Compensation Policy

Eversource is committed to the delivery of comprehensive, standardized and competitive compensation programs that support a pay for performance philosophy, blend external competitiveness with internal equity, and differentiate compensation based on performance, potential, and experience.

Guidelines

Job Descriptions
All company positions are defined by role and scope; essential functions; and required technical knowledge, skills, education, licenses or certifications necessary to successfully accomplish business tasks in a safe and compliant manner.

Market Analysis
The company strives to be competitive within 10 percent of the overall market median for comparative companies in the utility industry.

Eversource conducts market analysis, including those related to company geographic locations, on a regular basis and makes salary adjustments as necessary.

Internal Position Structure
All non-represented positions are grouped in clearly defined levels (or bands) and grades based on job analysis and annual market analysis including benchmarked position reviews.

Broad Grade Structure is as follows:

Band 1	Director
Band 2	Manager
Band 3	Tech Lead/Supervisor
Band 4	Individual Contributor
Band 5	Non-Exempt Technical
Band 6	Non-Exempt Clerical

The Grade Structure for all represented positions are outlined in the Collective Bargaining Agreements.

Pay Practices
Eversource reviews corporate and individual employee performance on an annual basis. Based on this review, and at the discretion of senior management, a mix of base pay increases and incentive payments may be made available on an annual basis. To be eligible employees need to:

- Demonstrate successful performance throughout the performance year.
- Have performed the duties of their current position by the beginning of the first pay period on or around November 1

Corporate Policies

Merit Increases
Merit Increases generally take effect on the first pay period after April 1. Employees who are newly hired and those who are promoted and received salary adjustments after the first pay period on or around November 1 will not be eligible for merit increases during the subsequent exercise.

Employees who significantly exceed the market rate for their position may be eligible to receive a merit increase in the form of a lump sum payment.

Incentive Pay
Incentive Pay is generally distributed on the first pay period after March 15. Employees will receive payment if they are on the active payroll on the day of distribution.

Payments may be pro-rated based on time in position.

Incentive pay is included as eligible compensation in the 401(k) plan. Employees are responsible for 401(k) contribution adjustments

Overtime Pay
Overtime pay is governed by the Fair Labor Standards Act. Eversource is committed to complying with this federal regulation.

Emergency Response Pay
Eversource's commitment to the safe delivery of reliable energy and superior customer service is a job requirement every day. However, at times, our employees are required to meet customer needs under emergency conditions that exceed general expectations for performance of the employee's job position in order to restore power safely and as quickly as possible following declared emergency events. Performance under emergency conditions requires a significant or extraordinary work effort under highly challenging conditions that is not accounted for in other compensation components. Under emergency conditions, the company will use the following guidelines to pay employees.

Employee Classification	Practice for Emergency Response Pay
Represented Employees	Pay will be administered in accordance with the applicable Collective Bargaining Agreements.
Non-Union Employees Hourly (Non-Exempt)	Employees will be paid for all authorized hours worked in accordance with federal and state guides for overtime pay.

Employee Classification	Practice for Emergency Response Pay
Electric Operations Supervisors	**Declared Events** Electric Operations Supervisors will be paid OT at 1.5X their hourly rate for OT hours worked in support of declared events with significant customer outage and system damage and when restoration activities are generally greater than 48 hours. The event is "declared" at the point at which the ERP Incident Commander(s) sets the initial event level, defined as: • MA Electric ERP Level 3 • NH Electric: ERP Level 3 • CT Electric: ERP Level 4 Given the significant time requirements for preparation, set up and breakdown, hourly pay shall begin two days prior to the declaration of the triggering event level and the mobilization of the employee into their respective ERP assignment. ERP pay shall be concluded two days after the point that the event level is de-escalated below the triggering event level. For exempt employees, OT is defined as hours beyond the regularly scheduled 8-hour day. The following Operations Supervisors are eligible for this rate of OT pay: • Sr/Supervisor, Field Communications • Sr/Supervisor, Field Engineering • Sr/Supervisor, Substation Operations • Sr/Supervisor, Electric Field Operations • Sr/Supervisor, Electric Operations
Gas Operations Supervisors	**Declared Events** Gas Operations Supervisors will be paid 1X their hourly rate for each hour worked in support of declared events with significant customer outage and system damage and when restoration activities are generally greater than 48 hours. The event is "declared" at the point at which the ERP Incident Commander(s) sets the initial event level, defined as: • MA Gas: ERP Level 1 • CT Gas: ERP Level 1 Given the significant time requirements for preparation, set up and breakdown, hourly pay shall begin two days prior to the declaration of the triggering event level and the mobilization of the employee into their respective ERP assignment. ERP pay shall be concluded two days after the point that the event level is de-escalated below the triggering event level. For exempt employees, OT is defined as hours beyond the regularly scheduled 8-hour day.

Employee Classification	Practice for Emergency Response Pay
Professional Employees Non-Hourly (Exempt) Individual Contributors Team Leads Supervisors Managers	**Declared Events** All non-hourly professional employees (exempt), supervisors and managers will be paid 1X their hourly rate for each hour worked in support of declared events with significant customer outage and system damage and when restoration activities are generally greater than 48 hours. The event is "declared" at the point at which the ERP Incident Commander(s) sets the initial event level, defined as: • MA Electric ERP Level 3 • NH Electric: ERP Level 3 • CT Electric: ERP Level 4 • MA Gas: ERP Level 1 • CT Gas: ERP Level 1 Given the significant time requirements for preparation, set up and breakdown, hourly pay shall begin two days prior to the declaration of the triggering event level and the mobilization of the employee into their respective ERP assignment. ERP pay shall be concluded two days after the point that the event level is de-escalated below the triggering event level. For exempt employees, OT is defined as hours beyond the regularly scheduled 8-hour day. Please review link for FAQs
Electric Operations Supervisors and Operations Managers	**Mutual Aid Events:** When providing onsite support to an Eversource affiliate operating company, Operations Supervisors and Managers will be paid 1X their hourly rate for all authorized work hours. The Electric Operations Supervisors listed in the "Electric Operations Supervisors" section on page 3 will be paid 1.5X their hourly rate for all authorized work hours. When participating in mutual aid efforts outside of the Eversource territory, all Operations Supervisors and Managers will be paid 2X their hourly rate for all authorized work hours.
Professional Employees Non-Hourly (Exempt) Individual Contributors Team Leads Supervisors Managers	**Non-Declared Events** All exempt employees below the Director level are eligible for: • 1X their hourly rate up to a maximum of 8 paid hours for every two pay periods (28 days) • The 8 hours of OT reset every two pay periods and there are no carry-over hours Hours worked for non-declared events beyond this 8-hour bank within the 28-day period revert to unpaid OT. If an event becomes declared, the "Declared Events" pay practice applies (as described above).
Directors and Above	Not eligible for Emergency Response Pay

Process

Job Approval
To create a new position, re-evaluate an existing position or recommend a promotion, managers, with approval of their management chain, should work with their HR Business Partner to document business necessity, job requirements and employee qualifications.

Revision History

0	Original Issue	04/29/2015
1	Update Policy Sponsor Title, Update Storm Pay for Supervisors approved by Sr. Management	03/21/2018
2	Update Storm Pay for Employees approved by Sr Management	10/15/2019
3	Approval of Updated Emergency Response Pay Policy	120/6/2021
4	Approval of Updated Emergency Response Pay	07/09/2023