

Issued: April 2009

Revised: January 1, 2023

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Statement of Policy

It is the policy of NorthWestern Energy to provide designated paid holidays for eligible employees.

Objective

The objective of this policy is to designate specific holidays and describe the criteria for being paid for the established holidays.

Scope

This policy applies to each eligible employee as follows:

- A Regular Full-Time employee is eligible for paid holidays from the date of hire, subject to the provisions below.
- A Regular Part-Time employee is eligible for prorated based on normally scheduled work hours, subject to the provisions below.
- A Seasonal employee is eligible for paid holidays from the date of hire, subject to the provisions below.
- Temporary and Limited Part-Time employees are not eligible for paid holiday benefits.
- An employee in an unpaid status is not eligible for holiday pay unless otherwise required by law or provided under a collective bargaining agreement.

Definitions

Floating Holiday – A day designated below as a floating holiday (e.g. Presidents' Day, Martin Luther King Jr. Day, or Veteran's Day) that may be taken, with appropriate supervisor approval, on any regularly scheduled work day selected by the employee.

Policy Provisions

- A. The following holidays will normally be observed:

New Year's Day

Martin Luther King Jr. Day (Floating Holiday)

Presidents' Day (Floating Holiday)

Memorial Day

Independence Day

Labor Day

Veteran's Day (Floating Holiday)

Thanksgiving Day

Friday after Thanksgiving

Christmas Day

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- B. An additional day of paid holiday leave will be scheduled each year to coincide with one of the above holidays. The company will make the selection as to which holiday in a particular year.
- C. When a recognized holiday falls on a Sunday, the following Monday will be designated as the paid holiday. When a recognized holiday falls on a Saturday, the preceding Friday will be designated as the paid holiday.
- D. The dates of the holidays to be observed will be issued on an annual basis no later than 30 days prior to the start of the calendar year and will be published on the company's intranet site.
- E. An eligible employee must be in a paid status on the day before and the day following either a designated holiday or a Floating Holiday, in order to be paid for the holiday.
- F. An eligible employee must be actively employed on the day before and the day following a designated holiday, including a Floating Holiday, in order to earn the holiday.
- G. The following applies to Floating Holidays:
 - 1. At the time of hire, an employee will receive credit, in the form of PTO hours, for the Floating Holiday(s) remaining in the year.
 - 2. A Floating Holiday may be taken anytime during the year, with appropriate supervisor approval, and is recorded or coded as Paid Time Off (PTO) as described under the Paid Time Off policy.
- H. When business needs require a non-exempt employee to work a holiday, the following rules of pay will be followed:
 - 1. The employee will receive holiday pay plus regular pay for the hours worked, or
 - 2. If mutually agreed to by the supervisor and employee, the employee may trade a day off during the same pay week for the holiday worked.
- I. A Part-Time employee will record holidays as follows:
 - 1. An eligible non-exempt Part-Time employee who is scheduled to work thirty or more hours per week will be eligible for 6 hours of pay for the holiday.
 - 2. An eligible non-exempt Part-Time employee who is scheduled to work less than thirty hours per week will be eligible for 4 hours of pay for the holiday.
 - 3. An eligible exempt Part-Time employee will be paid for the same proration of hours for the holiday as used to calculate the employee's regular prorated hours.
- J. An employee is responsible for properly coding time in accordance with the provisions of this policy.

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- K. An employee will generally not be hired on a holiday.
- L. Unless an employee works the holiday, it will not be paid as the first or last day of work.

Corporate Policy Provisions

- A. Nothing in this policy is intended to limit an employee's rights under the National Labor Relations Act (NLRA).
- B. If any of the provisions of this policy conflict with federal or state law, the provisions of the federal or state law prevail.
- C. If any of the provisions of this policy conflict with those of a collective bargaining agreement (CBA) for covered employees, the provisions of the CBA will prevail.
- D. All employees are expected to comply with this policy. Failure to do so may result in disciplinary action up to and including termination of employment.
- E. The existence of this policy does not create a contract or vested right of employment implied or otherwise. NorthWestern Energy is an at will employer in South Dakota, Nebraska, and Wyoming.
- F. NorthWestern Energy reserves the right to amend, terminate, or otherwise modify this policy at any time. The effect of any amendment or modification, however, will be prospective, not retroactive.