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## Statement of Policy

It is the policy of NorthWestern Energy to provide paid parental leave to eligible employees following the birth of an employee's child or the placement of a child with an employee in connection with adoption or foster care.

## Objective

The purpose of paid parental leave is to enable the employee to care for and bond with a newborn or a newly-adopted or newly-placed child. The objective of this policy is to define the terms and conditions used to deliver paid parental leave.

## Scope

This policy applies to each eligible employee for the birth, adoption or placement of foster children occurring on or after the date of hire or rehire as described below:

- A. A Regular Full-Time or Regular Part-Time employee is eligible for benefits from date of hire, except for those employees who are covered by a collective bargaining agreement that does not provide for the benefit.
- B. Temporary, Seasonal, and Limited Part-Time employees are not eligible to receive policy benefits.

In addition, eligible employees must be employed in a position eligible for policy benefits as of the date of the event and meet one of the following criteria:

- A. Be the legal parent of a newborn child or;
- B. Have adopted a child or been placed with a foster child (in either case, the child must be age 17 or younger). The adoption of a spouse's child is excluded from this policy.

## Definitions

- A. *Third Party Administrator*: Also referred to as a TPA, the business organization that performs administrative services for certain NorthWestern Energy leave benefits.
- B. *Leave Coordinator*: The NorthWestern Energy employee responsible for administering or coordinating certain leave benefits, including FMLA leave, Short Term Disability and Parental Leave.



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## Policy Provisions

### A. AMOUNT, TIMEFRAME AND DURATION OF PAID PARENTAL LEAVE

1. A Regular Full-Time employee who is eligible for paid parental leave will receive 100% of their base pay based on normally scheduled work hours, and benefits will be paid on a bi-weekly basis on regularly scheduled pay dates.
2. A Regular Part-Time employee who is eligible for paid parental leave will receive 100% of their base pay based on normally scheduled work hours, and benefits will be paid on a bi-weekly basis on regularly scheduled pay dates, subject to the provisions below.
3. Parents, adoptive parents and foster parents will receive a maximum of 3 weeks of paid parental leave per birth, adoption or placement of a child/children. The fact that a multiple birth, adoption or placement occurs (e.g., the birth of twins or adoption of siblings) does not increase the 3-week total amount of paid parental leave granted for that event. In addition, in no case will an employee receive more than 3 weeks of paid parental leave in a rolling 12-month period, regardless of whether more than one birth, adoption or foster care placement event occurs within that 12-month time frame.
4. Paid parental leave is *in addition to* any approved short term disability (STD) benefits associated with the birth and will commence at the conclusion of the approved STD period.
5. Parental leave will run concurrently with Family and Medical Leave (FMLA), if applicable. After any approved STD benefits (if applicable) and the paid parental leave are exhausted, the balance of FMLA leave will be compensated with all available Paid Time Off (PTO). If PTO is exhausted, any remaining FMLA-protected leave will be unpaid. Please refer to the FMLA policy for further guidance.
6. Approved parental leave must be taken in one week increments or may be taken in one continuous period of leave, and must be used during the 12-month period immediately following the birth, adoption or placement of a child with the employee. Paid parental leave may not be used or extended beyond this 12-month timeframe. Any unused paid parental leave will be forfeited at the end of the 12-month timeframe.
7. Upon termination of employment, an employee who was eligible for paid parental leave will not receive pay for any unused benefits.
8. Please refer to the Adoption Assistance policy for additional information about other employee benefits related to the adoption process.



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## B. REQUESTS FOR PAID PARENTAL LEAVE

An employee is responsible for:

- 1) Notifying the Third Party Administrator (TPA) of the need for leave.
- 2) Providing at least thirty (30) days written notice of the proposed leave to the supervisor and the Leave Coordinator, when the need for leave is foreseeable. If advance notice is not possible due to circumstances beyond the employee's control, notice should be given as soon as possible. Failure to give advance notice where foreseeable may preclude or delay approval of the leave.
- 3) Providing documentation as requested or required by the TPA, to substantiate your request for leave.
- 4) Proactively communicating with the supervisor to provide periodic status updates regarding anticipated absences and return to work.
- 5) Not engaging in any form of self-employment or performing work for any other employer during parental leave, except when:
  - i. the leave is for military or public service, or
  - ii. the employment has been approved consistent with the guidelines of outside or secondary employment set forth in the Code of Conduct and Ethics, and the employee's reason for leave does not preclude outside employment.
- 6) Accurately recording approved parental leave according to regularly scheduled work hours.
- 7) An employee who does not cooperate and comply with these responsibilities may forfeit their right to the benefit.

## 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.



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- 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.

## Additional Resources

- A. [How to File a Leave Request and/or Short Term Disability Claim](#)
- B. [Employee Rights under the Family and Medical Leave Act](#)
- C. [Short Term Disability Income Benefit Plan](#)
- D. [Family and Medical Leave Act \(FMLA\) policy](#)
- E. [Paid Time Off policy](#)
- F. [Adoption Assistance policy](#)
- G. [NorthWestern Energy Code of Conduct and Ethics](#)