Time Reporting Policy

Time and expense reporting is critical to ensuring that Eversource maintains accurate financial records. Employees are required to charge their time accurately to comply with regulatory requirements, accounting standards, management directives, and sound business practices in order to meet Company objectives.

Guidelines

The Executive Vice President, Chief Financial Officer, and Treasurer determine Company policy for charging time based on regulatory requirements, accounting standards, management directives, and sound business practices. It is imperative that Eversource's business records are prepared accurately and reliably. They are of critical importance in meeting financial, regulatory, legal, and management obligations.

The process of preparing accurate and reliable financial records, including compensation records, begins with the accurate charging of business transactions on source documents such as time reports.

Each subsidiary company should be charged directly, when possible, for employees' time benefiting that subsidiary.

Management (including officers, directors, managers, and supervisors) is responsible for ensuring that their employees' time and expenses are charged appropriately in accordance with this policy and with any contracts that require specific time charging.

Each employee is responsible for ensuring that time worked and expenses submitted are reported appropriately, thereby representing the level of support services provided to each subsidiary, and that the correct amounts of time absent are reported using appropriate time and accounting codes. Employees should consult with their supervisor when in doubt about any aspect of expenses or time reporting, including accounting codes.

Employees who violate this policy may be subject to disciplinary action. An instance of fraud or a deliberate violation of this policy may result in termination.

Process

Time should be entered through the WorkForce system. Each employee or, if applicable, their designated timekeeper is responsible for entering time. The employee's direct management or an appropriate approver designated by management is responsible for timely reviewing and approving as accurate and compliant with company policies the time and expenses of employees in that management group.

All time must be approved by noon on Monday. If Monday is a holiday, approve time by noon on Tuesday.

The requirement to directly charge each subsidiary company when possible is generally interpreted to mean that if 4 or more hours in a week are worked on behalf of a subsidiary or project, that time must be directly charged to that subsidiary or project; however, nothing in this policy precludes charging less than 4 hours to subsidiaries or projects, in fact, it is encouraged to do so. For time spent less than 4 hours, when employees' time cannot be identified as being provided to one specific subsidiary, or if system limitations do not facilitate direct charging, then predetermined allocations of time to subsidiaries should be used.

An exception to the above 4-hour provision occurs when employees are engaged in merger and acquisition activities. It is important that all time spent on these activities is charged directly to the Eversource Parent (or Aquarion Water Company) and not to Eversource regulated operating or service companies. This supports FERC's Hold Harmless Policy Statement, issued in 2016 regarding mergers and acquisitions (*Policy Statement on Hold Harmless Commitments*, 155 FERC ¶ 61,189 (2016)).

FERC's "hold harmless" policy also applies to non-labor costs, such as outside consultants, advisors, attorneys, employee expenses, permitting, new software, etc. When beginning a work assignment associated with a merger or acquisition, please obtain time and expense charging instructions from the initiative's project manager.

Time and expense reporting and charging errors should be corrected when identified by employees or their supervisor. At any time, the Company reserves the right to make appropriate corrections to time records and corresponding pay.

Revision History

0	Original issue (formerly an Accounting Department policy, APS 19)	07/25/2022
1	Update to Process section	05/08/2025
2	Annual Policy Review minor changes to Guideline and Process sections	05/14/2026