

1 **Reference: Korn Ferry Report, Table 2, p. 9.**
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- 3 **Q.** a) **Please expand Table 2 to include the same data from 2020–2024, by year.**
4 b) **Please provide the details for Newfoundland Power’s Long-Term Incentive**
5 **Programs, including target, minimum and maximum eligible payouts used by**
6 **Korn Ferry to evaluate Newfoundland Power’s total remuneration and total**
7 **direct compensation packages.**
8 c) **In Korn Ferry’s opinion, how does the purpose of the Long-Term Incentive**
9 **Program differ from the Short-Term Incentive Program?**
10 d) **Korn Ferry notes on page 4 that “As such, NFP average Target Total Direct is**
11 **4% below market median (P50).” In Korn Ferry’s view, what is the correlation**
12 **between Newfoundland Power’s positioning of Target Total Direct**
13 **compensation, and the Total Cash compensation offered by Newfoundland**
14 **Power?**
15
- 16 **A.** a) Korn Ferry has not been engaged by Newfoundland Power to provide Total
17 Remuneration market analysis annually between 2020 and 2024 as exhibited in Table
18 2 page 9. This is outside of Korn Ferry’s current scope of work.
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- 20 b) Newfoundland Power’s 2024 LTI Program has two components including
21 Performance Share Units and Restricted Share Units, both of which are tied to Fortis
22 Inc. common shares in unit value. Newfoundland Power provided Korn Ferry with
23 the target value of the two awards at grant time. The Korn Ferry Report only
24 considered the value at grant time without any estimates of future payouts.
25 Discussion of Newfoundland Power’s LTI is provided in its Annual Information
26 Form. LTI is not recovered from Newfoundland Power’s customers.
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- 28 c) This request is outside of Korn Ferry’s current scope of work. Details of
29 Newfoundland Power’s incentive programs are discussed and disclosed in its Annual
30 Information Form.
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- 32 d) In Korn Ferry’s opinion, Newfoundland Power in aggregate was reasonably close to
33 the market median or P50 level for both Target Total Cash and Target Total Direct.