Eversource Energy
Employee Annual Incentive Program

Year 2026
Introduction

The 2026 Employee Annual Incentive Program is designed to motivate participants to achieve results aligned with their goals that are critical to the Company's overall success in delivering safe, reliable, and high-quality service to our customers.

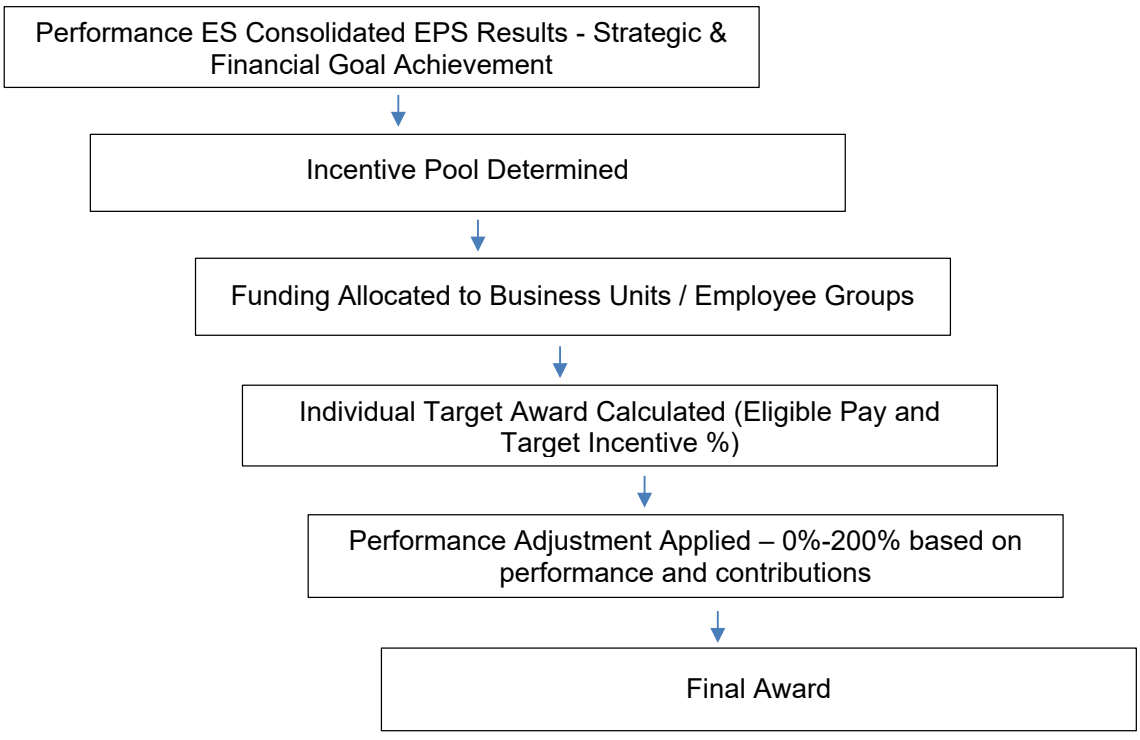
How Awards Will be Determined

Incentive awards are based on both Company performance and individual contributions.

A funding pool is established based on achievement of the ES Consolidated EPS goal, as well as certain strategic and high-level financial objectives.

Individual awards are then determined using each participant's eligible pay and target incentive opportunity. These preliminary amounts may be adjusted up or down based on available funding and management's assessment of individual performance and contributions to overall results.

Adjustments are made through Individual Performance Multipliers (IPMs), which range from 0% to 200% of the target incentive. No award may exceed 200% of the target amount.



Employee Annual Incentive Program Goals
Achievement of goals will determine the level of payout before any adjustments for individual performance or pool funding. For example, if overall achievement against these goals is at target, then payouts would be at target before your management adjusts for individual performance and available funding.

Eligible Compensation includes the following pay:

Exempt employees: Base salary earned during the approved program year ending December 31, 2026.

Nonexempt employees: Regular wages, on call pay, merit lump sum, and overtime calculated at time-and-a-half rates earned during the approved program year ending December 31, 2026.

Eligible Compensation excludes the following pay:
- Compensation for medical cash back
- Educational reimbursements
- Imputed income
- Special payments
- Prior year's Annual incentive award
- Company contributions to savings programs
- Overtime, on call, and other premium paid to exempt employees

Program Eligibility

The incentive program year runs for the approved program year ending December 31, 2026.

Employees must be actively employed on the payment date to receive an award, subject to the following:

- Employees may not participate in more than one incentive program at the same time.
- Employees temporarily reassigned to a department with a different incentive program for 90+ days may be assigned to that program at management's discretion.
- Employees who become disabled during the year are eligible for a prorated incentive; this payment will be made in accordance with program formulas by March 2027.
- If an active employee dies during the year, their spouse or estate will receive a prorated incentive as soon as possible after the date of death based on eligible earnings and target incentive percentages.
- Temporary employees (for example, summer or seasonal hires) are not eligible to participate.
- Contractors (vendor labor) are not eligible to participate.

Other Information

Timing of Incentive Payments
Incentive award payments will be made in accordance with program formulas by March 2027.

Taxation
Incentive program awards are considered taxable income. They are subject to state and federal taxes, FICA, Medicare withholding, and any other legally required deductions.

Effect on Other Benefits
Incentive program awards are considered “Covered Pay” to the extent allowed by the IRS for the Retirement Plan and the Cash Balance Plan. Incentive payments are not included in other benefits calculations.

Program Modifications/Decisions
The Employee Annual Incentive Program is discretionary and not binding on the company. The company in its sole discretion may modify, defer, or discontinue the program, in part or in whole at any time. Such decisions may consider company performance and other such significant factors.

The Chief Executive Officer of Eversource Energy is authorized to make discretionary adjustments to payout levels, including the decision to eliminate incentive payouts due to unforeseen circumstances.

All interpretations, decisions, and determinations made by management concerning the 2026 program are final.