Meeting No. 511

MINUTES OF MEETING

THE BOARD OF DIRECTORS OF

THE TENNESSEE VALLEY AUTHORITY RETIREMENT SYSTEM

March 5, 2026

The regular quarterly meeting of the Board of Directors (Board) of the TVA Retirement System (TVARS or System) was held on Thursday, March 5, 2026, at 12:52 p.m., EST, at the TVA Chattanooga Office Complex, Lookout Ridge 3S 630, Chattanooga, Tennessee.

* * *

The following directors were present: Eric J. Davis, Chair; Marilyn G. Brown, Vice Chair (via Teams); Thomas W. Barnett; Michael L. Belcher; Micheal D. Clement; Bryan L. Johnson; and Lori E. Stenger. Also present were Mark N. Meigs, Executive Secretary; Sally R. Weber, Assistant Secretary and Senior Manager, Retirement Operations; Brent B. Roberts, Treasurer and Senior Manager, Retirement Applications, Financial Reporting, and Investments; Hayley S. Huskey, Assistant Treasurer and Manager, Financial Reporting and Investments; and W. Colby Carter, Legal Counsel.

* * *

511-1 Each director was notified in a memorandum dated February 20, 2026, of the regular quarterly meeting to be held on March 5, 2026. A copy of the notice from the Executive Secretary is filed as Exhibit 511-1.

* * *

511-2 (A-7171). The Chair's report included the following:

- The Chair recognized Mike Clement, who is retiring March 6th after 43 years of TVA service, and noted that pursuant to the TVARS Rules for elected directors, he will remain on the Board until the end of his current term.

- The Chair designated the following members for the Board's standing committees for calendar year 2026:

Audit Committee	Retirement Committee
Marilyn G. Brown, Chair	Micheal D. Clement, Chair
Micheal D. Clement	Michael L. Belcher
Bryan L. Johnson	Thomas W. Barnett
Investment Committee	**Election Committee**
[Committee of the whole Board]	Michael L. Belcher, Chair
Eric J. Davis, Chair	Bryan L. Johnson
	Lori E. Stenger

* * *

511-3 (A-7172). The Executive Secretary's report included the following:

- The Executive Secretary provided an update to the Board on the implementation of two new Secure Act provisions for the 401(k) Plan – mandatory Roth catch-up contributions for high earners (those with W-2 FICA wages greater than $150,000) and a super catch-up option for participants age 60 to 63 (up to an additional $3,250 in catch-up contributions), both effective as of January 1, 2026.

- The Executive Secretary also provided an update to the Board on the successful addition of two new funds – the MFS International Equity Fund and the BlackRock Large Cap Value Strategy Fund – to the 401(k) Plan lineup on Friday, February 27, 2026. The transaction and mapping process appears to have gone smoothly as scheduled with all participant accounts and fund values appropriately updated. These fund actions impacted approximately 19% of 401(k) Plan participants and about 3% of the total asset value of the 401(k) Plan.

* * *

511-4 (A-7173). The Legal Update included the following:

- The Managing Counsel provided information to the Board on the annual financial disclosure required to be filed by all Board members through the TVA Ethics Office pursuant to the TVARS Ethics and Code of Conduct Policy and thanked the Board for the time they spend filling out and submitting the form each year.

- The Managing Counsel noted the annual fiduciary and governance training for the TVARS Board and staff that was provided the day before on Wednesday, March 4th by Lori Wright and David Hesdorffer of Mercer Investments.

A copy of the Legal Update is filed as Exhibit 511-4.

* * *

511-5. As a part of the Consent Agenda, the Board approved the minutes for the meeting reported below in A-7174, and accepted the reports as of December 31, 2025, listed below in A-7175, A-7176, A-7177, and A-7178.

- A-7174 Meeting No. 510 held December 10, 2025
- A-7175 Treasurer's Report (filed as Exhibit 511-5(a))
- A-7176 Investment Performance Report prepared by Wilshire Advisors LLC (Wilshire) (filed as Exhibit 511-5(b))
- A-7177 Report of retirements approved (filed as Exhibit 511-(c))
- A-7178 Quarterly fund analysis for the TVA Savings and Deferral Retirement Plan (401(k) Plan) prepared by Fidelity Investments (Fidelity) (filed as Exhibit 511-5(d))

* * *

511-6 (A-7179). The Retirement Committee report consisted of items reported below at A-7180, A-7181, and A-7182.

* * *

511-7 (A-7180). Prior to the meeting, the Board reviewed with Mercer Human Resources Consulting (Mercer) the Report of Actuary on the Eighty-Sixth Actuarial Valuation of the TVA Retirement System prepared as of September 30, 2025 (2025 Actuarial Valuation Report). At the meeting, upon the recommendation of the Retirement Committee, the Board voted to accept the 2025 Actuarial Valuation Report performed by Mercer. As set forth in the report, Mercer calculated the minimum required contribution to the System for the upcoming fiscal year 2027 to be $300 million per section 9B4 of the TVARS Rules and Regulations. A copy of Mercer's actuarial valuation presentation and the 2025 Actuarial Valuation Report is filed as Exhibit 511-7.

* * *

511-8 (A-7181). Prior to the meeting, Mercer presented to the Board the annual qualitative risk assessment of the System as required by the actuarial standard of practice (ASOP #51) to help the Board understand the various current risks that could impact the System. At the meeting, upon the recommendation of the Retirement Committee, the Board voted to accept Mercer's Risk Assessment under ASOP #51. A copy of Mercer's Risk Assessment dated March 5, 2026 is filed as Exhibit 511-8.

* * *

511-9 (A-7182). Prior to the meeting, the Board reviewed with Mercer the actuarial valuation of the Variable Annuity Fund as of September 30, 2025 (2025 Variable Annuity Valuation Report). At the meeting, upon the recommendation of the Retirement Committee, the Board accepted the 2025 Variable Annuity Valuation Report performed by Mercer, and its recommendation that the outstanding variable units should be decreased by 37,932. The decrease in the number of units will result in an increase in the unit value and will be applied beginning with the July 2026 payroll. A copy of the 2025 Variable Annuity Valuation Report is filed as Exhibit 511-9.

* * *

511-10 (A-7183). The Audit Committee report consisted of the following items:

- Prior to the meeting, the TVARS financial reporting staff provided and discussed with the Board the annual financial statement risk assessment performed by the TVARS staff, which analyzes and assesses any risks that the System's financial statements could be misstated due to error or fraud. As a part of this discussion, the

Board was also provided an updated annual risk assessment and key control listing for the System and various processes. A copy of the Financial Statement Risk Assessment dated March 2026 and FY 2026 TVARS Risk Assessment and Key Control Listing are filed as Exhibit 511-10(a) and 511-10(b).

- Prior to the meeting, the TVARS financial reporting staff updated the Board on the status of the System's 2025 fiscal year-end audit being performed by Crowe LLP.

* * *

511-11 (A-7184). The Election Committee report consisted of the item reported below at A-7185.

* * *

511-12 (A-7185). Prior to the meeting, the Election Committee discussed with TVARS staff the schedule proposed for this year's election. At the meeting, upon the recommendation of the Election Committee, the Board approved the 2026 TVARS Election Schedule. A copy of the Election Schedule is filed as Exhibit 511-12.

* * *

511-13 (A-7186). The Investment Committee report consisted of the item reported below at A-7187, and of the following items:

- On March 4, 2026, Wilshire, the System's investment consultant, provided to the Investment Committee the quarterly defined benefit plan review covering the following: updates to capital market assumptions; market commentary; economic/market activity; pension plan asset allocation as of December 31, 2025, compared to policy allocation; investment performance by asset class and by individual managers, absolute and compared to benchmarks, as of December 31, 2025; and investment performance attribution analysis. A copy of Wilshire's Executive Summary of Investment Performance as of December 31, 2025, is filed as Exhibit 511-13(a).

- On March 4, 2026, Wilshire outlined for the Investment Committee the updated manager transitions that have occurred since the new strategic asset allocation was approved on June 11, 2025, in order to implement the new allocation policy. A copy of Wilshire's Asset Allocation Update dated March 4, 2026, is filed as Exhibit 511-13(b).

- On March 4, 2026, Wilshire provided to the Investment Committee an analysis of the System's funded ratio and asset and liability returns over the past year. A copy of Wilshire's Asset Liability Monitor for the fourth quarter 2025 is filed as Exhibit 511-13(c).

- The Board was provided and took note of information regarding asset allocation transfers and rebalancing during the fourth quarter of 2025. A copy of the information is filed as Exhibit 511-13(d).

- The Board was provided and took note of information on TVARS staff due diligence meetings with investment managers and service providers for the period December 2025 through February 2026. A copy of the information is filed as Exhibit 511-13(e).

- On March 4, 2026, Mercer Investments presented to the Investment Committee the 401(k) Plan quarterly review covering the following: 401(k) Plan asset allocation as of December 31, 2025; investment performance and expense ratio analysis of the 401(k) Plan fund line-up, absolute and compared to benchmarks and peer funds, as of December 31, 2025; and a governance review that included current 401(k) Plan statistics, Fidelity annual fees as the provider of recordkeeping and trustee services, judicial update, and regulatory and legislative updates. Mercer also performed the annual lowest-cost vehicle/share class analysis for all of the funds on the 401(k) Plan lineup and provided the Committee a more in-depth review of the William Blair Small-Mid Cap Growth fund. A copy of Mercer's Q4 2025 DC Quarterly Review dated March 4, 2026, is filed as Exhibit 511-13(f).

- On March 4, 2026, Lori Wright and David Hesdorffer of Mercer Investments provided a fiduciary and governance training for the TVARS Board and staff. The training outlined the history, purpose and enabling authority of TVARS as well as fiduciary duties and responsibilities. A copy of Mercer's fiduciary training dated March 4, 2026, is filed as Exhibit 511-13(g).

* * *

511-14 (A-7187). On March 4, 2026, Wilshire provided an update on the TVARS asset allocation strategy. This update recapped TVARS' new strategic asset allocation methodology that was approved on June 11, 2025. While the prior allocation had dedicated targets to U.S. and non-U.S. equity, the new allocation combines both into one global target. While investment structure work is still ongoing to determine the best global equity portfolio strategy for TVARS's needs, Wilshire and TVARS investment staff have completed due diligence and identified two firms, Connor, Clark & Lunn (CC&L) and Alliance Bernstein (AB), as managers with strategies for inclusion in the portfolio. At the meeting, upon the recommendation of Wilshire and Investment Committee, the Board approved CC&L and AB as new investment managers for TVARS with global equity portfolio strategies to be determined by Wilshire and TVARS investment staff following additional review. A copy of Wilshire's Memorandum to the Investment Committee on new global equity mandates and Wilshire's due diligence reports for CC&L and AB are filed as Exhibit 511-14.

* * *

The meeting was adjourned at 1:02 p.m., EST.

Executive Secretary

Chair