plan.

If you have not already made an investment election decision for your Plan account, we encourage you to review the investment options available to you. However, if you are invested in the Target Retirement Portfolios and no alternative elections are made, TVARS has directed Fidelity to invest your future contributions in the Target Retirement Portfolio designed for your age. Simply find your date of birth range in the chart under *Target Date Mapping* to determine which Target Retirement Portfolio your contributions will be directed to.

You have the right under the 401(k) Plan to direct the investment of your existing balances, which includes contributions and any earnings on those contributions, and your future contributions to any of the 401(k) Plan's available investment options. If your contributions were initially invested in the age-based Target Retirement Portfolio as the designated default investment option, you have the right to transfer out of the designated default investment option to another investment option.

Eligible new participants who do not enroll themselves in the 401(k) Plan are automatically enrolled, unless they elect not to participate pursuant to the Plan's "opt-out process." If you are automatically enrolled, pretax contributions of 6% of eligible compensation will be invested in the designated default investment option. You have the right to change your contribution percentage, as well as to elect to discontinue contributions.

Important Note if You Use Automatic Rebalance

If your existing Automatic Rebalance election includes the old investment option, your Automatic Rebalance election will automatically be updated to replace the old investment option with the new investment option.

If you have questions or need assistance with the Automatic Rebalance feature, log on to Fidelity NetBenefits® at [NetBenefits.com/TVA](https://netbenefits.com/TVA) or call 800-354-7121.

Additional Information

The dates shown are based on the timing and accuracy of a variety of factors, including the transfer of data, receipt of instructions, and receipt of assets. Changes in any of these factors may result in changes to the dates and timing, including the dates on which, and thus the prices at which, assets in your account are sold and/or reinvested.

Investing involves risk, including risk of loss.

An investment option's gross expense information is the total annual operating expenses (before waivers or reimbursements) paid by the investment option and stated as a percentage of the investment option's total net assets. The investment option's gross expense information has been provided by the plan sponsor, the investment manager, or the trustee, each of whom may use their own calculation methodology to reflect the expense ratio information. When no information is shown for an option, it is because none was available; there may be fees and expenses associated with the option. Expense information changes periodically. Please consult Fidelity NetBenefits® for updates.

^These investment options do not change the distribution options available under your plan.

Annuity guarantees are subject to the claims-paying ability of the issuing insurance company.

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