

January 2025

Announcing Two New Investment Options in the TVA 401(k) Plan

Dear Plan Participant:

The TVA Retirement System (TVARS) would like to notify you about upcoming additions to your investment options within the TVA Savings and Deferral Retirement Plan (401(k) Plan).

Two New Investment Options

Beginning **February 14, 2025**, the **PIMCO Income Fund** and the **2070 Target Retirement Portfolio** will be added to the investment lineup of the 401(k) Plan.

The PIMCO Income Fund Institutional Class (PIMIX) is a multi-sector bond fund designed to provide consistent income while preserving capital. It invests across a broad range of fixed-income sectors globally, including high-yield, investment-grade corporate bonds, mortgages, and emerging markets debt. This institutionally-priced mutual fund with an annual expense ratio of 0.50% is actively managed by Pacific Investment Management Company (PIMCO), a global leader in fixed-income and bond investment funds and strategies, to take advantage of market opportunities in these fixed-income sectors with a focus on balancing risk and return. The PIMCO Income Fund will provide participants an additional option for fixed-income investments and could provide an income-focused investment for participants during retirement. More detailed information on the PIMCO Income Fund may be found at <https://www.pimco.com/us/en/investments/mutual-fund/pimco-income-fund/inst-usd>.

The new 2070 Target Retirement Portfolio is part of the intended design of the 401(k) Plan's Target Retirement Portfolios, which includes a standard, five-year process where a new Portfolio vintage is introduced for the youngest participants in the Plan. This fund will initially allocate over 90% of its investments to stocks (both U.S. and international) with the remaining amount invested in small allocations to bonds and real assets, such as real estate and credit. While the 2070 Target Retirement Portfolio is primarily designed for participants born in 2003 or later, any participant may elect to invest in this new fund.

A Reminder About Target Retirement Portfolios

The Target Retirement Portfolios are designed for participants who prefer a single, professionally managed investment approach with investments that gradually become more conservative over time. If a Target Retirement Portfolio has a year in the name of the fund, that year is intended to reflect the approximate year that a participant attains age 65.

The Target Retirement Portfolios in the 401(k) Plan include:

- **Portfolios designed for those younger than age 55:**
 - Any Target Retirement Portfolio with a year from 2035 through 2070 in its name
- **Portfolios designed for those who are ages 55 to 71 (Target Retirement Paycheck Portfolios):**
 - Any Paycheck Portfolio with a year from 2018 through 2036 in its name
 - Include allocation to lifetime income units that provide participants who are between the ages of 59 ½ and 71 the option to purchase a lifetime income stream*[^] from select insurers
 - As a part of the underlying lifetime income unit allocation, these Portfolios are set up in 3-year intervals that are restricted to investment by the age-appropriate participants between 55 and 71
- **Portfolios designed for retirement:**
 - For participants who desire a diversified, balanced investment strategy, or for participants who elect the lifetime income option from the Target Retirement Paycheck Portfolios
 - Include Target Retirement Income 40/60 Portfolio and Target Retirement Income 50/50 Portfolio

**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.*

2065 to 2070 Target Retirement Portfolio Transfer

When the market closes (generally 4 p.m. Eastern time) on February 14, 2025, **participants born in 2003 or later who are currently invested in the 2065 Target Retirement Portfolio will be moved to the new 2070 Target Retirement Portfolio**, which is the default investment for this group. As a result, all existing balances and future contributions will be transferred to the new investment option. See the following chart for details. The transfer of balances will appear as an exchange on your account history and quarterly statement.

Current Portfolio	New Portfolio
2065 Target Retirement Portfolio Date of Birth Range (default): 1998 to 2002 Gross Expense Information: 0.06%	2070 Target Retirement Portfolio Date of Birth Range (default): 2003 and later Gross Expense Information: 0.06%

Gross Expense Information as of January 2, 2025.

What Do I Need to Do?

You do not need to do anything. However, if you would like to request changes to your account, log on to Fidelity NetBenefits® at netbenefits.com/tva or call **800-354-7121**, Monday through Friday, between 8:30 a.m. and 8 p.m. Eastern time.

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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