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# POWERING VIBRANT AND VIABLE COMMUNITIES

NISOURCE 2024 SUSTAINABILITY REPORT





A MESSAGE FROM OUR CHIEF EXECUTIVE OFFICER

# Sustainability Is Our Business Strategy

At NiSource, sustainability helps to define our success. It is an unwavering part of our overall strategy which helps to mitigate business risks, maintain environmental accountability and spur our emergence as pioneering thinkers in an evolving energy sector.

NiSource's 2024 Sustainability Report, *'Powering Vibrant and Viable Communities,'* outlines how sustainability practices are effectively being used to help the company carry out its vision as an "innovative and trusted energy partner." This report describes how embracing sustainability has helped NiSource grow more efficient and resilient in three distinct ways:

- ▶ Being Environmental Stewards
- ▶ Driving Operational Excellence and Safety
- ▶ Aligning Innovation to Meet Customer Needs

For example, in 2024, NiSource continued progress toward a goal of achieving net zero greenhouse gas (GHG) emissions from our operations by 2040, having reduced these emissions by approximately 72% from 2005 levels.

*Lloyd Yates*

PRESIDENT AND  
CHIEF EXECUTIVE OFFICER  
NISOURCE INC.

Additionally, NiSource retained its certification for the American Petroleum Institute Recommended Practice (API RP) 1173, one of only two utilities in the world with this conformance certification. And received the ISO 55001 international certification for asset management systems from LRQA, a leading provider of engineering and technology services, underscoring our commitment to innovation and safety.

And the company continued modernizing its natural gas distribution system by targeting gas lines made from materials like cast iron and bare steel, retiring 184 miles of natural gas pipeline and installing 288 miles of new pipeline. These actions are intended to facilitate safe and reliable energy delivery to customers.

Integrating these and other sustainability practices into our day-to-day operations is purpose driven and part of our strategy for long-term viability. It is a way for us to remain steadfast and accountable to our stakeholders, including investors, our employees, the communities we serve and our customers.

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COMPANY PROFILE

100% REGULATED GAS AND ELECTRIC UTILITY  
SERVING CUSTOMERS ACROSS SIX STATES

**~3.3M**

NATURAL GAS CUSTOMERS

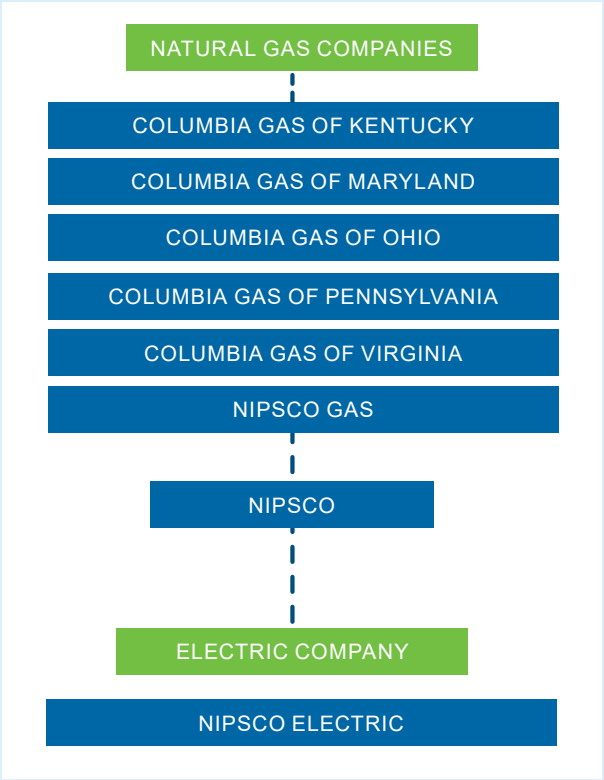
**~500K**

ELECTRIC CUSTOMERS

**SIGNIFICANT SCALE  
ACROSS 6 STATES**

**9-11%**

COMPELLING EXPECTED ANNUAL TOTAL  
SHAREHOLDER RETURN PROPOSITION  
(TOTAL SHAREHOLDER RETURN ASSUMES CONSTANT PRICE/  
EARNINGS RATIO AND 3% DIVIDEND YIELD)



## A MESSAGE FROM OUR EVP &amp; PRESIDENT OF GROUP UTILITIES

# Charting a Sustainable Path Forward

For decades, NiSource has recognized sustainability as a promising tool to drive the company's growth. Today, this promise is fully realized as seven key sustainability goals are integrated into NiSource's business strategy.

NiSource's commitment to sustainability is embedded in its business strategy and is reflected in the following goals:

- **Emphasizing safety as a core value**
- **Promoting strong, stable communities**
- **Being responsible stewards of the environment**
- **Implementing customer-focused solutions**
- **Valuing and respecting our employees**
- **Engaging a sustainable approach**
- **Delivering value to shareholders**

NiSource's 2024 Sustainability Report, *Powering Vibrant and Viable Communities*, showcases the company's continued progress toward achieving its sustainability goals. For example:

- **Emphasizing Safety:** NiSource continued to use ManageDamage, a model that allows for faster response to

high-priority, safe digging 811 tickets. In 2024, NiSource recorded 44,894 customer interactions and shared safe digging public awareness messages at 266 schools, reaching 1,100 teachers and more than 16,000 students.

- **Community Support:** In 2024, the NiSource Charitable Foundation awarded over \$7.8 million in grants to more than 700 non-profit organizations across the company's six-state footprint. And employees performed more than 5,300 volunteer hours raising over \$100,000 in matching funds for their chosen nonprofit.

- **Environmental Stewardship:** In 2024, we launched a sheep grazing pilot in Indiana, successfully combining solar energy with sustainable agriculture. Sheep grazed 100 acres of vegetation on land with solar panels, managing vegetation without herbicides, reducing gas-powered mowing and improving panel efficiency.

- **Customer Solutions:** We adopted Copperleaf analytics software to evaluate 367 locations where our gas distribution lines, and other assets crossed water bodies. This helps us to proactively prepare for weather-

related events that may impact service to our customers.

- **Employee Engagement:** In addition to talent development and retention programs, NiSource encourages its employees to be active in their communities, supporting outreach partnerships that benefit education, general well-being, workforce training and more.

- **Sustainability Approach:** NiSource was named to the 2024 Dow Jones Best-In-Class Indices, formerly the Dow Jones Sustainability Indices, marking the 11th consecutive year the company has earned the recognition.

- **Shareholder Value:** For fiscal year 2024, NiSource delivered a total shareholder return of approximately 40%, which demonstrates differentiated value from its peers.

These initiatives demonstrate how sustainability is not just a goal but a guiding principle at NiSource — central to our strategy and essential to our long-term success.



*Melody Birmingham*

EXECUTIVE VICE PRESIDENT  
& PRESIDENT GROUP UTILITIES  
NISOURCE INC.



# 2024 Company Highlights & Awards

CONTINUED PROGRESS TOWARD A GOAL OF ACHIEVING NET ZERO GREENHOUSE GAS (GHG) EMISSIONS FROM NISOURCE OPERATIONS BY 2040 — ALSO REFERRED TO AS SCOPE 1 AND SCOPE 2 EMISSIONS. AS OF THE END OF 2024, NISOURCE HAD REDUCED THESE GHG EMISSIONS BY APPROXIMATELY 72% FROM 2005 LEVELS.

COMPLETED CAVALRY SOLAR, THE THIRD SOLAR PROJECT IN NIPSCO'S RENEWABLE GENERATION MIX, WHICH IS A CRUCIAL STEP IN ADVANCING NIPSCO'S ENERGY GENERATION TRANSITION PLAN TO PROVIDE SUSTAINABLE, COST-EFFECTIVE AND RELIABLE ENERGY NOW AND INTO THE FUTURE.



RECEIVED REGULATORY APPROVAL FOR FULL OWNERSHIP OF BOTH GIBSON AND FAIRBANKS SOLAR, WHICH WILL LOWER COSTS FOR CUSTOMERS.

RETIRED 184 MILES OF PRIORITY NATURAL GAS PIPELINE AND INSTALLED 288 MILES OF REPLACEMENT PIPELINE.

REPLACED OR INSTALLED 24 MILES OF UNDERGROUND ELECTRIC LINES, 1,240 ELECTRIC POLES AND 62 DISTRIBUTION AUTOMATION VIPER SWITCHES.

UPGRADED 12 ELECTRIC SUBSTATIONS AND REBUILT 17 ELECTRIC CIRCUITS.

SURVEYED 33,000 MILES OF NATURAL GAS PIPELINE WITH ADVANCED MOBILE LEAK DETECTION TECHNOLOGY. THIS REPRESENTS MORE THAN 62% OF NISOURCE'S TOTAL LENGTH OF GAS PIPELINES.



INCREASED EMPLOYEE POPULATION OF FEMALES BY 7% AND PEOPLE OF COLOR BY 12% IN 2024.

SPENDING WITH DIVERSE SUPPLIERS INCREASED TO 23.6%, KEEPING NISOURCE ON PACE FOR ITS TARGET OF 25% DIVERSE SUPPLIER SPEND BY 2025.

DECREASED MOBILE DEVICE USAGE IN VEHICLES BY 61% AND REDUCED NO-SEATBELT EVENTS BY 88%.

NISOURCE ACHIEVED TWO INTERNATIONAL CERTIFICATIONS FOR BEST-IN-CLASS OPERATIONAL STANDARDS FOR GAS OPERATIONS: ISO 55001 AND API RP 1173 AWARDED BY LRQA, A LEADING PROVIDER OF ENGINEERING AND TECHNOLOGY SERVICES.



## AWARDS

- Named to the 2024 Dow Jones Best-In-Class Indices (formerly the Dow Jones Sustainability Indices), marking the 11th consecutive year the company has earned the recognition.
- Received an AAA rating from MSCI. NiSource is listed among the top 11% best-scoring companies (effective May 2024) within the MSCI All Country World Index (ACWI) Utilities Index.
- Reaffirmed to the FTSE4Good Index Series.
- NIPSCO, Columbia Gas of Ohio, Columbia Gas of Kentucky and Columbia Gas of Virginia were named among the most trusted utility brands by Escalent, following its 2024 Cogent Syndicated Residential study.
- NIPSCO and Columbia Gas websites were ranked by E Source among the top utility websites overall out of 93 utilities surveyed.
- Columbia Gas of Maryland earned the 2024 AGA Safety Achievement Award for the use of Leading Indicators in the Small Local Distribution Company category.
- Received Chartwell, Inc.'s Silver Award for Excellence in Billing and Payment Programs, recognizing NiSource's data-driven customer engagement strategy that leverages proactive outreach via customers' preferred communications channel.
- Ranked on Forbes' List of America's Best Employers for Women 2024. This is the third year NiSource has ranked in the top ten among utilities.
- Selected as a 2024 Campus Forward Award Winner for the company's commitment to seeking out and hiring early career talent and investments in nurturing and retaining the next generation of diverse talent.
- In 2024, NiSource was recognized with the ISO 55001 Certification from LRQA.

## Our Strategy

THE USE BY NISOURCE INC. OF ANY MSCI ESG RESEARCH LLC OR ITS AFFILIATES ("MSCI") DATA, AND THE USE OF MSCI LOGOS, TRADEMARKS, SERVICE MARKS, OR INDEX NAMES HEREIN, DO NOT CONSTITUTE A SPONSORSHIP, ENDORSEMENT, RECOMMENDATION, OR PROMOTION OF NISOURCE INC. BY MSCI. MSCI SERVICES AND DATA ARE THE PROPERTY OF MSCI OR ITS INFORMATION PROVIDERS AND ARE PROVIDED "AS-IS" AND WITHOUT WARRANTY. MSCI NAMES AND LOGOS ARE TRADEMARKS OR SERVICE MARKS OF MSCI.



# Sustainability Commitments

In 2024, guided by its public-facing policy commitments to safety, customers, communities, employees, shareholders and sustainability, NiSource marked the following progress toward its sustainability goals:

## COMMITMENT TO SAFETY AS A CORE VALUE

**Long-Term Goal: TOP DECILE (2026)**

2024 ACTUAL/TARGET: Recordable Incidents: **0.91/0.98** PVC: **1.35/1.46** DART: **0.59/0.57**  
RECORDABLE INCIDENTS & PVC: 1ST QUARTILE DART: 2ND QUARTILE

## PROMOTE STRONG, STABLE COMMUNITIES

**Long-Term Goal: TOTAL DIVERSE SUPPLIER SPEND OF 25% BY 2025** 2024 ACTUAL/TARGET: **23.6%\*/22%**

## STEWARD THE ENVIRONMENT

**Long-Term Goal: NET ZERO SCOPE 1 AND 2 BY 2040**

ACTUAL: **72%** Scope 1 and 2 GHG reduction from 2005 baseline

**Goal: 800 LARGE VOLUME LEAKS (LVL) MITIGATED** ACTUAL: **1,132** LVL mitigated

## IMPLEMENT CUSTOMER-FOCUSED SOLUTIONS

**Long-Term Goal: 75% “SATISFIED” CUSTOMERS (CSAT) BY 2027** 2024 ACTUAL/TARGET: **72.8%/71.5%**

## ENSURE AN ENGAGED, ALIGNED AND TRANSPARENT SUSTAINABILITY APPROACH

**Long-Term Goal: TOP QUINTILE ESG RATINGS**

2024 TARGET: **TOP QUARTILE** ESG RATINGS ACTUAL: **83rd PERCENTILE**

## VALUE AND RESPECT EMPLOYEES

**Long-Term Goal: 82% EMPLOYEE ENGAGEMENT BY 2026**  
2024 ACTUAL/TARGET: **83%/79%**

## DELIVER SHAREHOLDER VALUE

**Long-Term Goal: 6-8% ANNUAL GROWTH (2024-2028)**  
ACTUAL/TARGET: **\$1.75\*/(\$1.70-\$1.74)**

\*FOR THE NON-GAAP ADJUSTED EARNINGS PER SHARE, SEE SCHEDULE 1 IN THE APPENDIX OF THIS REPORT FOR THE RECONCILIATION FROM GAAP TO NON-GAAP.



A close-up photograph of a bumblebee on a purple flower spike. The bee is positioned on the left side of the spike, facing right. The flower spike is composed of many small, purple, tubular flowers. In the background, there are other plants, including a cluster of bright yellow flowers on the left and various green foliage. A semi-transparent blue rectangle is overlaid on the center of the image, containing the text "THE NISOURCE SUSTAINABILITY STORY" in white, uppercase letters.

# THE NISOURCE SUSTAINABILITY STORY

# A History of Sustainability

Sustainability has long been a cornerstone at NiSource, where the commitment to sustainability spans decades dating back to the 1990s. By 2010, sustainability had been integrated into the company’s governance and strategy. The NiSource Sustainability Policy, effective March 2010, demonstrated a focus to promote strong communities, provide customer-focused solutions, engage environmental stewardship, and offer transparency. And in that same year NiSource published its first Sustainability Report with a theme of “Building Sustainable Value.”

Since that time, this business strategy — focused on providing safe and reliable service through rate-regulated, asset-based utilities, with the goal of adding value for all stakeholders — has enabled NiSource to become a leader in sustainability while creating shared value with its customers. NiSource’s operating companies continue to advance core safety, infrastructure and environmental investment programs, supported by complementary regulatory and customer initiatives across its six-state footprint. Along with a focus on safety and reliability, other strategies include enhancing customer experience and pursuing favorable regulatory and legislative initiatives that prioritize energy accessibility, affordability and reducing emissions.

Specifically, shared value is apparent in the company’s investment of approximately \$4 billion in renewable and natural gas generation from 2020 to 2027, implementing numerous environmental controls at its generating stations and retiring more than 2,000 miles of priority pipeline on natural gas systems since 2017. These investments have helped deliver safe, reliable energy and drive tremendous environmental improvements.

## ALL 2025 ENVIRONMENTAL IMPROVEMENT TARGETS ACHIEVED

	PROGRESS THROUGH 2024 (% reduction from 2005 levels)	2025 TARGET (% reduction from 2005 levels)
NISOURCE GHG EMISSIONS (SCOPE 1)	72%	50%
METHANE EMISSIONS (MAINS AND SERVICES)	50%	50%
NOx EMISSIONS	94%	90%
SO2 EMISSIONS	99%	90%
MERCURY EMISSIONS	96%	90%
WATER WITHDRAWAL	93%	90%
WATER DISCHARGE	94%	90%
COAL ASH GENERATED	80%	60%

Shared value is also apparent in NiSource’s electric generation strategy. Our electric generation transition, initiated through a 2018 Integrated Resource Plan (IRP) at NIPSCO — a NiSource operating company — is underway. The 2024 IRP supports the retirement of NIPSCO’s two coal-fired units, R.M. Schahfer Generating Station by the end of 2025 and Michigan City Generating Station by the end of 2028, and to replace the energy production from both with lower-cost, reliable and cleaner options.



NIPSCO's 2024 IRP was submitted to the Indiana Utility Regulatory Commission and informs future generation investments required to ensure reliability for NIPSCO's customers. Other factors include anticipated load growth from data centers and other economic development opportunities, new emissions rules from the EPA and evolving resource accreditation rules for the electric grid. The 2024 IRP was informed through a public forum that included five stakeholder advisory meetings and participation from customers, consumer representatives, environmental organizations and other stakeholders. The plan also keeps NiSource on track to achieve net zero Scope 1 and Scope 2 emissions by 2040.

## ROBUST RENEWABLE INVESTMENTS IN INDIANA

BUILD TRANSFER AGREEMENT (BTA) PROJECTS		CAPACITY	IN-SERVICE <sup>1</sup>	OWNERSHIP STRUCTURE	NIPSCO INVESTMENT (\$M)	STATUS
B	Rosewater Wind	100MW	2020	Tax Equity JV*	~\$1.0B (In Rate Base)	Complete
B	Indiana Crossroads Wind	300MW	2021	Tax Equity JV		
A	Dunns Bridge I Solar	265MW	2023	Tax Equity JV		
B	Indiana Crossroads Solar	200MW	2023	Tax Equity JV		
	Transmission Projects	N/A	2023	Full Ownership		
B	Cavalry Solar + Storage	200MW + 45MW	2024	Full Ownership	~\$2.6B <sup>2</sup>	Construction
A	Dunns Bridge II Solar + Storage	435MW + 56MW	2025	Full Ownership		
E	Fairbanks Solar	250MW	2025	Full Ownership		
F	Gibson Solar	200MW	2025	Full Ownership		
C	Templeton Wind <sup>3</sup>	200MW	2027	Full Ownership		
Total					~\$3.6B	

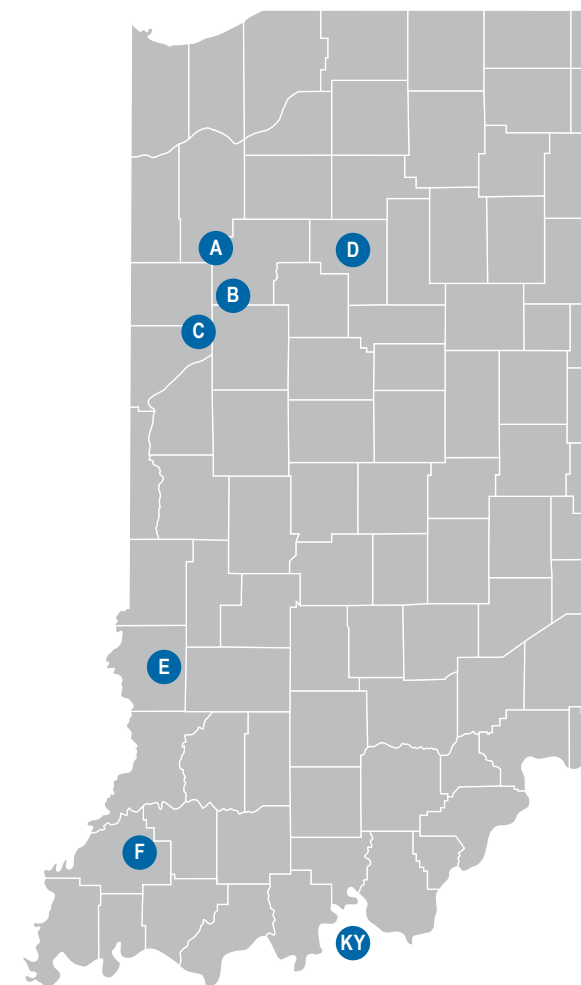
\* JV: JOINT VENTURE

POWER PURCHASE AGREEMENT (PPA) PROJECTS		CAPACITY	IN-SERVICE	STATUS
C	Jordan Creek Wind	400MW	2020	Complete
B	Indiana Crossroads II Wind	200MW	2023	Complete
KY	Green River Solar	200MW	2025	Construction
A	Carpenter Wind	200MW	2025	Construction
D	Appleseed Solar	200MW	2025	Construction

<sup>1</sup> REPRESENT ANTICIPATED IN-SERVICE TIMING FOR PROJECTS IN CONSTRUCTION AND PRE-CONSTRUCTION STATUSES.

<sup>2</sup> INVESTMENT AMOUNTS REPRESENT BASE CAPITAL PLAN ONLY. ASSUMES FULL OWNERSHIP OF THE CAVALRY, DUNNS BRIDGE II PROJECTS AND OWNERSHIP THROUGH TAX EQUITY JOINT VENTURES FOR THE FAIRBANKS AND GIBSON PROJECTS.

<sup>3</sup> SUBJECT TO REGULATORY APPROVAL.





Shared value extends beyond electric generation to transformational projects on NiSource's electric and natural gas systems that are helping to deliver safe, reliable energy — such as grid modernization, advanced metering infrastructure (AMI), and advanced leak detection and repair.

Stakeholders have consistently recognized NiSource's sustainability progress and performance. NiSource has been named to the Dow Jones Best-In-Class Indices (formerly the Dow Jones Sustainability Indices) for 11 consecutive years, received an AAA rating from MSCI for three consecutive years, and the Sierra Club has lauded the company with an A grade for its generation transition for four consecutive years. This recognition is a testament to NiSource's longstanding resolve to be accountable environmental stewards with a mission to deliver safe, reliable energy that drives value to customers.

# Engaging Communities for Energy Transition

The 2018 NIPSCO IRP announced plans to retire coal-fired power plants and move to the most cost-efficient electric supply mix available while maintaining reliability, diversity and flexibility for technology and market changes for the emergence of renewable energy generation. NIPSCO committed to siting these new renewable energy projects within its electric service territory, wherever feasible.

It was apparent that significant impacts, including loss of jobs and a reduced tax base, would be felt particularly hard in Jasper County, Ind. This is home to NIPSCO's largest coal-fired power plant, the R.M. Schahfer Generating Station. To address these concerns and mitigate impact, NIPSCO met monthly with Jasper County commissioners to provide updates.

In 2020, NIPSCO negotiated an agreement with NextEra Energy to construct the Dunns Bridge I and Dunns Bridge II solar facilities in Jasper County, near the R.M. Schahfer Generating Station. These projects are expected to generate \$59 million in additional tax revenue for Jasper County over the life of the projects and provide up to 300 jobs during construction. Part of the agreement with NextEra Energy created a pathway for NIPSCO and its union to transition some coal plant employees to jobs at the Dunns Bridge facilities sites.

## Other provisions and details of the NextEra agreement included:

- ▶ Upon completion of the project, NextEra would be required to improve local roads used during construction to a better condition than when the project began. This led to the paving of some roads that were previously unpaved.
- ▶ Economic development payments to Jasper County totaling \$3,783,000, to be paid in equal installments in 2025, 2026 and 2027.

Commercial operation of Dunns Bridge I began in August 2023, and Dunns Bridge II in January 2025. NIPSCO was granted full ownership of Dunns Bridge II by the Indiana Utility Regulatory Commission in 2024. This allows the company to leverage provisions of the Inflation Reduction Act, including additional federal tax credits and the ability to sell tax credits to other parties, both of which directly benefit customers.



# Agrivoltaics and Solar Grazing

## POWERING CLEAN ENERGY AND FARMING

In 2024, NIPSCO conducted a sheep grazing pilot project at Dunns Bridge I, combining solar energy with sustainable agriculture. Sheep grazed among the solar panels on 100 acres, helping manage vegetation naturally while breathing new life into the agricultural history of the land.

The pilot taught valuable lessons: Rotational grazing minimizes conflicts with solar technology, predator control is critical and strong community engagement ensures public understanding. Observant farmers also assist by boosting security and reducing vandalism risks.

Following the successful pilot project at Dunns Bridge Solar, NIPSCO launched a bold new strategy at Cavalry Solar, investing directly in purchasing the starter flock, providing sheep handling equipment and access to water while partnering with an experienced farmer to run the program. The farmer takes the lead in maintaining healthy flocks, managing breeding and veterinary care, implementing grazing plans and providing livestock guardian dogs for predator protection. Together, this partnership builds a sustainable future for farming and energy.

Economically, the program creates a new synergy between agriculture and energy production. Farmers benefit from an additional income stream based on lamb production, rather than relying on grazing service contracts. This promotes greater local economic resilience and sustainability.

Now scaling to 1,000 acres — with future expansion possible — this model demonstrates that solar grazing is both sustainable and scalable. Farmers earn from lamb production while NIPSCO drives its operations and maintenance costs down to near zero.

Solar grazing creates powerful circularity benefits. It optimizes land use, manages vegetation without herbicides, regenerates soil health through natural manure deposits and lowers the carbon footprint by reducing gas-powered mowing. Grass is then turned into high-quality protein, generating new revenue for farmers. Solar grazing is more than a land management strategy — it's a blueprint for a cleaner, stronger and more resilient future.

Solar Grazing is more than a land management strategy —  
it's a blueprint for a cleaner, stronger and more resilient future.





## CAVALRY SOLAR SHEEP PROJECT

The Cavalry Solar Sheep Project is a partnership between NIPSCO and Schroeder Grazing, combining solar energy production with sustainable sheep grazing. Sheep help maintain grass under the panels while Schroeder Grazing manages flock health, daily rotations and site welfare. Electric fencing and livestock guardian dogs ensure animal safety and security. Rotational grazing improves soil health and minimizes manure buildup, while special care is taken during lambing season. Clear signage and strict gate protocols help keep the site safe and efficient.





# NIPSCO's Integrated Resource Plan

NIPSCO presents an Integrated Resource Plan (IRP) to the Indiana Utility Regulatory Commission (IURC) every three years. NIPSCO's IRP lays out the best path to meet the energy needs of its electric customers for the next 20 years.

The 2024 IRP outlined a path that keeps customers' best interests at the forefront. As new demand comes onto the system and as regulations continue to evolve, NIPSCO is maintaining flexibility to ensure appropriate generation resources are available to meet the reliability and energy needs of its electric customers.

Several key themes shaped the way NIPSCO approached the development of its preferred plan and the supporting analysis. These included a focus on:

- ▶ **Long-Term Planning with Intermittent Resources**, particularly associated with understanding the system reliability implications of intermittent resources under Midcontinent Independent System Operator (MISO)'s new Direct Loss of Load market construct.
- ▶ **Carbon Emissions and Environmental Policy Trends**, including assessment of diverse portfolio options and NiSource's goal to achieve net zero greenhouse gas emissions by 2040.
- ▶ **Flexibility & Adaptability** of the Portfolio to meet potential new sources of load growth (particularly from data centers) in the NIPSCO territory while still planning to meet the needs of all NIPSCO customers.

**WHEN DETERMINING A PREFERRED  
PORTFOLIO AND SHORT-TERM ACTION PLAN  
FOR THE 2024 IRP, NIPSCO IDENTIFIED FIVE  
MAJOR PLANNING OBJECTIVES TO HELP  
DETERMINE THE BEST PATH FORWARD:**



## Affordability

INDICATOR: COST TO CUSTOMER

## Rate Stability

INDICATORS: COST CERTAINTY, COST RISK,  
LOWER COST OPPORTUNITY

## Environmental Sustainability

INDICATOR: CARBON EMISSIONS

## Reliable, Flexible, and Resilient Supply

INDICATOR: RELIABILITY, FLEXIBILITY

## Positive Social and Economic Impacts

INDICATOR: LOCAL INVESTMENT IN ECONOMY

Overall, the 2024 IRP reflects the dynamic changes taking place in the electric industry, the changing needs and behaviors of customers, and evolving policy and market rules. The 2024 IRP captured this evolving environment and creates a highly flexible plan that achieves the following:

SEVEN KEY OBJECTIVES OF THE FIVE PILLARS	
1	Maintains the window to retire all remaining coal-fired generation by 2028, with the largest remaining plant retiring by 2025.
2	Replaces aging gas peaking units by 2027.
3	Continues replacement of retiring generation resources with a diverse, flexible and scalable mix of incremental resources. This includes short-term contracted capacity resources, expanded demand side management programs, solar, large battery storage and new natural gas peaking resources.
4	Prepares for potential hyperscaler data center load with a combination of baseload and peaking natural gas generation, battery storage and renewable capacity.
5	Explores potential alternatives on the path toward further decarbonization of the generation portfolio, including hydrogen generation, carbon capture and emerging energy storage technologies.
6	Positions the portfolio to meet reserve margin obligations associated with MISO's new Direct Loss of Load (D-LOL) market construct. This will materially impact resource accreditation and NIPSCO's seasonal load obligation.
7	Provides flexibility for pathways to achieve net zero emissions for Scope 1 and Scope 2 emissions by 2040 based on potential future technological developments.





TIMING	NEAR TERM ACTIONS (2025-2029)	MID-TERM ACTIONS (2030-2034)	LONG TERM ACTIONS (BEYOND 2035)
RETIREMENTS	<ul style="list-style-type: none"> <li>Schahfer Units 17, 18 (by 2025)</li> <li>Schahfer Units 16A, 16B (by 2027)</li> <li>Michigan City Unit 12 (by 2028)</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>	<ul style="list-style-type: none"> <li>N/A</li> </ul>
PREFERRED PLAN-CAPACITY ADDITIONS	<ul style="list-style-type: none"> <li>Storage (900+MW)*</li> <li>Thermal Contracts (150-350MW)*</li> <li>DSM Resources (Up to 440MW over 20 Year Period)*</li> </ul> <b>2,600MW Data Center Load</b> <ul style="list-style-type: none"> <li>Gas CCGT (1,285MW)</li> <li>Gas Peaking (420MW)</li> </ul>	<ul style="list-style-type: none"> <li>Storage (125MW)*</li> <li>Wind (150-650MW)*</li> </ul> <b>2,600MW Data Center Load</b> <ul style="list-style-type: none"> <li>Solar (750MW)</li> <li>Gas CCGT (1,950MW)</li> <li>Gas Peaking (200MW)</li> </ul>	<ul style="list-style-type: none"> <li>Storage (25MW)*</li> <li>Wind (250-900MW)*</li> <li>Sugar Creek Retrofit - Hydrogen*</li> </ul> <b>2,600MW Data Center Load</b> <ul style="list-style-type: none"> <li>Solar (525MW)</li> <li>CCGT Retrofits - CCUS</li> </ul>
OTHER ACTIVITIES	<ul style="list-style-type: none"> <li>Monitor changing regulatory policy (MISO, EPA, local) and technology advancements</li> </ul> <hr/> <ul style="list-style-type: none"> <li>Previously planned additions: <ul style="list-style-type: none"> <li>- 1,700MW Renewables</li> <li>- 400MW Gas Peaker</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Reevaluate decarbonization options including CCUS, H2 and other emerging technologies for best fit</li> </ul> <hr/> <ul style="list-style-type: none"> <li>Add renewables as needed to support higher energy needs</li> </ul>	<ul style="list-style-type: none"> <li>Implement most cost - effective retrofits</li> </ul> <hr/> <ul style="list-style-type: none"> <li>Determine final steps to achieve Net Zero</li> </ul>

# Grid Modernization and Safety

## GROUND GRID TESTING

NIPSCO has implemented a ground grid testing program for its Transmission and Distribution substations. This program evaluates the performance and design of the grounding system for its existing assets and is important to ensure the safety of the people working near this high-voltage equipment. This will also help ensure the substation assets have a good path to ground for any faults that occur. Without a good path, equipment life is shortened or ended, affecting system reliability.

## GRID HARDENING – STEEL STRUCTURES

NIPSCO is transitioning from using all wood poles to steel for its sub-transmission circuit design. Steel structures have a longer lifespan, require less maintenance and are more resistant to damage from outside influences like weather or insects. This engineering design change will increase the sub-transmission system's resiliency against severe weather.

## GRID MODERNIZATION

NIPSCO is continuing to roll out a series of strategic initiatives designed to modernize its electric system. The distribution automation program aims to break up the high densities of customers on a circuit through sectionalization. This will automatically lower the number of customers affected in any given event, communicate back to NIPSCO operations that there is an interruption and help identify the most likely location of the outage cause. NIPSCO currently has deployed over 220 reclosers onto distribution circuits. These reclosers combined with the substation automation equipment have contributed to an 8% savings in SAIFI or approximately 40,000 customers being saved from experiencing an outage in 2024.



*Aged NIPSCO sub-transmission substation to be evaluated for ground grid deterioration.*



*Steel mono-poles awaiting installation outside of Marktown Substation in Lake County, Indiana.*



*Distribution Automation controlled Viper Recloser.*

## ELECTRIC ADVANCED METERING INFRASTRUCTURE

In addition to distribution automation, NIPSCO has also continued to deploy AMI meters, which further improves visibility on its system. With more accurate and timely billing, these investments expand operators’ real-time system visibility, thus reducing response and restoration time. The data gained through the AMI system will also be key in more accurately measuring customer load growth. This improves NIPSCO’s ability to plan and prepare its distribution system for future demands such as electric vehicles and electrification.

### ELECTRIC – OUR PROGRESS

KEY ASSET RISK PROGRAMS	2024 UNIT TARGET	2024 PERFORMANCE
ADVANCED METERING INFRASTRUCTURE (AMI) SMART METERS	100,000	92%
BREAKER RECLOSER REPLACEMENTS	65	140%
CIRCUIT REBUILD (MILES)	40	83%
DISTRIBUTION AUTOMATION	56	111%
STEEL GROUNDLINE AND AERIAL INSPECTION/LIFE EXTENSION (STRUCTURES)	267	104%
WOOD POLE INSPECTIONS/ LIFE EXTENSIONS (INSPECT, TREAT AND/OR REPLACE POLES)	19,296	148%





# Natural Gas Infrastructure Modernization and Safety

## RISK REDUCTION FRAMEWORK

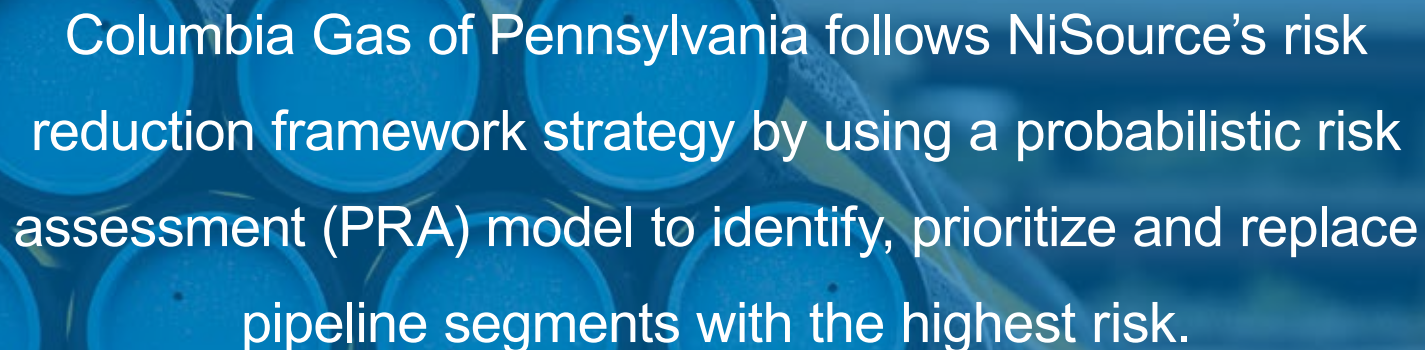
NiSource has partnered with Copperleaf, a leader in decision analytics software, to further drive risk reduction across its footprint. Utilizing Copperleaf's value asset framework, NiSource will optimize asset replacement plans, maximize allocation of resources and accelerate risk reduction more effectively.

In 2024, NiSource expanded the assessment of weather-related threats to its distribution system. Specifically, NiSource assessed 367 locations where gas distribution lines and other assets crossed water bodies to determine locations of land movement or exposures.

Additionally, regulator stations situated in flood plains areas were identified to enhance the company's ability to respond to instances of high rain and flooding emergencies. The results of the assessments and data collected are being evaluated to enhance risk model maturity.

## FIRST GENERATION PLASTIC

In 2022 Columbia Gas of Pennsylvania was the first natural gas utility in the state to amend its Long-Term Infrastructure Improvement Plans to include the replacement of older plastic pipes, (also referred to as first-generation plastic). Subsequently, the Pennsylvania Public Utility Commission (PA PUC) asked all Pennsylvania gas utility operators to amend their infrastructure replacement plans to accelerate the replacement of first-generation plastic. The PA PUC noted that the replacement of first-generation plastic promotes safe and reliable service by mitigating known risks associated with first-generation plastic.



Columbia Gas of Pennsylvania follows NiSource's risk reduction framework strategy by using a probabilistic risk assessment (PRA) model to identify, prioritize and replace pipeline segments with the highest risk.

## STORAGE (WELL LOGGING AND RISK MANAGEMENT PROGRAM)

The NiSource Well Logging and Risk Management Programs (RMP) utilize NiSource’s risk reduction framework outlined in API RP 1171, as well as both state and federal guidelines. The Risk Management Program (RMP) is a structured process that evaluates overall risk of storage assets, including wells, downhole equipment and wellheads. The RMP process evaluates and assigns risk based on known and identified threats to the well. This documented process enables company personnel to make systematic risk-based assessments of storage assets, including the need for immediate mitigations.

The RMP process also documents the decision-making process for the timely asset revaluation based on the likelihood and consequence of failure. Well logs are an integral component of the RMP. The well logging process helps evaluate the well’s ability to isolate and contain the natural gas in the storage reservoir by evaluating corrosion on the steel well casing (similar to pipeline inline inspection), the seal between the steel casing and the reservoir rock, and the containment of natural gas inside the storage zone. Cement is pumped to seal the steel casing to the reservoir rock during the drilling of the well. The quality of the cement is integral in determining the overall integrity of the storage well.

## GAS INTERNATIONAL ORGANIZATION FOR STANDARDIZATION (ISO) CERTIFICATION

The NiSource Asset Management and Operational Excellence teams pursued and achieved certification for ISO 55001 for NiSource. This ISO standard details the criteria required for establishing, implementing, maintaining and improving asset management.

The certification process included a deep dive into the asset/system life cycle and required participation from every sector of NiSource’s organization. Beyond the in-office reviews of policies, standards and plans, the third-party assessor also executed field visits with NiSource crews to ensure there was sufficient evidence of the asset management system in action. This initiative also allowed NiSource to gain perspective on where it sits compared to its industry partners, providing actionable items to mature its practices.

### INFRASTRUCTURE REPLACEMENT

A safe natural gas and electric system requires investments to modernize, maintain and upgrade infrastructure. Beginning in 2024 and through 2027, NiSource plans to invest approximately \$2.6 billion in gas and electric infrastructure modernization across its six-state footprint. In 2024 the company installed or replaced nearly 288 miles of natural gas lines, 127,193 feet of underground electric lines, 1,240 electric poles and 62 distribution automation viper switches; upgrading 12 substations; and rebuilding 17 electric circuits, among other work.



**\$2.6B**

**INVESTED IN  
INFRASTRUCTURE  
MODERNIZATION**



**288**

**MILES OF NATURAL  
GAS LINES INSTALLED  
OR REPLACED**



**1,240**

**ELECTRIC POLES  
INSTALLED OR  
REPLACED**

**127,193 FEET OF UNDERGROUND ELECTRIC LINES 62 DISTRIBUTION  
AUTOMATION VIPER SWITCHES UPGRADING 12 SUBSTATIONS**

# Advanced Leak Detection and Repair

The Advanced Mobile Leak Detection team (AMLD), in collaboration with multiple work groups, made considerable progress in 2024 reaching NiSource's driving mileage and large volume leak targets. Utilizing Picarro units, AMLD covered approximately 33,707 miles across five states by December 2024, driving 62% of the total system. Building on this momentum, the company plans to expand its survey goals for 2025, aiming to surpass previous mileage totals and drive coverage across a larger system footprint.

**Utilizing Picarro units, AMLD covered approximately 33,707 miles across five states by December 2024, driving 62% of the total system.**



Additionally, NiSource has set the highest Large Volume Leak (LVL) repair goal to date, ensuring faster and more efficient leak mitigation efforts. This will enable seamless integration with the Work and Asset Management project, facilitating the development of an advanced leakage detection and mitigation process, including a migration to GIS object-based routes over previous paper-based systems.

Through these efforts, AMLD continues to prioritize methane emission reduction while leveraging innovative technology and strategic partnerships to enhance system efficiency and environmental impact.





## IN-LINE INSPECTION PROGRAM

NiSource has continued to expand its in-line inspection (ILI) acceleration program, retrofitting five pipelines in 2024 and bringing the total of ILI capable pipelines to 38%. Additionally, NiSource ran a smart tool through two newly retrofitted pipelines, bringing the total of pipelines that have been inspected to over 32%. This risk-based approach to assessing transmission pipelines has given NiSource the opportunity to identify defects and issues with pipelines before they become an incident. NiSource is on track to achieve the goal of making 80% of its transmission pipelines inspected through the program by 2032.

Further, NiSource continued to live the essentials and look for a better way by finding opportunities to coordinate the ILI retrofit work with the Maximum Allowable Operating Pressure (MAOP) reconfirmation work, minimizing the impact to customers, which increases efficiency by mobilizing only one time to perform work along the same pipeline.



*16" ILI magnetic flux leakage tool used to assess metal loss*

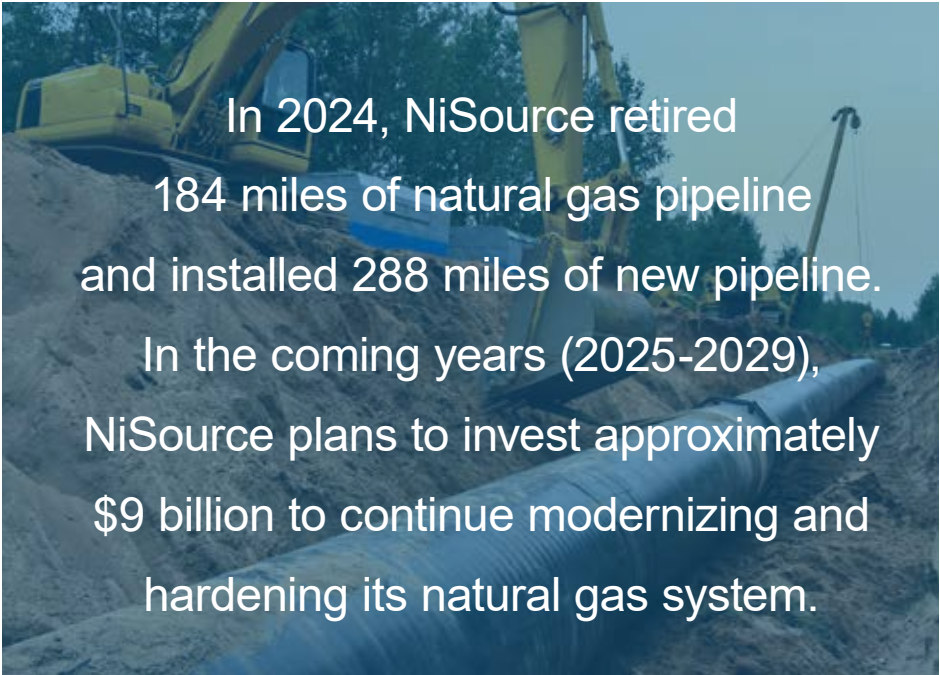


*16" ILI Receiver site for the Elder to Cleveland ILI run*

**NiSource is on track to achieve the goal of making 80% of its transmission pipelines inspected through the program by 2032.**

NATURAL GAS – PROGRESS

KEY ASSET RISK PROGRAMS	2024 UNIT TARGET	2024 PERFORMANCE
RETROFIT 80% OF TRANSMISSION PIPELINES FOR IN-LINE INSPECTION CAPABLE (MILES)	8.8	100%
ELIMINATE FIRST-GENERATION PLASTIC (MILES)	44.56	142%
LEGACY CROSS-BORE INSPECTION PROGRAM (SEWER MAIN MILES)	384	130%
PRESSURE SYSTEM VISIBILITY (SCADA SYSTEMS)	246	97%
ELIMINATING PRIORITY PIPE (MILES)	184	121%
SURVEY OUT DISTRIBUTION MAINS WITH ADVANCED MOBILE LEAK DETECTION – PICARRO (MILES)	29,288	115%
WELL LOGGING AND RISK ASSESSMENTS (WELLS)	27	96%



NiSource is continuing to modernize its natural gas distribution system by targeting gas lines made from certain materials nearing the end of their useful lives, such as cast iron, bare steel and early vintage plastic. Gas lines made with newer materials are being installed that enhance safety, reliability and environmental performance.

In 2024, NiSource retired 184 miles of natural gas pipeline and installed 288 miles of new pipeline. In the coming years (2025-2029), NiSource plans to invest approximately \$9 billion to continue modernizing and hardening its natural gas system.

NiSource’s ongoing deployment of AMLD underscores its dedication to safety, environmental protection and regulatory compliance. This technology not only enhances the efficiency and reliability of operations but also demonstrates NiSource’s proactive approach to addressing the complex challenges inherent in its business.



# Community Environmental Engagement

In 2024, NiSource deepened its commitment to environmental stewardship by working with local partners to protect and enhance the land, water and air in the communities the company serves. Beyond targeted environmental outcomes, these efforts were intended to build trust, strengthen relationships and create shared value for customers.

NiSource remains focused on expanding these efforts and further embedding environmental engagement into its overall business strategy.

## A FEW HIGHLIGHTS OF NISOURCE'S COMMITMENT TO ENVIRONMENTAL STEWARDSHIP



In Virginia, Columbia Gas employees partnered with the Elizabeth River Project to remove 175 pounds of trash from the river and surrounding areas — a hands-on effort to restore a vital local waterway.



In Indiana, NIPSCO employees joined forces with the Wetlands Initiative in the City of Gary to lead a community cleanup that cleared 30 tires, 30 bags of trash and large debris like furniture and fencing.



In Ohio, Columbia Gas employees collaborated with Friends of the Lower Olentangy Watershed to plant 25 large trees<sup>1</sup> at two STEM schools in Columbus' Linden neighborhood — helping to restore tree canopy, support biodiversity and beautify school grounds.

<sup>1</sup>These are among nearly 100 trees teams planted in communities across Ohio in 2024. In addition, NiSource and Columbia Gas of Ohio donated 3,000 trees to individual homeowners throughout the City of Columbus, Ohio.





# SUSTAINABILITY PROJECTS

# Sustainability Projects

## ADVANCED METERING INFRASTRUCTURE

Advanced Metering Infrastructure (AMI) is revolutionizing how utilities collect and manage energy data, offering a range of benefits that improve service and operational efficiency. By enabling seamless transmission of meter reads through a network of telecommunication assets and integrated IT systems, AMI empowers two-way communication between utilities and customers.

This technology will support automatic and remote meter readings and facilitate remote electric service connections and disconnections. It will also improve electric outage response times and better on-demand access to usage data to help customers better manage their energy consumption.

NIPSCO began deploying electric and natural gas AMI meters in March 2024. Over the next few years, approximately 490,000 electric AMI meters will be installed by the end of 2027 and 870,000 gas AMI meters by the end of 2026. These meters will provide many benefits, including:

- Enhanced energy usage data for both NIPSCO and its customers.
- Expedited response and restoration efforts due to real-time system visibility.
- Accurately measuring customer load growth, improving NIPSCO's ability to plan and prepare for future demands such as electric vehicles and electrification.
- Reduced carbon footprint from greenhouse gas emissions due to less energy being used and fewer vehicle emissions by saving an in-person visit by a NIPSCO technician.
- Improved safety for NIPSCO employees by reducing in-person field visits for meter reading.

NiSource is exploring the introduction of AMI technology to enhance service and customer experience in its Columbia Gas service territories. With AMI, both NIPSCO and Columbia Gas customers can look forward to a more streamlined, transparent energy experience that paves the way for a smarter, more sustainable future.





## HYDROELECTRIC DAM PROJECTS

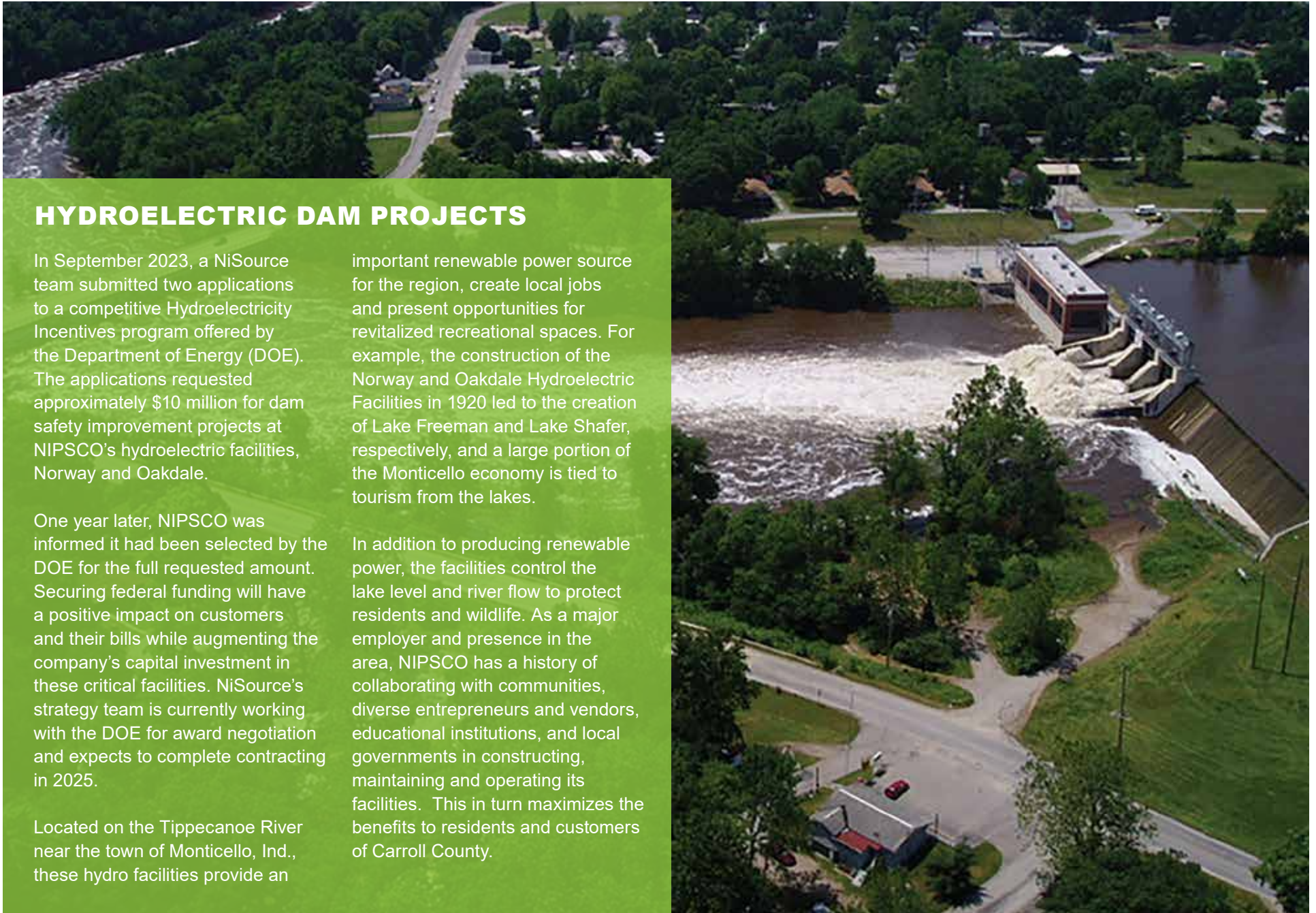
In September 2023, a NiSource team submitted two applications to a competitive Hydroelectricity Incentives program offered by the Department of Energy (DOE). The applications requested approximately \$10 million for dam safety improvement projects at NIPSCO's hydroelectric facilities, Norway and Oakdale.

One year later, NIPSCO was informed it had been selected by the DOE for the full requested amount. Securing federal funding will have a positive impact on customers and their bills while augmenting the company's capital investment in these critical facilities. NiSource's strategy team is currently working with the DOE for award negotiation and expects to complete contracting in 2025.

Located on the Tippecanoe River near the town of Monticello, Ind., these hydro facilities provide an

important renewable power source for the region, create local jobs and present opportunities for revitalized recreational spaces. For example, the construction of the Norway and Oakdale Hydroelectric Facilities in 1920 led to the creation of Lake Freeman and Lake Shafer, respectively, and a large portion of the Monticello economy is tied to tourism from the lakes.

In addition to producing renewable power, the facilities control the lake level and river flow to protect residents and wildlife. As a major employer and presence in the area, NIPSCO has a history of collaborating with communities, diverse entrepreneurs and vendors, educational institutions, and local governments in constructing, maintaining and operating its facilities. This in turn maximizes the benefits to residents and customers of Carroll County.





## SUSTAINABLE FUELS

One of NiSource's five strategic priorities is to expand its sustainable fuels business. NiSource is focused on advancing opportunities associated with hydrogen and renewable natural gas (RNG).

Hydrogen can be blended with natural gas or used by itself and, potentially, distributed through existing pipeline infrastructure. RNG is a pipeline compatible gas that can be used interchangeably with natural gas in the distribution system.

In 2023, NiSource constructed a hydrogen blending skid at Columbia Gas of Pennsylvania's state-of-the-art training center in Monaca, Pa.

This multiphase project allows the controlled blending of hydrogen with natural gas at a rate ranging up to 20% hydrogen by volume. This project also allows NiSource to conduct trials on piping, appliances and materials that replicate field scenarios. It also will help employees understand the impact of using hydrogen in the existing infrastructure from safety, customer experience and employee standpoints.

The results of these field trials, which continued in 2024, are being used to assist NiSource and its subsidiaries to determine hydrogen's role in the corporation's decarbonization program.

The federal government also has a role in advancing hydrogen. The U.S. Department of Energy (DOE) has selected two hydrogen hubs within NiSource's service territories for funding designated in the infrastructure. Investment and Jobs Act to support the development of regional clean hydrogen hubs.

The two hubs are the Midwest Alliance for Clean Hydrogen Hub (MachH2), with potential projects across Illinois, Indiana, Kentucky, Michigan, Missouri and Wisconsin; and the Appalachian Regional Clean Hydrogen Hub (ARCH2), with potential investments across Kentucky, Ohio, Pennsylvania and West Virginia. Both hubs have

completed contracting with the DOE, and work is underway to determine what role NiSource companies may have in these hubs.

Increasing the use of RNG is also a key component of NiSource's strategic priority to expand sustainable fuels. RNG is interchangeable with conventional natural gas and provides many of the same safe and reliable usage benefits to customers while lowering the greenhouse gas impact.

RNG is a byproduct of the decomposition of organic matter from sources such as landfills, livestock operations and wastewater treatment facilities. Looking at the life cycle

## NISOURCE IS FOCUSED ON ADVANCING OPPORTUNITIES



of RNG, it comes from organic sources that emit methane as they decompose. Capturing the methane prevents it from being released into the atmosphere.

Since RNG is interchangeable with natural gas, no additional updates are needed to NiSource's existing natural gas distribution infrastructure. RNG is available now, and the supply is growing every year. By continuing to expand its mix of energy offerings for customers, NiSource believes it can continue to meet the sustainable energy needs of customers for decades to come.

Today, NiSource operating companies offer RNG producers the opportunity to interconnect with NiSource-owned gas distribution systems, through which NiSource companies can transport RNG to the market. Each company has high-quality standards set in place specifically for the RNG that enters NiSource's systems. To streamline the process, each NiSource company allows RNG producers to submit applications through the company website.

NiSource is also advocating for favorable and supportive policies that enable investments in additional sustainable fuel sources. At the state level, NiSource engages

with chambers of commerce, business roundtables, farm bureaus and restaurant associations to advance legislation that enables the development of renewable energy and low- or no-carbon fuels.

For example, in June 2022, Columbia Gas of Virginia (CVA) advocated for the Virginia Energy Innovation Act, which allows for the robust development of renewable natural gas in the commonwealth of Virginia. This law allows gas utilities to invest in and own RNG processing facilities. The statute also includes recovery of operations and maintenance expenses associated with producing RNG.

The law opens potential opportunities for CVA to produce RNG for its natural gas customers in the state. It also will help decarbonize energy usage while utilizing the natural gas system in Virginia, potentially without significant impact to customers' bills. Added benefits include the potential for significant job creation and economic development opportunities for Virginia.

While the value and necessity of natural gas will remain a vital part of NiSource's future energy strategy, the addition of renewable energy options such as RNG will be essential in the transition to a more diverse mix of energy resources that are safe, reliable and environmentally responsible.

## ASSOCIATED WITH HYDROGEN AND RENEWABLE NATURAL GAS



## CLIMATE METRICS AND PROJECTS

DIRECT AND INDIRECT GHG EMISSIONS	METRIC TONNES CO <sub>2</sub> e <sup>1</sup>			
	2005 BASELINE	2022	2023	2024
<b>SCOPE 1</b>				
ELECTRIC GENERATION	18,366,323	5,435,246	4,464,818	4,454,406
GAS DISTRIBUTION <sup>2</sup>	1,065,601	934,377	926,021	915,702
ELECTRIC TRANSMISSION AND DISTRIBUTION (SF6)	102,831	13,986	42,508	20,684
MOBILE <sup>3</sup>	30,884	51,513	51,695	48,270
BUILDING ENERGY - NATURAL GAS HEATING	11,458	7,277	7,238	7,124
<b>SCOPE 1 TOTAL</b>	<b>19,577,098</b>	<b>6,442,399</b>	<b>5,492,279</b>	<b>5,446,186</b>
<b>SCOPE 2</b>				
BUILDING ENERGY - ELECTRIC	65,266	25,839	24,674	22,668
ELECTRIC TRANSMISSION AND DISTRIBUTION (LINE LOSSES)	17,309	50,739	35,107	24,474
<b>SCOPE 2 TOTAL</b>	<b>82,575</b>	<b>76,578</b>	<b>59,780</b>	<b>47,142</b>
<b>SELECT SCOPE 3</b>				
CATEGORY 3 - FUEL AND ENERGY-RELATED ACTIVITIES - PURCHASED POWER (EXCLUDING LINE LOSSES)	1,236,442	2,073,969	1,518,257	1,078,057
CATEGORY 3 - FUEL AND ENERGY-RELATED ACTIVITIES - GAS DISTRIBUTION UPSTREAM <sup>4</sup>	NOT AVAILABLE	2,545,881	2,146,538	1,894,280
CATEGORY 3 - FUEL AND ENERGY-RELATED ACTIVITIES - ELECTRIC GENERATION UPSTREAM <sup>5</sup>	NOT AVAILABLE	1,036,115	880,509	936,479
CATEGORY 11 - USE OF SOLD PRODUCTS - GAS CUSTOMERS END-USE FROM GAS OWNED AND DELIVERED BY NISOURCE <sup>6</sup>	15,159,260	10,103,992	8,877,005	8,694,755
<b>SELECT SCOPE 3 TOTAL</b>	<b>16,395,702</b>	<b>15,759,956</b>	<b>13,422,309</b>	<b>12,603,572</b>
<b>OTHER</b>				
GAS CUSTOMER END-USE FROM GAS DELIVERED BUT NOT SUPPLIED BY NISOURCE <sup>7</sup>	25,870,782	38,884,109	38,737,970	39,562,972

<sup>1</sup> CARBON DIOXIDE EQUIVALENT CALCULATED USING 100-YEAR TIME HORIZON GLOBAL WARMING POTENTIAL VALUES FROM THE IPCC FIFTH ASSESSMENT REPORT (AR5).

<sup>2</sup> INCLUDES EMISSIONS FROM FUGITIVE, VENTED, COMBUSTION, LNG, LPG AND STORAGE SOURCES. EMISSION FACTORS TAKEN FROM THE EPA'S INVENTORY OF U.S. GHG EMISSIONS AND SINKS.

<sup>3</sup> MOBILE EMISSIONS FOR 2005 ARE ESTIMATED.

<sup>4</sup> UPSTREAM EMISSIONS FROM NATURAL GAS PRODUCTION, GATHERING AND BOOSTING, PROCESSING, TRANSMISSION AND STORAGE FOR GAS SUPPLIED BY NISOURCE.

<sup>5</sup> UPSTREAM EMISSIONS FROM FUEL USED FOR ELECTRIC GENERATION (COAL PRODUCTION, RAIL TRANSPORTATION, NATURAL GAS PRODUCTION, GATHERING AND BOOSTING, PROCESSING, TRANSMISSION AND STORAGE).

<sup>6</sup> EMISSIONS FOR GAS CUSTOMER END-USE FROM GAS OWNED AND DELIVERED BY NISOURCE.

<sup>7</sup> EMISSIONS FROM GAS CUSTOMERS END-USE FROM GAS DELIVERED BUT NOT OWNED BY NISOURCE (CONSISTENT WITH THE WRI/WBCSD CORPORATE VALUE CHAIN (SCOPE 3) ACCOUNTING AND REPORTING STANDARD).



The Edison Electric Institute (EEI), in collaboration with member companies, corporate customers and the World Resources Institute, developed a carbon emissions and electricity mix reporting database for corporate customers to calculate their Scope 2 emissions, supporting disclosure of their carbon-related sustainability goals. This database can be accessed through EEI. NIPSCO's carbon intensity has decreased due to lower-emitting and zero-emitting electric generation, such as wind and solar on its system.

ELECTRIC GENERATION CARBON INTENSITY	2022	2023	2024
NIPSCO UTILITY AVERAGE CO2 EMISSIONS RATE <sup>1</sup>	1,188	1,065	886
NIPSCO UTILITY SPECIFIC RESIDUAL MIX EMISSIONS RATE <sup>2</sup>	1,397	1,339	1,136

<sup>1</sup>THE UTILITY AVERAGE EMISSIONS RATE IS THE AVERAGE CO2 LBS. PER MWH OF ELECTRICITY DELIVERED TO CUSTOMERS, INCLUDING FROM ALL OWNED GENERATION AND ENERGY PURCHASES.

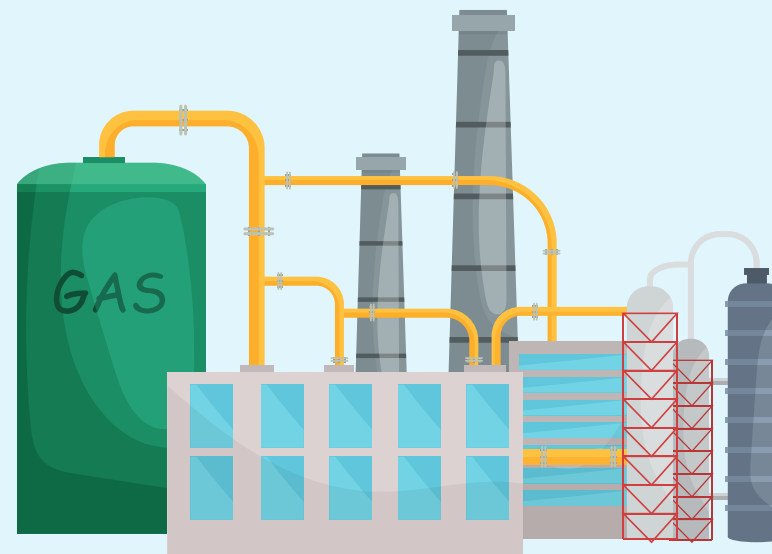
<sup>2</sup>THE UTILITY SPECIFIC RESIDUAL MIX EMISSIONS RATE IS THE AVERAGE CO2 LBS. PER MWH OF ELECTRICITY DELIVERED TO CUSTOMERS, INCLUDING GENERATION FOR WHICH ATTRIBUTES ARE RETAINED BY THE UTILITY AND RETIRED IN THE REPORTING YEAR, WITH ACCOUNTING ADJUSTMENTS MADE FOR SPECIFIED GREEN ENERGY PRODUCTS WHERE ANOTHER ENTITY OWNS THE RENEWABLE ATTRIBUTES.

## NATURAL GAS SUSTAINABILITY INITIATIVE (NGSI) METHANE INTENSITY

Launched by a CEO task force on natural gas issues convened by EEI and the American Gas Association (AGA), NGSI is working to advance a voluntary, industrywide approach for companies to report methane emissions intensity by the segments of the natural gas supply chain in which they operate. NGSI is intended to bolster and complement methane management efforts, including

methane regulatory standards and direct methane measurement strategies, all of which are principal elements for reducing emissions and providing certainty to both the regulated industry and its customers in the supply chain.

Methane emissions intensity is a measure of methane emissions relative to natural gas throughput.



NISOURCE'S METHANE INTENSITY - NGSI PROTOCOL	2022	2023	2024
TOTAL METHANE EMISSIONS, GHG INVENTORY EMISSION FACTORS (METRIC TONNES)	22,149	21,771	21,455
NATURAL GAS DELIVERED TO END USERS, AS REPORTED (MSCF)	866,919,121	842,042,730	854,265,653
NATURAL GAS DELIVERED TO END USERS, NORMALIZED (MSCF)	786,954,016	778,587,778	815,358,695
METHANE EMISSIONS INTENSITY, GHG INVENTORY EMISSION FACTORS	0.14%	0.14%	0.14%
NORMALIZED METHANE EMISSIONS INTENSITY, GHG INVENTORY EMISSION FACTORS	0.16%	0.16%	0.15%

OTHER CLIMATE-RELATED METRICS	2022	2023	2024
ELECTRIC CUSTOMERS	485,952	488,833	492,690
OWNED NET GENERATION (MWH)	8,182,770	7,650,543	9,258,147
RENEWABLE GENERATION	1,223,194	1,697,107	2,476,611
WIND	1,178,370	1,104,039	1,241,967
SOLAR	538	556,102	1,201,376
HYDROELECTRIC	44,286	36,966	33,269
PURCHASED NET GENERATION (MWH)	5,673,131	4,661,349	4,427,674
PURCHASED RENEWABLE GENERATION (MWH)	1,680,144	1,516,204	2,017,358
ENERGY EFFICIENCY PARTICIPATION	1,190,588	598,526	585,190
GAS CUSTOMERS	3,251,222	3,270,613	3,287,366
MILES OF GAS MAIN LINES	54,795	55,047	55,256
MILES OF PRIORITY PIPE RETIRED	266	216	184

## PROGRESS TOWARD 2025 GHG TARGETS

	PROGRESS THROUGH <b>2024</b> % REDUCTIONS FROM 2005 LEVELS (SCOPE 1)	TARGET <b>2025</b> % REDUCTIONS FROM 2005 LEVELS (SCOPE 1)	GOAL <b>2040</b> (SCOPES 1 AND 2)
NISOURCE GREENHOUSE GAS (GHG) EMISSIONS	<b>72%</b>	<b>50%</b>	<b>Net Zero</b>
NIPSCO ELECTRIC GENERATION GHG EMISSIONS	<b>76%</b>	<b>50%</b>	
GAS DISTRIBUTION METHANE EMISSIONS FROM MAINS & SERVICE	<b>50%</b>	<b>50%</b>	
	<b>ON TARGET</b>	<b>ON TARGET</b>	<b>ON TARGET</b>



BIODIVERSITY



# Restoring Lands and Protecting Biodiversity

## MANAGING LANDS WITH INTEGRATED VEGETATION MANAGEMENT

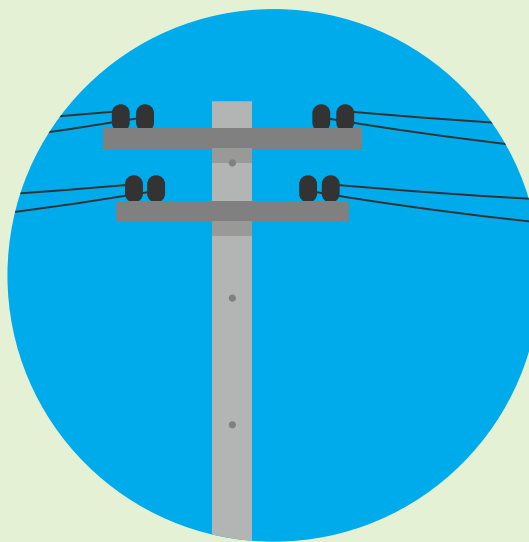
NiSource manages energy generation facilities and transmission and distribution infrastructure across a large, diverse landscape. Its geographic footprint of owned lands and easements covers approximately 142,000 acres. NiSource does not manage every line mile but does manage areas where vegetation exists in a natural, undeveloped state requiring maintenance for safety and reliability.



### OVERHEAD ELECTRIC TRANSMISSION

(NERC-Regulated Extra High Voltage, 200kv+)

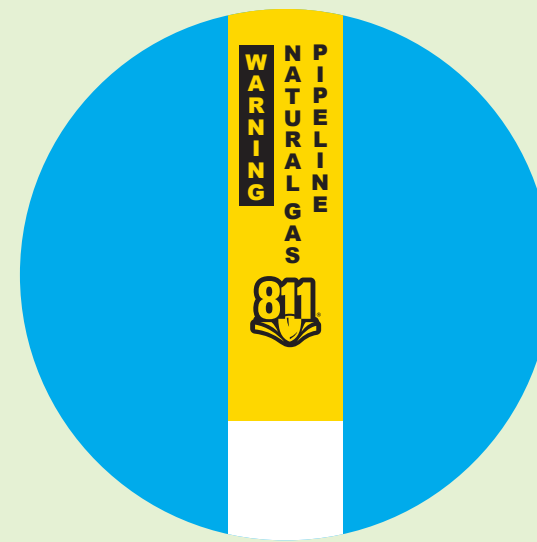
**475 MILES**



### OVERHEAD ELECTRIC DISTRIBUTION

(Non-NERC-Regulated)

**10,780 MILES**



### UNDERGROUND NATURAL GAS PIPELINE

**55,700 MILES**

NOTE: NISOURCE DOES NOT MANAGE EVERY LINE MILE; ONLY WHERE VEGETATION EXISTS IN A NATURAL, UNDEVELOPED STATE THAT REQUIRES MAINTENANCE.

# Integrated Vegetation Management

Integrated vegetation management (IVM) is a system of managing plant communities in which compatible and incompatible vegetation are identified; action thresholds are determined; tolerance levels are established; and control methods are evaluated, selected and applied to achieve management goals and maintenance objectives.

## WHY DOES NISOURCE USE IVM?

NiSource performs vegetation maintenance in accordance with federal and state regulations. By implementing IVM, the company's goal is to establish, maintain and enhance early successional habitats, like grasslands and shrub-scrub habitats, on NiSource's owned lands and rights-of-way. These early successional habitats help to provide customers with safe and reliable energy and contribute to the company's core value of environmental stewardship.

## WHY ARE GRASSLAND AND SHRUB-SCRUB HABITATS IMPORTANT?

Grasslands and shrub-scrub habitats are desirable vegetation communities on rights-of-way because they provide biological control that reduces the risk that incompatible woody species will degrade infrastructure or cause vegetation-related outages. Grasslands and shrub-scrub habitats are not only desirable from a safety and reliability perspective, but they are also two of the most threatened and rapidly disappearing ecosystems in North America, providing wildlife habitats for numerous birds, mammals and pollinating insect species.



Grasslands and shrub-scrub habitats are not only desirable from a safety and reliability perspective, but they are also two of the most threatened and rapidly disappearing ecosystems in North America, providing wildlife habitats for numerous birds, mammals, and pollinating insect species.

# Biodiversity Strategy

## SCOPING BIODIVERSITY ACROSS NISOURCE BUSINESS OPERATIONS

In 2022, NiSource’s Biodiversity Team evaluated biodiversity risks, impacts and opportunities across the company’s business operations. This assessment was performed using the Task Force for Nature-Related Financial Disclosures’ (TNFD) LEAP approach (locate, evaluate, assess, prepare), supplemented by disclosure guidance from the S&P Global Corporate Sustainability Assessment (CSA) and the Global Reporting Initiative (GRI). The scope of the risk review includes owned and leased operations, lands adjacent to owned and leased operations, and upstream activities like forest products used to protect natural resources during construction (mats) and to distribute energy to customers (poles).

### GOALS & TARGETS

Leveraging the results of the risk review, NiSource developed a long-term strategy and tactical plan to address biodiversity-related risks and to enhance management of biodiversity across the company’s large network of managed lands.

NISOURCE’S BIODIVERSITY STRATEGY IS BUILT ON TWO GOALS:

GOAL 1: IMPROVE BIODIVERSITY ON NISOURCE MANAGED LANDS	GOAL 2: STRENGTHEN COMMUNITIES BY NISOURCE CONNECTIONS WITH NATURE
100% IMPLEMENTATION OF OUR BIODIVERSITY PROGRAM TO AVOID, MINIMIZE AND OFFSET IMPACTS	100% OF NISOURCE LANDS MAPPED FOR ECOSYSTEM SERVICES SUPPORTING CLIMATE CHANGE RESILIANCE
NET INCREASE IN NATURAL COVER ON NISOURCE MANAGED LANDS OVER A 2024 BASELINE	SUSTAIN OR INCREASE COMPATIBLE RECREATION ON NISOURCE LANDS AND IN UNDERSERVED COMMUNITIES
SUSTAINED OR INCREASED BIODIVERSITY ON MORE THAN 70% OF SITES EVALUATED	INCREASE NATURE-BASED PARTNERSHIPS IN OUR SERVICE TERRITORIES AS COMPARED TO OUR 2022 BASELINE



Activities that contribute to NiSource's Biodiversity Strategy align with 2030 targets outlined within the Kunming-Montreal Global Biodiversity Framework of the Convention on Biological Diversity, and addresses the following targets:

## **NISOURCE BIODIVERSITY STRATEGY ALIGNMENT WITH KUNMING-MONTREAL 2030 TARGETS**

- #1: Plan and Manage All Areas to Reduce Biodiversity Loss
- #6: Reduce the Introduction of Invasive Alien Species by 50% and Minimize Their Impact
- #10: Enhance Biodiversity and Sustainability in Agriculture, Aquaculture, Fisheries, and Forestry
- #11: Restore, Maintain and Enhance Nature's Contributions to People
- #12: Enhance Green Spaces and Urban Planning for Human Well-Being and Biodiversity
- #14: Integrate Biodiversity in Decision-Making at Every Level
- #15: Businesses Assess, Disclose and Reduce Biodiversity-Related Risks and Negative Impacts
- #21: Ensure that Knowledge Is Available and Accessible to Guide Biodiversity Action

# Biodiversity Commitment

## BIODIVERSITY EXPOSURE, ASSESSMENT & MANAGEMENT PLANS

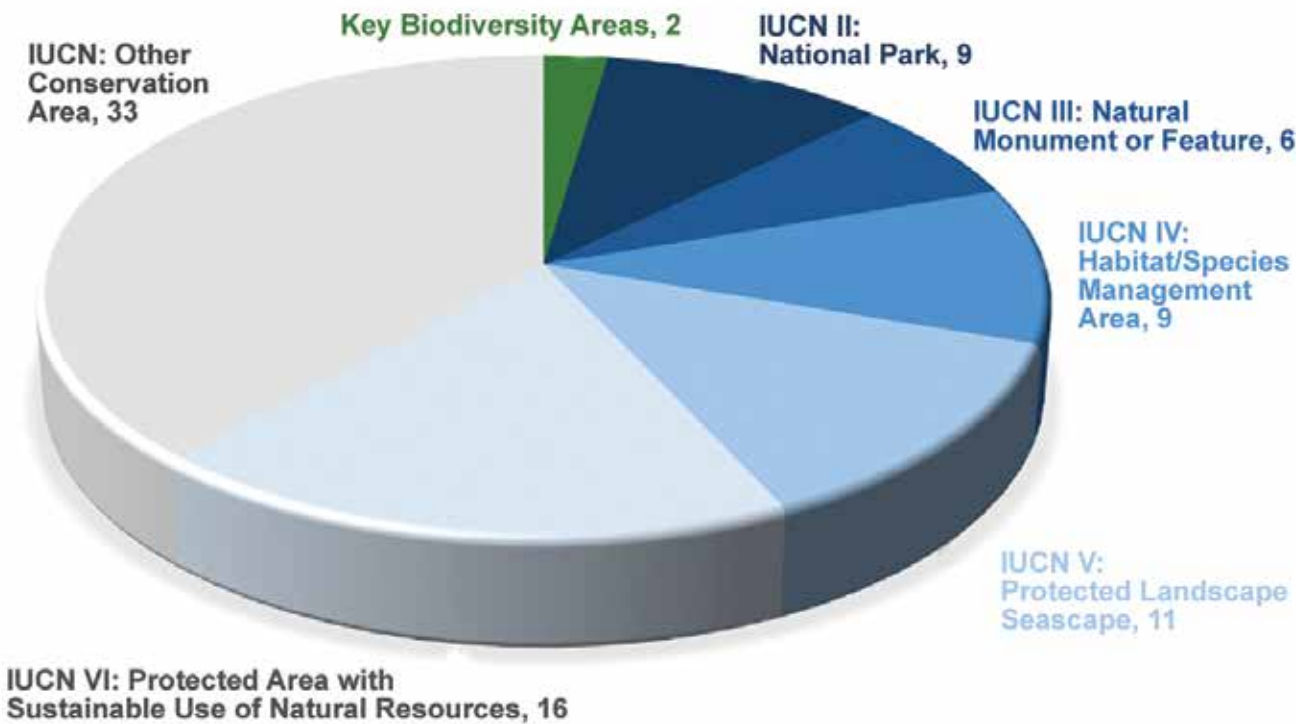
NiSource continually evaluates the risks and opportunities that its business operations provide to maintain and enhance biodiversity. In 2019, NiSource undertook its first company-wide evaluation of energy generation, transmission and distribution lands for protected areas classified by the International Union for the Conservation of Nature (IUCN), Key Biodiversity Areas (KBAs), and critically endangered, endangered and vulnerable IUCN Red List Species. Results of this evaluation helped the company better understand the direct and indirect impacts of its actions, to develop biodiversity management plans for high biodiversity areas, and to enhance conservation activities for sensitive species.

In 2024, NiSource revised its biodiversity exposure evaluation using updated GIS data describing its managed lands and available data delineating protected areas, biologically important areas and potential habitat for sensitive wildlife species.

PROTECTED AREAS NISOURCE MANAGES	NUMBER OF MANAGEMENT UNITS	NUMBER OF MANAGED ACRES	NUMBER OF BIODIVERSITY MANAGEMENT PLANS DEVELOPED
IUCN 1A: STRICT NATURE RESERVE	0	0	0
IUCN 1B: WILDERNESS AREA	0	0	0
KEY BIODIVERSITY AREA	2	22	2
IUCN II: NATIONAL PARK	9	492	9
IUCN III: NATURAL MONUMENT OR FEATURE	6	46	6
IUCN IV: HABITAT/SPECIES MANAGEMENT AREA	9	322	9
IUCN V: PROTECTED LANDSCAPE/SEASCAPE	11	70	N/A
IUCN VI: PROTECTED AREA WITH SUSTAINABLE USE OF NATURAL RESOURCES	16	410	N/A
IUCN: OTHER CONSERVATION AREA	33	159	N/A
USFWS CRITICAL HABITAT	3	60	N/A
TOTALS	89	1,581	26

NiSource does not operate in World Heritage areas. However, where NiSource shares management responsibilities with its partners at globally and nationally important protected areas, the company employs a mitigation hierarchy to protect sensitive habitats and species. Results of a 2019 biodiversity exposure evaluation were used to develop twenty-six (26) biodiversity management plans for areas of high biodiversity value (IUCN II-IV & Key Biodiversity Areas). In 2019, NiSource developed the target to complete all 26 biodiversity management plans by 2023. This target has been achieved. Biodiversity management plans are maintained and updated periodically according to NiSource's vegetation maintenance and monitoring schedules.

PROTECTED AREAS THAT NISOURCE MANAGES



HABITATS RESTORED & ENHANCED

In addition to high-priority areas, NiSource engages in mandatory and voluntary habitat restoration across its footprint. Since 2020, NiSource has contributed to the restoration of more than 6,500 acres.

SIZE AND LOCATION OF ALL HABITAT AREAS PROTECTED OR RESTORED	2020	2021	2022	2023	2024
VOLUNTARY (TOTAL ACRES):	2,127	2,127	2,611	3,575	4,451
MANDATORY MITIGATION (TOTAL ACRES):	2,982	2,982	3,009	3,078	3,159

ALL AREAS ARE WITHIN NISOURCE'S 6-STATE SERVICE TERRITORY. TABLE 1 - GRI 304-3; NOW: GRI 101: BIODIVERSITY 2024: 101-2



# Mitigation Hierarchy

NiSource's commitment to biodiversity is achieved through the application of a mitigation hierarchy that applies to each aspect of asset development, operation and maintenance.

## AVOIDANCE

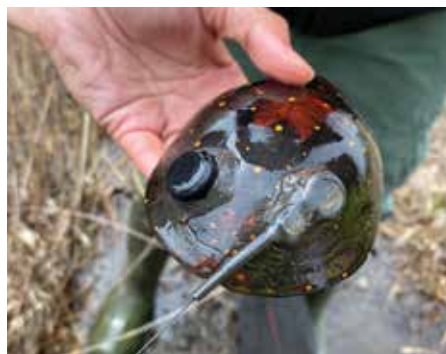
Avoidance typically applies to project siting, design and scheduling. NiSource avoids siting new infrastructure in globally and nationally important biodiversity areas, as well as key local and regional areas like native prairies, savannas and wetlands. Careful siting of infrastructure, selection of best management practices (BMPs), and seasonal scheduling can greatly reduce, and in some cases avoid negative impacts to biodiversity and natural resources.

## REDUCE

NiSource practices a variety of reduction activities across its business operations. NiSource's hydroelectric generation facilities in Northern Indiana follow protocols developed in coordination with the U.S. Fish & Wildlife Service to reduce negative downstream effects on federally endangered mussels during abnormally low flows on the Tippecanoe River.

## REGENERATE

As opposed to conventional utility vegetation management that focuses on non-selective vegetation maintenance methods, NiSource employs IVM, a regenerative system of management that seeks to establish, maintain and enhance biological control by low-growing, compatible, wildlife-friendly plants on the lands it manages. NiSource's IVM program focuses on selective treatments that limit off-target effects to compatible vegetation, like milkweeds and nectar-bearing forbs, which provide ecological value to birds, mammals and pollinating insects.



SPOTTED TURTLE (CLEMMYS GUTTATA)  
PARTNERS: INDIANA DNR,  
DEPARTMENT OF NATURE PRESERVES  
AND LOYOLA UNIVERSITY

## RESTORE

The state-dedicated Calumet Prairie Nature Preserve and adjacent

NIPSCO rights-of-way contain the largest natural sedge meadow and wet prairie community complex in Indiana. The wetland complex contains one of the largest populations of spotted turtles (*Clemmys guttata*) in the state of Indiana as well as numerous other state-listed species. In 2011, NIPSCO partnered with the Indiana Department of Natural Resources (DNR) and U.S. Army Corps of Engineers to restore 144 acres of the wetland complex, including 25 acres on NIPSCO rights-of-way. The project restored structural function and ecological integrity of the sedge meadow through the removal of invasive species and undesirable woody vegetation.

In 2019, NIPSCO supported an additional 30 acres of wetland restoration within the preserve in partnership with DNR. These additional restoration activities included invasive species control and native plant introductions. NIPSCO is also seeking further restorations on 63 acres of adjacent rights-of-way and implementation of a Spotted Turtle Habitat Management Plan to protect and enhance the extent and population within the Calumet Prairie Complex. In 2022, NIPSCO provided financial support Loyola University to study the spotted turtle population at the complex. Findings indicated that



NISOURCE IS COMMITTED TO  
MANAGING LAND ALONG THE FLIGHT  
PATH OF THE MONARCH BUTTERFLY

the NIPSCO rights-of-way is providing critical habitat for this imperiled species.

## TRANSFORM

NiSource's Biodiversity Strategy, commitment to biodiversity and commitment to IVM are transformative initiatives that secure business operations from biodiversity-related risks, contribute to operational flexibility through innovative conservation activities, and provide positive examples that contribute to better management of utility lands. To reach this understanding, NiSource has learned from other industry leaders and continues to work with partners to share the cost and responsibility of environmental stewardship.



## MANAGING FOR NO NET LOSS AND NET POSITIVE IMPACT

NiSource is a signatory to the *Nationwide Candidate Conservation Agreement for Monarch Butterfly on Energy and Transportation Lands*. This commitment provides positive biodiversity outcomes for insect pollinator species and provides regulatory protection to NiSource should the monarch butterfly become listed as threatened or endangered under the Endangered Species Act. The company is committed to managing its lands along the flight path of the monarch butterfly for suitable habitat through conservation activities that include:

- ▶ Seeding and planting native vegetation to restore or create habitat.
- ▶ Brush removal to promote suitable habitat.
- ▶ Conservation mowing to enhance floral and nectar resource habitat.
- ▶ Individual plant herbicide treatments that conserve beneficial host and nectar-bearing resources for the Monarchy butterfly.

As part of a strategy for no net loss and net positive impact, managed lands are monitored annually for monarch habitat quality.

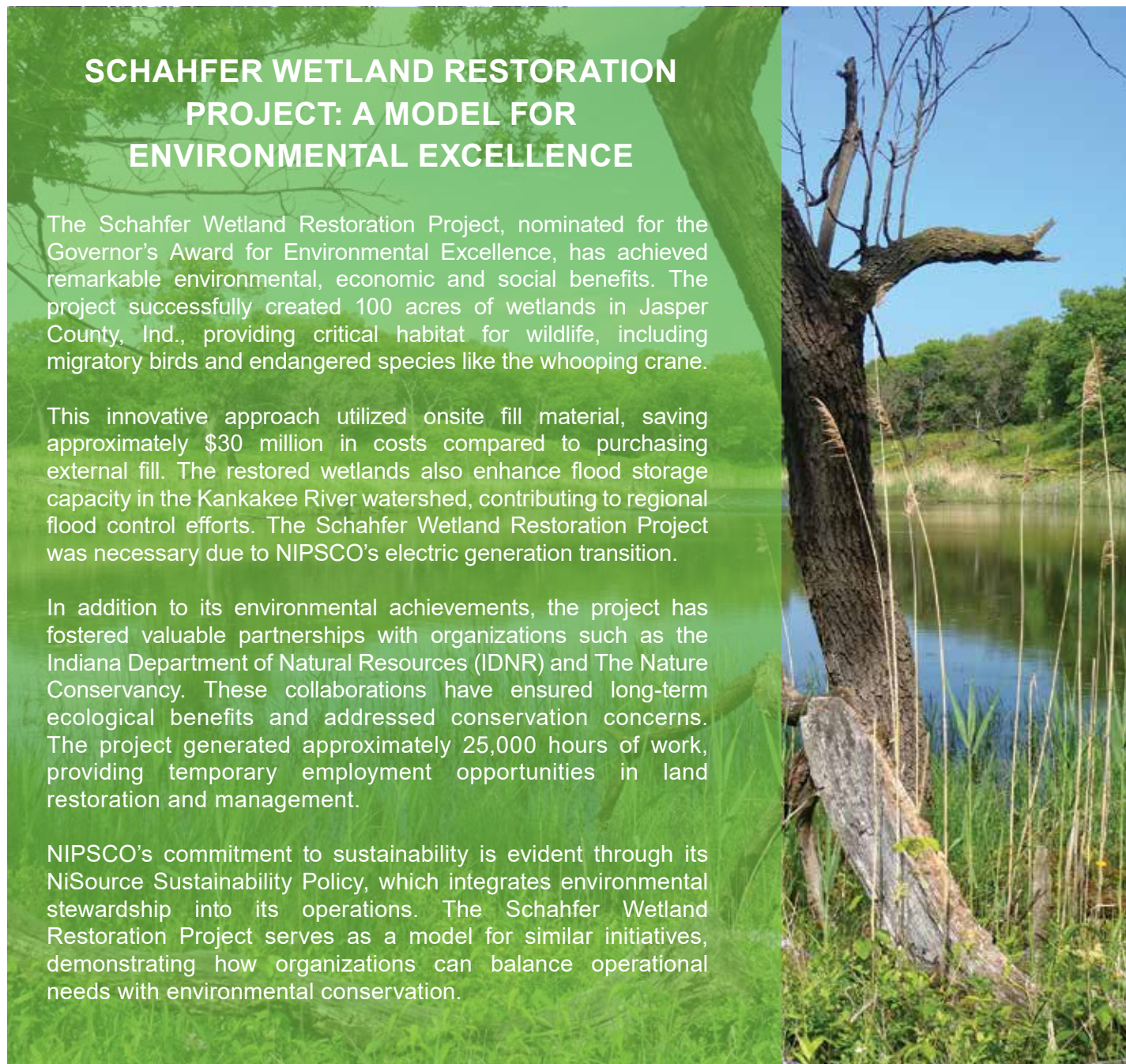
## SCHAHFER WETLAND RESTORATION PROJECT: A MODEL FOR ENVIRONMENTAL EXCELLENCE

The Schahfer Wetland Restoration Project, nominated for the Governor's Award for Environmental Excellence, has achieved remarkable environmental, economic and social benefits. The project successfully created 100 acres of wetlands in Jasper County, Ind., providing critical habitat for wildlife, including migratory birds and endangered species like the whooping crane.

This innovative approach utilized onsite fill material, saving approximately \$30 million in costs compared to purchasing external fill. The restored wetlands also enhance flood storage capacity in the Kankakee River watershed, contributing to regional flood control efforts. The Schahfer Wetland Restoration Project was necessary due to NIPSCO's electric generation transition.

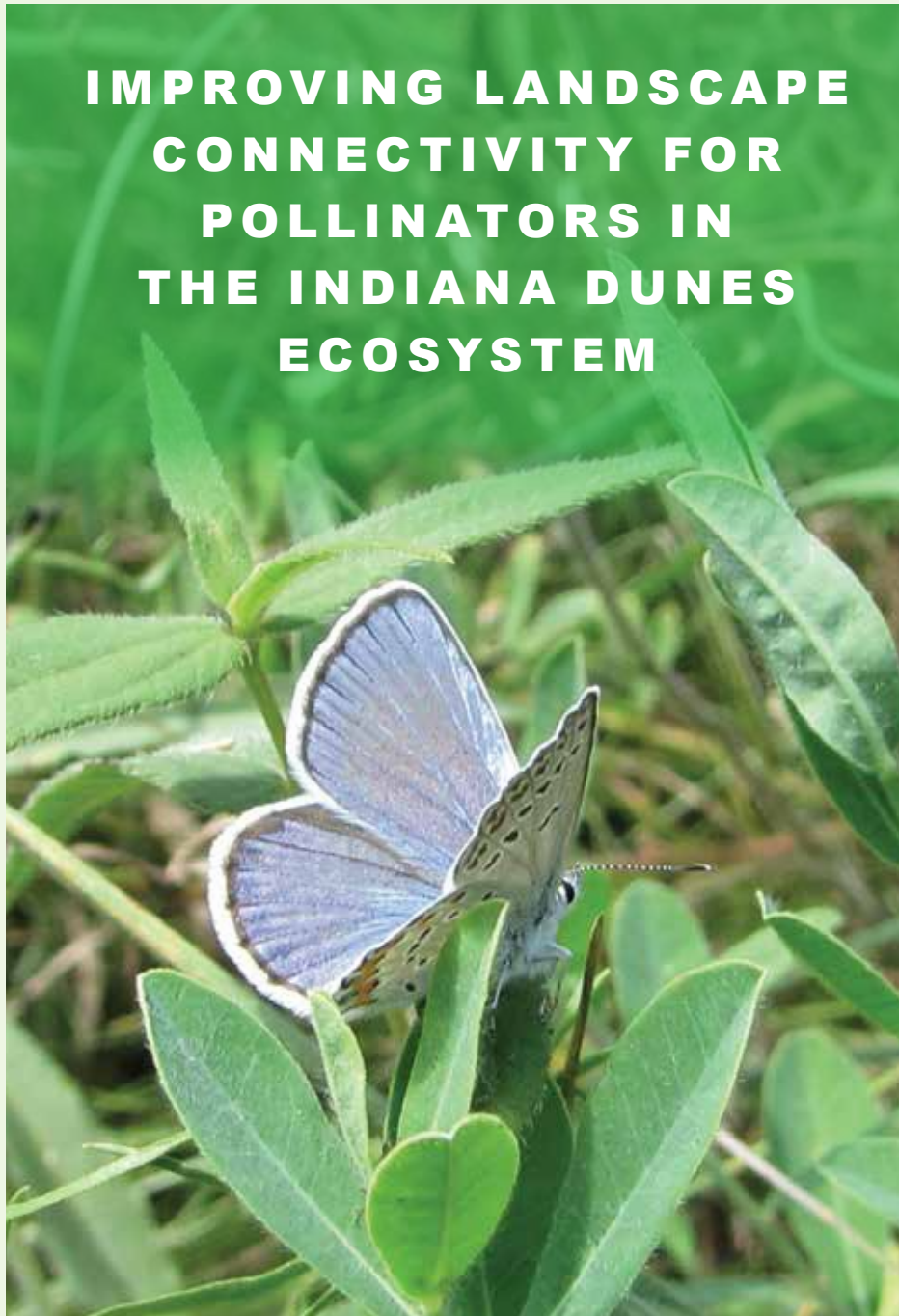
In addition to its environmental achievements, the project has fostered valuable partnerships with organizations such as the Indiana Department of Natural Resources (IDNR) and The Nature Conservancy. These collaborations have ensured long-term ecological benefits and addressed conservation concerns. The project generated approximately 25,000 hours of work, providing temporary employment opportunities in land restoration and management.

NIPSCO's commitment to sustainability is evident through its NiSource Sustainability Policy, which integrates environmental stewardship into its operations. The Schahfer Wetland Restoration Project serves as a model for similar initiatives, demonstrating how organizations can balance operational needs with environmental conservation.





## IMPROVING LANDSCAPE CONNECTIVITY FOR POLLINATORS IN THE INDIANA DUNES ECOSYSTEM



Native pollinators are vital components of ecosystems and provide economically important ecosystem services for the planet. According to the USDA, “Three-fourths of the world’s flowering plants and about 35 percent of the world’s food crops depend on animal pollinators to reproduce.” However, pollinator populations across the globe are in steep decline.

Some of the largest threats to pollinator species include habitat loss, habitat fragmentation and invasive species. Indiana Dunes National Park faces similar threats as it’s located in a heavily developed and urbanized region of the U.S. Despite various stressors, it is ranked fourth among national parks in biodiversity, most notably for its plant diversity and pollinators that depend on it. Approximately 1,100 flowering plant species and ferns have been documented at the Indiana Dunes National Park.

NIPSCO, as a key stakeholder of the Indiana Dunes Ecosystem Alliance (IDEA), helped prioritize rights-of-way management for the Indiana Dunes landscape to help mitigate threats to the national park and other natural areas. In close partnership with the National Park Service (NPS) and Save the Dunes, NIPSCO is helping to increase the resiliency of native pollinators by enhancing connectivity of habitat across the regional Indiana Dunes landscape. NIPSCO worked with NPS, Save the Dunes and other IDEA stakeholders to secure funding for pollinator habitat management for priority areas in the Indiana Dunes ecosystem.

The collaboration is working diligently to increase habitat suitability and connectivity for declining pollinator communities across a fragmented landscape. By leveraging several different funding sources including the Great Lakes Restoration Initiative, NIPSCO was able to survey, manage and enhance pollinator habitat on over 300 acres of NIPSCO rights-of-way. Restoration activities included invasive species control and inter-seeding of high-quality native seed mixes. The project has also directly supported NIPSCO’s Integrated Vegetation Management program by reducing incompatible vegetation such as invasive shrubs and vines while promoting pollinator-friendly habitat.

Source: <https://www.usda.gov/about-usda/general-information/initiatives-and-highlighted-programs/peoples-garden/importance-pollinators>



## ENGAGEMENT WITH STAKEHOLDERS ON BIODIVERSITY

### Working With Partners to Enhance Biodiversity on Managed Lands

NiSource works with numerous partners to maintain and enhance biodiversity value on lands it manages and within communities it serves. A brief list of NiSource partners:

- ▶ THE AUDUBON SOCIETY OF WESTERN PENNSYLVANIA
- ▶ INDIANA DEPARTMENT OF NATURAL RESOURCES
- ▶ NATIONAL PARK SERVICE
- ▶ THE NATURE CONSERVANCY
- ▶ RIGHT-OF-WAY AS HABITAT WORKING GROUP
- ▶ SAVE THE DUNES
- ▶ SHIRLEY HEINZ LAND TRUST
- ▶ GROW WITH TREES COMPANY

### CORPORATE DONATIONS SUPPORT BENEFICIAL BIODIVERSITY OUTCOMES BEYOND DIRECT BUSINESS OPERATIONS

The NiSource Charitable Foundation awarded the Wetlands Initiative (TWI) a \$50,000 grant to support a major new ecological restoration project within the City of Gary in Northwest Indiana. The project will be planned with significant community input. The approximately 800 acres of natural area along an urban flood control corridor will ultimately be improved and community resources enhanced under the leadership of the Little Calumet River Partnership — of which both TWI and NiSource are active members — and several other local partners.



WETLANDS INITIATIVE, CITY OF GARY, INDIANA, LITTLE CALUMET RIVER PARTNERSHIP







A woman with blonde hair, wearing a yellow hard hat with a logo and safety glasses, is looking down at a solar panel. She is wearing a blue polo shirt. Her hand is resting on the edge of the panel. The background shows a clear blue sky and more solar panels in the distance.

SAFETY AND  
OPERATIONAL  
EXCELLENCE



# Safety Management System

NiSource remains committed to the advancement of its Safety Management System (SMS) for the safety of its customers, communities and employees. NiSource continued to maintain its certification to the American Petroleum Institute Recommended Practice (API RP) 1173, which serves as the guiding practice for its SMS. NiSource is one of only two utilities in the world with the API RP 1173 conformance certification.

In 2024, NiSource was recognized with the ISO 55001 certification from LRQA, one of the world's leading providers of professional engineering and technology services. Achieving this international certification for asset management systems recognizes NiSource's commitment to safety for its people, systems and customers. These certifications are important milestones for NiSource's SMS and ongoing journey toward operational excellence.

NiSource continues to mature its overall SMS through modernization efforts including geographic information system (GIS) mapping, artificial intelligence (AI) technologies and risk mitigation efforts using assessment modeling and incident investigations.

The beauty of NiSource's SMS is that it is on an ever-evolving journey, one that encourages knowledge sharing, accountability for operational excellence, identification and execution of continuous improvement opportunities, and being champions of safety.



**NISOURCE CONTINUED TO MAINTAIN ITS CERTIFICATION TO THE AMERICAN PETROLEUM INSTITUTE RECOMMENDED PRACTICE (API RP) 1173, WHICH SERVES AS THE GUIDING PRACTICE FOR ITS SMS. NISOURCE IS ONE OF ONLY TWO UTILITIES IN THE WORLD WITH THE API RP 1173 CONFORMANCE CERTIFICATION.**

# PHMSA Mega Rule and MAOP Reconfirmation

NiSource mitigates risks associated with transmission pipelines consistent with the directives in the Pipeline and Hazardous Materials Safety Administration (PHMSA) Mega Rule. Additionally, NiSource's ISO 55001 Certification reinforces the Company's commitment to continuous improvement and adherence to industry standards. Working toward these goals ensures the safety, reliability and environmental stewardship of NiSource's operations.

PHMSA released the first part of the Mega Rule on October 1, 2019, and it requires operators to reconfirm the maximum allowable operating pressure (MAOP) for certain transmission pipelines. In accordance with federal code, 50% of the applicable transmission pipeline mileage must be reconfirmed by July 3, 2028, and 100% must be reconfirmed by July 2, 2035. This rule was put in place to address failures that were seen across the industry, specifically in transmission pipelines. MAOP reconfirmation will help NiSource reduce risk on its system by assessing and remediating threats before they become risks.

NiSource has made great strides in ensuring that the 2028 compliance requirement will be met. The Northern Columbus High Pressure (NCHP) replacement project is the largest scale pipeline project that NiSource has undertaken in decades. MAOP Reconfirmation for approximately 40 miles of the NCHP is currently underway. In addition to the NCHP project, NiSource executed projects in Virginia, Indiana and Pennsylvania in 2024 and is currently on track to meet the 50% MAOP reconfirmation requirement in those jurisdictions.



# PIPES Act of 2020

In 2024, NiSource maintained its focus on pipeline and environmental safety, taking steps to enhance its procedures and programs in advance of PHMSA rulemaking. In 2020, Congress and the President passed the “Protecting Our Infrastructure of Pipelines and Enhancing Safety (PIPES) Act of 2020,” which directed PHMSA to develop and promulgate pipeline safety regulations related to leak detection and repair, among other things. NiSource has been engaged with industry trade groups since 2023 to assess impacts and provide PHMSA with constructive comments to improve the language of each rule. In 2024, that focus continued as PHMSA moved closer to final rule development.

With a focus on advanced technologies to support safety and environmental stewardship, NiSource

successfully executed leakage and emission reduction programs in 2024. Cross compression, first introduced at NiSource in 2022, is utilized in the gas industry to recycle gas back into the pipeline system rather than venting to the atmosphere during pipeline blowdown operations. This innovative technology complements PHMSA advisory bulletins and the Leak Detection and Repair (LDAR) rulemaking stemming from the PIPES Act of 2020.

In 2024, NiSource promulgated gas standards and processes setting firm expectations for the use of cross compression on both distribution and transmission pipelines at a specific release volume threshold. That expectation, coupled with the successful adoption by NiSource’s Engineering and Construction execution teams, resulted in the

reduction of over 3,600,000 standard cubic feet (scf) of natural gas emissions, equivalent to 300 homes’ worth of annual energy usage. This highlights how mitigating high-volume release events has a tangible impact on emissions reduction. Cross compression will continue to be part of NiSource’s work execution strategy into 2025 and beyond.

In addition to cross compression, NiSource’s Advanced Leak Detection Program (ALDP) continued to grow and improve in 2024. ALDP provides NiSource with more comprehensive system risk data by capturing methane emissions across a broader geography for further investigation and repair. The technology enables improvements for employees, customers and public safety.

NiSource has a fleet of 18 Picarro leak detection mounted units on vehicles with four of those new in 2024. NIPSCO continued to perform surveys for required compliance purposes and, beyond that, 69% of NiSource’s total system was driven in 2024 to locate and mitigate leaks. The technology was also used in 2024 to perform supplemental surveys in specific situations confirming system safety and integrity. NiSource continues to lead in the ALDP space and will evolve the program in 2025.

These efforts demonstrate NiSource’s commitment to safety in the absence of specific regulations requiring their implementation. In 2024, PHMSA’s LDAR rule underwent a second review with the Gas Pipeline Advisory Committee (GPAC). In January 2025, PHMSA withdrew the final LDAR rule, and it has not gone into effect.

**In 2020, Congress and the President passed the  
“Protecting Our Infrastructure of Pipelines and  
Enhancing Safety (PIPES) Act of 2020”**





# Human and Organizational Performance

NiSource is strengthening its safety culture by embedding Human and Organizational Performance (HOP) as a foundational operating philosophy. HOP acknowledges that people are fallible and emphasizes designing systems that anticipate and manage failure to prevent harm.

In 2024, NiSource launched the first phase of a multi-year strategy to integrate HOP across the enterprise. This included foundational training for employees and leaders to introduce HOP principles and error reduction tools. These sessions emphasized dynamic, scenario-based learning and reinforced key behaviors that build individual capacity and support safer work execution.

NiSource has also aligned HOP with its operational life cycle, specifically in how it designs, plans and executes high-risk work, including enhanced pre-job briefs, bolstered safeguards and learning from actual events. This approach prioritizes building system resilience and shaping the conditions necessary to enable safe and reliable work execution especially in high-risk environments.

Through this integration, HOP is becoming a catalyst for cultural transformation, shifting focus from blame to learning, from individual error to system improvement. HOP also enables NiSource to model shared accountability at all levels of the organization to protect employees, customers and communities.



# Driving Public Awareness of Gas Safety



Public Awareness is an outreach and engagement plan followed by all pipeline operators under 49 CFR (Code of Federal Regulations) § 192.616 and American Petroleum Institute Recommended Practice, or API RP 1162. NiSource utilizes the constructs set forth by these codes to outline its educational communications for enhancing emergency response, public safety and continuous improvement.

Additionally, NiSource leverages industry community partnerships, such as the Common Ground Alliance, and works closely with contractors to help promote safety messages and follow the same steps to keep the public safe. For NiSource, Public Awareness is a strategic driver for damage prevention, tailoring specific safety messaging to stakeholders, including impacted customers, emergency officials, public officials and excavators. This detailed plan helps the company connect with the communities it serves through various channels and tools to convey important safety information, programs and best practices.

In 2024, NiSource continued to leverage the damage prevention risk model (DPRM) called ManageDamage. Leveraging this software ensures NiSource damage prevention specialists or coordinators are addressing the highest-priority 8-1-1 tickets to meet excavators and educate them on safe digging practices.

Additionally, employees can document one-on-one conversations with customers and the public about pipeline safety in the ManageDamage system. Tracking this additional activity is not only greatly beneficial to the compliance, auditing and reporting process, but also essential for ensuring important safety information is reaching the public. In 2024, 44,894 interactions were recorded across all six states for proactive Damage Prevention conversations. NiSource school programs reached 266 schools, 1,104 teachers and 16,530 students. At NIPSCO, a NiSource operating company, employees work with firefighters, police officers and emergency management authorities in Indiana to provide valuable education on how to safely respond to gas and electric incidents. These recognized programs combine classroom learning with detailed hands-on training to simulate real-world events that first responders are likely to encounter. In 2024, NIPSCO achieved the milestone of delivering the natural gas safety program to 100% of the 258 fire departments in the 32-county Indiana territory.





# Emergency Preparedness

NiSource is excited to announce the development of a new Comprehensive Emergency Management Program (CEMP), designed to enhance preparedness and response capabilities. This program is being developed in alignment with the Emergency Management Accreditation Program (EMAP) standards, ensuring a best-in-class approach to protecting NiSource communities, employees and infrastructure. As a leading energy provider, NiSource is committed to delivering a resilient emergency management framework that meets the highest industry benchmarks.

In 2024, the Emergency Management team further

strengthened preparedness through a series of critical exercises and activations. A significant enterprise-level tabletop exercise was conducted to ensure NiSource's ability to maintain critical operations during the upcoming Presidential election, reinforcing its readiness for large-scale events. The team also carried out a tabletop exercise of the newly developed Aviation Emergency Response Plan, successfully testing its effectiveness in protecting lives, minimizing property damage and ensuring business continuity.

Additionally, NiSource participated in the Pennsylvania Black Sky Communications Tabletop Exercise, focused on evaluating and enhancing coordination and response

capabilities in the face of a combined physical and cyber incident that disrupted emergency communication systems. This exercise validated the resilience and effectiveness of NiSource's emergency procedures and its ability to sustain operational continuity. The Emergency Management team continued to engage with key stakeholders in multiple operational and discussion-based drills, ensuring the emergency plans and processes remain robust and effective.

Beyond exercises, the team activated in response to Tropical Storm Debby and Hurricane Helene to provide support to NiSource service territories. By leveraging applied meteorology, they delivered critical

forecast advice and interpretative products to NiSource leaders and emergency personnel. This ensured situational awareness remained intact and helped determine response posture using the Incident Command System.

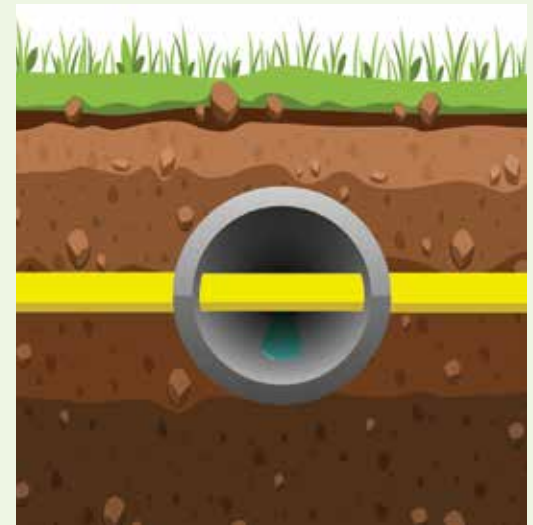
Through continuous preparation, rigorous training and active participation in real-world scenarios, the Emergency Management team remains committed to maintaining the highest standards of safety, coordination and response effectiveness.

## CROSS-BORE PROGRAM

A cross-bore is a situation in which other buried utilities conflict with NiSource-owned gas lines, resulting in an increased risk of damage to company facilities. NiSource addresses the risk by investigating and eliminating cross-bores through inspecting sewer utilities with a robot-controlled camera.

NiSource uses a probabilistic risk assessment model to target inspection areas with a higher expected density of cross-bores. The model uses previously identified cross-bores mapped in NiSource's Geographic Information System (GIS) (i.e., location, asset type and pipe properties) and municipality geospatial sewer data to further enhance its capabilities.

In 2023, Columbia Gas of Pennsylvania (CPA) piloted an Artificial Intelligence (AI) program to review cross-bore camera footage. With AI implementation, CPA increased its quality assurance to 100%. In 2024, NiSource started expanding the utilization of AI video technology across all subsidiaries.





## ENHANCED SAFETY CAPABILITIES THROUGH TELEMATICS

Did you know that in 2022 NiSource employees drove over 57.3 million miles throughout the course of the year? That is enough to drive around the entire circumference of the world 2,301 times.

It is our priority at NiSource to ensure our employees go home safely every day. To make these desired improvements, in 2024 NiSource began to replace our previously outdated Telematics technology with an updated more modern version with enhanced safety capabilities.

The system focuses on identifying and providing in cab feedback on our riskiest driving behaviors. Some of these features include mobile device use, no seat belt alerts, following distance detection, harsh events such as breaking, acceleration and turning as well as inattentive driving.

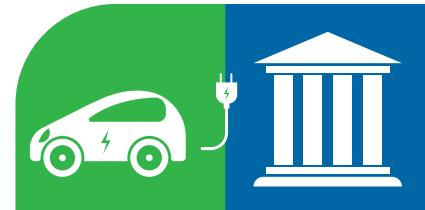
While still new in terms of adoption, NiSource has already experienced the benefits of the system. In 2024, we saw a 61% decrease in mobile device usage as well as an 88% decrease in No Seat Belt events. By focusing on the reduction of high-risk driving behaviors, NiSource is expecting to continue improving driver safety, cost savings and risk reduction.

## Environmental Safety

Environmental protection is essential for an electric and gas utility company as it ensures compliance with regulations, conserves vital natural resources and protects public health by reducing harmful emissions. NiSource is committed to reducing the environmental impact of its business and promoting sustained environmental stewardship. The company seeks proactive opportunities for improved environmental performance and is committed to complying with environmental laws and regulations.

NiSource utilizes an Environmental Management System, which is a set of processes and practices to assure compliance and mitigate risk. It incorporates the following elements:

- ▶ Policies, Procedures, Standards and Plans
- ▶ Training
- ▶ Communication
- ▶ Environmental Health and Safety Audits
- ▶ Environmental Inspection
- ▶ Environmental Self-Assessments
- ▶ Deviation Monitoring and Tracking
- ▶ Root Cause Analysis
- ▶ Corrective Action Tracking
- ▶ Risk Assessment
- ▶ Risk Mitigation
- ▶ Regulation Tracking
- ▶ Regulatory Compliance Planning
- ▶ Remediation Cost Accounting



# People and Employee Safety

## NISOURCE OPENS OHIO-BASED WELDING FACILITY TO SERVE EMPLOYEES AND CONTRACTORS

The NiSource Welding Training Center in Gahanna, Ohio, is a 6,800-square-foot facility designed to provide a more efficient training and requalification environment for NiSource employees and contractors. The facility features ten welding bays, a training classroom and a state-of-the-art ventilation system. The centralized location will provide convenience to all NiSource operating companies and offer a space large enough to accommodate bigger training groups.

NiSource's commitment to the trades is evident through ongoing partnerships with organizations like Junior Achievement, Columbus State Community College, Columbus Urban League, Girl Scouts and Godman Guild. These partnerships provide classroom and site-based learning experiences and career pathway programs for high school students and promote field positions.

The facility's significance was highlighted by NiSource EVP Chief Operating & Safety Officer Bill Jefferson, who emphasized the importance of skilled trade employees to the company and the utilities industry. State Sen. Michele Reynolds and Gahanna Mayor Laurie Jadwin also expressed their support for the company's efforts to promote the trades industry and help guide students interested in trade careers.





# Employee Stories



## CALM UNDER PRESSURE: EFFECTIVE FIELD RESPONSE TO SERVICE LINE INCIDENT

On October 29, 2024, a gas odor call was dispatched to Service Tech Keith Kutchman. The call was in Sewickley, Pa., and involved an excavation-related leak. Keith felt uneasy about what he heard and called another tech, Shayne Quinn, for assistance.

Upon arrival, Keith detected high gas readings in the basement, evacuated the contractors and called for a plant crew. The leak was from a pierced service line, allowing medium pressure gas into the basement.

Keith requested power be cut, but the Integration Center had difficulties contacting Duquesne Light. Shayne, also a fire department member, expedited the power shutdown. The two quickly assisted in evacuating nearby homes.

Power was remotely shut down, and the crew was able to eliminate the leak. The home was ventilated until gas readings dropped, and the fire department finished ventilating residual gas. The service line was

capped, and electric service was re-established safely.

The crew prioritized life and property, made safety-minded decisions and worked flawlessly with the fire department. Their quick actions saved many lives and homes in a busy neighborhood. They remained calm and used their training to execute the response effectively, earning recognition for their actions.

## TIMELY FIELD ACTION LEADS TO LIFE-SAVING RESPONSE

Columbia Gas of Ohio Service Technician Sedrick Harton was responding to a low/no gas pressure call in the East Linden neighborhood of Columbus on April 24 when he saw a man lying in the street near his job. Initially thinking the man might be drunk, Sedrick noticed a lawnmower nearby and realized the man was unconscious. Using his background in law enforcement and experience with Columbia Gas, Sedrick performed a sternum rub to rouse the man, who turned out to be deaf.

Sedrick used his Blackline device to communicate with Assigner Cassie Gallimore, who was in training that day. Cassie, under the guidance of Assigner Mariel Delgado, quickly arranged for emergency services. Paramedics arrived and determined the man was in a diabetic coma, requiring immediate hospitalization.

Sedrick's timely intervention and the resources provided by Columbia Gas were crucial in preventing a potentially tragic outcome.



# Safety Scorecard

SAFETY INDICATOR	2024 TARGET	EOY 2024
TRIR (TOTAL RECORDABLE INCIDENT RATE)	0.98	0.91
DART (DAYS AWAY, RESTRICTED, TRANSFER CASE RATE)	0.57	0.59
PVC (PREVENTABLE VEHICLE COLLISION RATE)	1.46	1.35
ILI MILES (% OF PIPELINE RETROFITTED)	33%	38%
PIPE INSTALLED (MILES INSTALLED OR REPLACED)	227	287.6
SAIFI (AVERAGE # OF INTERRUPTIONS PER CUSTOMER PER YEAR)	0.99	0.96
POLES INSPECTED (# OF ELECTRIC POLES INSPECTED)	18,500	28,647
LEAK REPAIR (% OF PLANNED EXECUTED UNDERGROUND GRADE 2 LEAKS)	90%	102%
DAMAGES PER 1,000 LOCATE TICKETS	1.94	1.97

NOTES	
ILI MILES	In-line inspection is a tool that is used to evaluate and confirm the condition of NiSource’s transmission assets. This leading indicator tracks the percentage of miles and inspection-ready assets and supports PHMSA compliance requirements for transmission pipelines.
PIPE INSTALLED	Miles of installed distribution pipe for infrastructure modernization programs focused on accelerating the replacement of aged distribution and mainline facilities that are prone to leakage.
SAIFI	System Average Interruption Frequency Index (SAIFI), excluding major event days, is the electric reliability indicator measuring the average number of interruptions per customer during the year.
ELECTRIC POLES INSPECTED	Maintenance program that identifies at-risk electric poles to effectively establish corrective actions that prolong the service life of the asset. This leading indicator tracks the number of electric poles inspected.
LEAK REPAIR	% of planned work executed to repair underground leaks.







# CUSTOMER AND COMMUNITY ENGAGEMENT

# Affordability and Energy Assistance

The cost of natural gas is one of the largest factors of gas customers' bills and directly impacts electric customers' bills, as well. NiSource and its operating companies do not mark up the price of the natural gas distributed to homes and businesses. Customers pay the same dollar-for-dollar cost that the company pays.

Balancing the need for necessary system improvements while limiting the impact to customers is important. NiSource keeps service and affordability for customers at the forefront. In recent years, NiSource and its subsidiaries have invested in a range of improvements that drive value for customers. These include:

- ▶ Modernizing the electric system to improve system reliability, reduce outage time, and harden it against severe weather.
- ▶ Identified and replaced over 300 miles of underground power lines that were causing up to 90% of the outages on a section of the underground system.
- ▶ Modernizing NiSource's electric distribution and transmission substations with equipment that helps monitor asset and system health, ensuring these technologies achieve their maximum life.
- ▶ Inspecting and treating over 300,000 wood poles helping to harden its distribution system and improve reliability.
- ▶ Maintaining reliability by coating and extending the life of more than 3,227 steel transmission structures since 2016 to protect against physical damage and weather conditions.
- ▶ Continuing investments to thwart and protect against cybersecurity threats.
- ▶ Providing customers with 100% of the revenues when NIPSCO sells the excess power it generates back to the grid — including sales from the newly added renewable energy.
- ▶ Enhancing the overall customer experience through digital channels like websites and mobile apps, along with connecting customers with customer care agents via live or automated chats.

Understandably,  
affordability is  
very important to  
customers and it  
is very important  
for NiSource and  
its subsidiaries.  
It's important  
to balance  
the need for  
necessary system  
improvements  
while limiting  
the impact on  
customers.



NIPSCO is maximizing the value of its renewable generation assets, including utilizing the available revenue streams to reduce customer costs. NIPSCO currently provides value from in-service wind and solar projects to customers in several ways:

- ▶ Renewable energy credits (RECs) are sold by NIPSCO with the return of all proceeds to customers as a credit on a dollar-for-dollar basis.
- ▶ In periods where there has been more energy produced from the facilities than is needed to meet NIPSCO's load, the excess energy is sold by NIPSCO into the MISO Market with the return

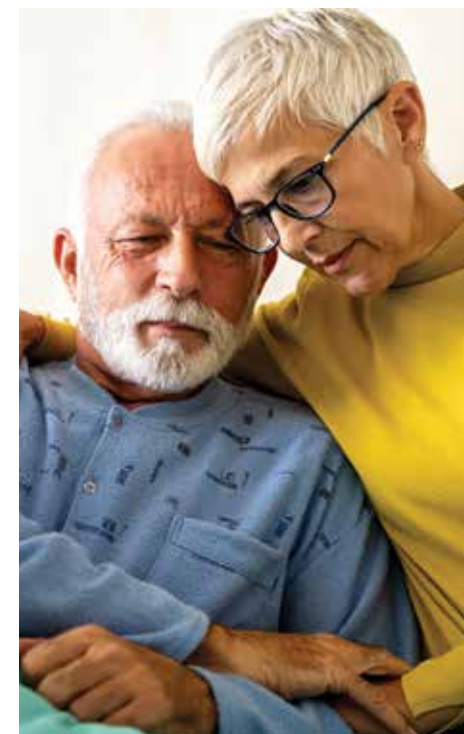
of net proceeds (or margins) to customers through the off-system sales adjustment.

- ▶ And, after an appropriate level of reserves or contingency build up associated with its joint venture renewable projects, NIPSCO returns cash distributions in excess of operating costs to customers.

From 2020 through 2024, NIPSCO has credited its customers with over \$100 million related to REC sales, off-system sales adjustments and cash distributions in excess of operating costs from joint venture renewable projects.

Energy assistance programs are vital to NiSource customers who may have difficulty paying their energy bills. The programs are federally funded at the state or local level. Columbia Gas and NIPSCO have assistance available on their websites to help income-eligible customers receive financial assistance to pay their bill. There are multiple programs available, such as the Low Income Home Energy Assistance Program (LIHEAP) and Energy Assistance Program (EAP).

Customers have additional options to help them pay their bills — including budget plans to allow more predictability in monthly bills, payment plans and energy efficiency programs.



## HELPING VULNERABLE CUSTOMERS

### COLUMBIA GAS OF PENNSYLVANIA'S WARMWISE LOW INCOME USAGE REDUCTION PROGRAM

Free home weatherization program that assists customers in reducing their home's natural gas consumption by identifying and remediating areas in the home where heat escapes.

### COLUMBIA GAS OF PENNSYLVANIA'S ENERGY REPAIR PROGRAM

Financial assistance for the repair and replacement of natural gas furnaces, water heaters, service and house lines, and space heaters serving as the primary heat source of low-income customers who own and are living in their home.

### COLUMBIA GAS OF OHIO'S WARMCHOICE® PROGRAM

Provides income-qualified customers with whole-home energy efficiency services. Participating customers receive an energy inspection, which includes a safety check of natural gas appliances and many safety issues that are identified during the energy inspection are corrected at no cost to the customer in order to safely weatherize the customer's home.

### COLUMBIA GAS OF VIRGINIA'S AGE AND INCOME QUALIFYING PROGRAM

Eligible customers receive a visit to their home from our qualified professional partner to install certain energy savings products based on whether they have natural gas water heating, space heating or both.



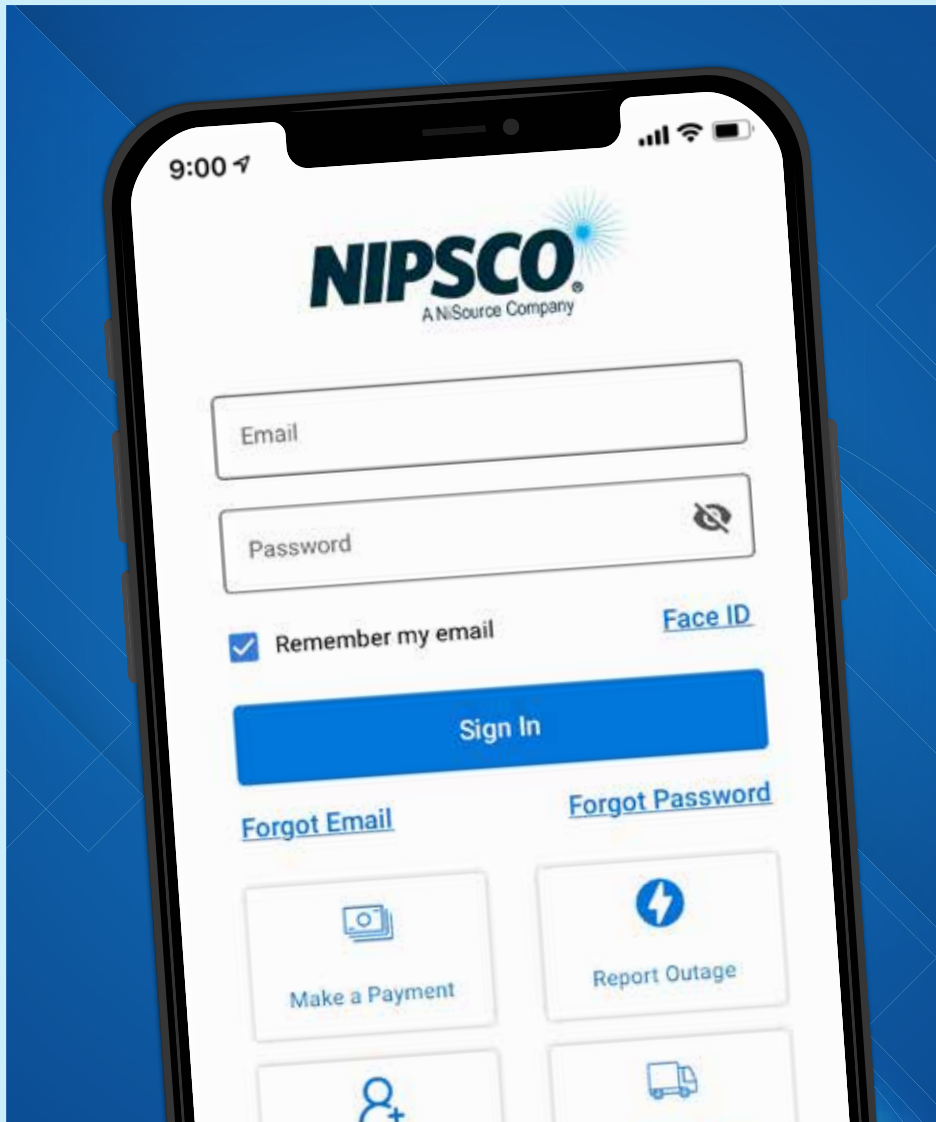
# Customer Experience

Many of the self-service digital offerings provided to customers are designed to not only enhance customer experience, but also to lower operating expenses to keep bills manageable.

The Columbia Gas and NIPSCO websites, mobile apps, chatbots and live chat provide customers with the ability to do business in the channel of their choice and at their convenience. These initiatives, along with paperless billing and Customer Care Center efficiencies, have improved the customer experience and provided customers with a wide range of digital self-service options.

## CUSTOMER-FRIENDLY WEBSITES

- ▶ Customer-facing websites maintained by NiSource and its operating companies fielded 73.1 million visits and enabled 6.5 million transactions in 2024. E Source Utility Benchmark Survey ranked NIPSCO's website first and Columbia Gas fourth in 2023 amongst utility websites. Several website enhancements were completed in 2024, including building out new Electric Vehicle Charging Station pages, adding webpages to promote a wider range of self-service offerings and improving the user experience for customers enrolling in payment plans.
- ▶ A significant focus in 2024 was ensuring the websites were more easily accessible and easier to use for customers with disabilities in compliance with the Americans with Disabilities Act (ADA). This was achieved by implementing updates such as making documents easier to find and read, improving color contrasts to make text on the screen more visible, simplifying navigation styles, updating link labels for screen readers and training employees to make customer-facing PDF documents more accessible.



# Going Digital with Mobile Apps

More than 1 million customers have downloaded NiSource operating company mobile apps since they launched in August 2021 enabling customers to take advantage of a range of self-service payment options, including making payments, managing paperless billing and enrolling in autopay. More than 3 million self-service transactions were completed by customers via the app in 2024.

## START. STOP. MOVE.

- ▶ This option allows customers to initiate start, stop and move service themselves online or through the company mobile apps without interacting with a customer service representative. This approach provides simpler customer experience, reduces call volumes and lowers costs. Customers have used this convenient service more than 463,000 times since it launched in 2021.

## CHATBOT/LIVE CHAT

- ▶ NiSource customers are engaging regularly with the company's automated chatbot and live chat, which offers the chance to communicate on a channel of their choice. Instead of calling, customers can get pressing questions answered online via live chat or an automated chatbot or through a mobile app. This channel also allows several self-service transactions in the chat, including password reset, payment status, account balance inquiry, forgotten account number or to request a copy of a current bill. This reduces call volumes and lowers costs. Customers used this channel more than 367,000 times and completed more than 73,000 transactions in 2024.

WE WANT TO MAKE  
THINGS EASIER FOR **YOU!**

**Download** our app to take your account wherever you go.





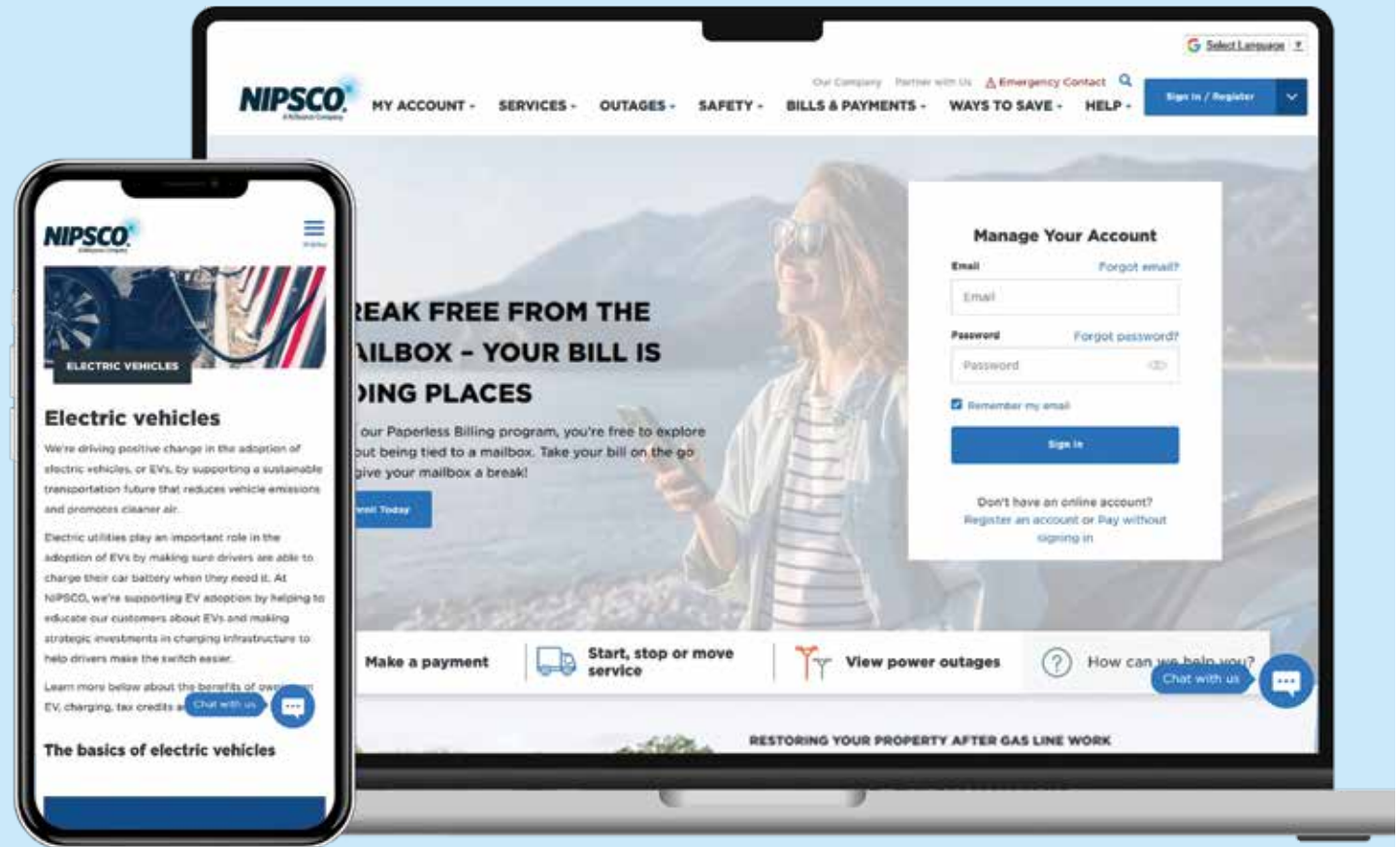
# Interactive Voice Response (IVR)

The Interactive Voice Response system (IVR) enables customers to self-serve or opt to speak to a customer service representative. Live automated phone systems are open to customers from 7 a.m. to 7 p.m. daily and every hour, every day for emergencies.

In 2024, the system received 6.3 million calls from customers and enabled more than 2.8 million transactions. Several enhancements to the IVR were made in 2024, including touch-tone functionality for street address entry. Other enhancements included adding a hidden menu option for customers to request an inside inspection and enabling customers to stay logged in as they transitioned from the IVR system to a payment vendor.

## EPIC Customer Council

In 2024 the Customer Experience Process Innovation Centricity (EPIC) Council was launched; it convenes a forum of engaged leaders from workgroups across the organization to identify potential process improvements for enhancing customer experience.



Three young women, likely Girl Scouts, are gathered around a large, rolled-up scroll. They are all wearing light-colored uniforms with patches, including an American flag and a 'Girl Scout' patch. The woman on the left has a patch that says '6807'. The woman in the middle is holding the scroll. The woman on the right has a patch that says '97'. A blue semi-transparent box with white text is overlaid in the center of the image.

# NISOURCE CHARITABLE FOUNDATION AND COMMUNITY RELATIONS



## STRENGTHENING COMMUNITIES THROUGH GIVING



In 2024, the NiSource Charitable Foundation contributed more than \$7.8 million in charitable donations to help build strong, sustainable communities where NiSource and its operating company employees and customers live and work.

### RELATIONSHIP WITH NISOURCE INC.

The NiSource Charitable Foundation is a 501c3 organization solely funded by contributions from NiSource. Its employees serve as Foundation Directors & Officers and contribute their time in support of various causes. NiSource has donated over \$85M to the NiSource Charitable Foundation.

### EMPOWERING EMPLOYEES TO GIVE BACK

The NiSource Charitable Foundation encourages employee volunteerism through the Dollars for Doers program, which matches volunteer hours with financial donations. In 2024, NiSource employees dedicated over 5,300 hours of service, resulting in more than \$99,000 in matching donations to over 180 nonprofit organizations.

Employees volunteered time to support a wide range of causes, including 4-H programs, animal shelters, food pantries, volunteer fire departments, veteran services and more. Through company-led initiatives, employees rolled up their sleeves to donate blood, plant trees, build homes, collect school supplies, and provide warm clothing and toys for families in need. Further demonstrating a commitment to social impact, employees cycled for two days to raise funds for cancer research, supported veterans through an awareness walk and joined the American Heart Association Walk to promote heart health.

### LEADERSHIP IN SERVICE

NiSource employees also shared their expertise by serving in leadership roles at nonprofit organizations. In 2024, employees collectively contributed \$270,000 through the NiSource Charitable Foundation's Leadership Board Service program in support of 96 nonprofit organizations.

Employees provided strategic guidance to a diverse range of organizations, including arts institutions, chambers of commerce, food banks, libraries and hunger relief programs. This leadership was extended to national and community-based organizations such as the American Red Cross, Alzheimer's Association, March of Dimes, Urban League, Junior Achievement, Big Brothers and Big Sisters, the National Veterans Memorial and Museum, and other organizations.

### INVESTING IN EDUCATION

Through the NiSource Charitable Foundation sponsored National Merit Scholarship Corporation program, NiSource has supported the collegiate educational pursuits of students who are children of NiSource employees. In 2024, 15 children of NiSource employees received financial assistance for college expenses. Since 1984, 358 students have benefited from scholarship awards, helping them pursue two- or four-year degrees.

### HONORING A COMMITMENT – MERRIMACK VALLEY

In 2024, the NiSource Charitable Foundation completed a five-year, \$10 million commitment to the Merrimack Valley region. During the year, 22 organizations that serve the Merrimack Valley region received single-year, multiyear or capacity-building grants through the Merrimack Valley Fund. In August 2023, when torrential rain caused devastating flooding in the Merrimack Valley region, NiSource provided an additional \$317,000 from the NiSource Charitable Foundation to assist residents affected by the rising floodwaters.



# Strengthening Communities Through Strategic Giving

THE NISOURCE CHARITABLE FOUNDATION AWARDED \$4.5 MILLION IN COMMUNITY GRANTS TO 625 ORGANIZATIONS, SUPPORTING INITIATIVES ALIGNED WITH THE FOUNDATION'S 2024 GIVING PILLARS:

- SAFETY AND BASIC NEEDS
- STEM EDUCATION & WORKFORCE DEVELOPMENT
- ENVIRONMENTAL STEWARDSHIP
- DIVERSITY, EQUITY & INCLUSION

THROUGH THE NISOURCE CHARITABLE FOUNDATION, THE COMPANY REMAINS DEEPLY CONNECTED TO THE COMMUNITIES WHERE ITS CUSTOMERS LIVE AND WORK. BY ENCOURAGING EMPLOYEE ENGAGEMENT AND SUPPORTING IMPACTFUL INITIATIVES, NISOURCE CONTINUES TO DEMONSTRATE A STRONG COMMITMENT TO COMMUNITY SERVICE.



For larger, transformative projects, the Foundation provided over \$612,700 in strategic business grants to 26 organizations, enabling them to drive meaningful and lasting changes in their communities. A few projects supported with these funds include:

In **KENTUCKY**, these funds helped expand capacity and services for nearly 265,000 people in the central and eastern portion of that state through the construction of a pantry food bank

In **OHIO**, the funds supported the creation of a new Junior Achievement location and sponsorship of the Junior Achievement Finance Park, a program which helps students learn to make intelligent financial decisions.

In **PENNSYLVANIA**, the Foundation supported WTAE-TV's Project Bundle Up initiative to support the Western Pennsylvania Salvation Army. Through this initiative, employees mentored underserved children while chaperoning them on shopping trips to purchase needed winter outerwear for the winter season.

In **MARYLAND**, the Foundation supported the Maryland Food Bank and its Mobile Markets in three areas where access to food is limited.

In **INDIANA**, the funds supported a grant to the Youth Service Bureau (YSB). With a mission to provide youth with access to safety, shelter and opportunities for success, YSB helps young individuals repair foundations damaged by abuse, neglect, homelessness and lack of resources. The funding helped purchase furniture and goods to make the shelter feel like home.

In **VIRGINIA**, an emergency shelter for at-risk youth helped to rebuild a local community center.



## BUILDING TRUST THROUGH COMMUNITY PARTNERSHIPS

Trust and credibility are built over time through transparent communication, honoring commitments and fostering strong relationships. NiSource and its operating companies lead a variety of community outreach and partnership initiatives designed to create opportunities that strengthen local communities.

NiSource's commitment extends beyond grantmaking. Through strategic partnerships and local engagement efforts, the company supports key focus areas such as education, health, safety, well-being and community outreach. These initiatives are bolstered by the NiSource Charitable Foundation, as well as contributions from each of NiSource's operating companies.

## SUPPORTING COMMUNITY HEALTH, SAFETY AND WELL-BEING

Strong communities require access to essential resources for health, safety and well-being. To that end, NiSource and its operating companies regularly support local and regional organizations to ensure that vulnerable customers receive the support they need.

In partnership with NIPSCO, the NiSource Charitable Foundation provides grant funding to Family Advocates to support the creation of youth-centered space dedicated to social and emotional learning and programming. The new facility is providing academic support, leadership training, and personal and vocational development opportunities for several hundred youth and families in the area. By fostering a nurturing environment, this initiative aims to empower young individuals and their families, helping them build a brighter future and stronger community connections.

Across the entire NiSource footprint, Columbia Gas and NIPSCO collaborate with township trustees, community action agencies, faith-based organizations and community leaders to expand access and participation in bill payment assistance programs, ensuring that vulnerable customers receive the support they need.

## INVESTING IN EDUCATION FOR A BRIGHTER FUTURE

Developing future leaders and ensuring a skilled workforce starts with education. NiSource actively partners with elementary, secondary and postsecondary institutions to support educational programs that enhance learning opportunities and prepare students for future careers. Some of these efforts focus on building a talent pipeline for the energy industry, while others aim to enrich the broader educational experience and empower the next generation.

In Pennsylvania, significant strides were made to promote STEM (Science, Technology, Engineering and Mathematics) education among young girls, particularly in high-risk communities. Funding was provided to cover STEM Sampler Kits for the Girl Scouts. These kits were distributed to troops throughout their local council, with a special focus on areas identified by Asset Limited, Income Constrained, Employed (ALICE) and poverty rates. This initiative empowered troop leaders with the knowledge, confidence and materials needed to provide their girls with enriching STEM experiences.

The NiSource Charitable Foundation proudly supported the Columbus Chamber's Careers2Classrooms program, an initiative designed to introduce Central Ohio educators to in-demand career industries. By equipping educators with firsthand knowledge and experiences, students were taught to be inspired by career paths in STEM and the energy sectors.

In 2024, the Foundation supported the opening of the Marksbury Family Branch of the Lexington Public Library. This state-of-the-art facility, located in a predominantly Hispanic neighborhood, serves as a dynamic community center featuring classrooms and high-tech makerspace learning areas, providing invaluable resources and opportunities for community engagement. The Marksbury Family Branch has become a crucial channel for reaching the Hispanic community with essential safety information about natural gas. By bridging gaps and providing essential services, NiSource is contributing to a more informed, connected and resilient community.



## ENGAGING IN COMMUNITY OUTREACH

Beyond financial support, NiSource is an active partner in hundreds of local events that bring communities together. The company also remains committed to proactive stakeholder outreach, ensuring that residents and businesses are well-informed about major infrastructure projects. By engaging with communities before, during and after project completion, NiSource works to minimize disruption and maximize transparency.

The infrastructure work that often needs to be completed may impact traffic and require permitting, excavation, restoration, the need to secure easements and rights-of-way, temporary service interruptions and more. Success and greater project acceptance require proactive communication and involvement with customers and community leaders, among other stakeholders.

For much of this work, especially larger-scale projects like the Virginia project, stakeholder engagement plans are developed to include outreach to local officials, customer notifications and town halls. Coordination with emergency management and involvement with environmental and transportation organizations is also often required.

Outside of project-driven communication and outreach, NiSource, Columbia Gas and NIPSCO work to maintain a two-way forum to ensure alignment between community needs and expectations and identify what the company can do to improve. An example is NIPSCO's Community Advisory Panels, a diverse collection of stakeholders in five groups across Indiana that meet to help the company identify communication improvements, highlight information about helpful customer programs and outreach efforts, and create a channel for ongoing dialogue and feedback.





A photograph of three industrial workers in a control room. They are wearing white hard hats with headlamps and high-visibility yellow safety vests over blue long-sleeved shirts. The woman on the left is looking towards the center. The man in the middle is holding a tablet and looking at it. The man on the right is looking down at his hands, which are wearing white gloves. In the background, there are large windows showing a snowy outdoor scene and various industrial equipment, including a pressure gauge and pipes.

# WORKFORCE AND TALENT DEVELOPMENT

# Workforce and Talent Development

## HUMAN CAPITAL

NiSource is committed to a human capital environment that supports strategic and operational objectives that elevate front-line leaders, fostering a culture of accountability and creating an enviable employee experience.

At the end of 2024, NiSource had 7,687 full-time and 59 part-time active employees (i.e., not interns, not on leave or disability). Of the total workforce, 32% were subject to collective bargaining agreements with various labor unions. These collective bargaining agreements were renegotiated in 2021 and 2023 and expire in 2026 and 2027, respectively.

## TALENT ATTRACTION

To recruit and hire individuals with a variety of skills, talents, backgrounds and experiences, NiSource values and cultivates relationships with community and outreach partners. The company attends job fairs while also partnering with local colleges and universities to identify and recruit qualified applicants.

NiSource focuses on creating a flexible, agile model for roles that can be performed in a variety of settings: onsite, hybrid and remote. Most of NiSource's

workforce is onsite. Hybrid and remote roles provide different avenues of working and seeking talent across NiSource's footprint. Hybrid employees work in a NiSource facility several days a week. This in-office presence supports colleague connection, professional development, in-person mentoring and broader team building.

## TALENT DEVELOPMENT AND RETENTION

NiSource offers leadership development programs to enhance the behaviors and skills of existing and future leaders. Extensive technical and non-technical employee development training programs are also offered.

NiSource strives to provide promotion and advancement opportunities for all employees. In 2024, for all leadership positions at the supervisor and above level posted externally, 64% were filled with internal employees. Targeted talent development plans are also utilized to increase succession candidate readiness for leadership roles. Additionally, NiSource monitors the risk and potential impact of talent loss and takes action to increase retention of top talent. Retention in 2024 was 93%.





## SUCCESSION PLANNING

NiSource conducts succession planning annually for officer level positions to develop and sustain a strong bench of talent capable of performing at the highest levels. Talent is identified, and potential paths of development are discussed, to ensure that employees have an opportunity to build their skills to be well-prepared for future roles. Formal succession plans are maintained for key positions.

## EMPLOYEE AND WORKPLACE BENEFITS

NiSource has several programs to support employees and their families' well-being. These programs include competitive medical, dental, vision, life and long-term disability programs, and employee health savings account company contributions. Other benefits include telemedicine services, Employee Assistance Program, Integrated Health Management navigation services and paid time off for wellness, sick/disability, parental leave and illness in family days.

## WORKPLACE CULTURE

NiSource's culture is another important aspect of its ability to advance strategic and operational objectives. In addition to recruiting, development and retention programs described above, NiSource invests in internal communications programs, including in-person and virtual learning and networking opportunities, as well as regular town hall communications to employees. Organizational health and employee engagement is measured and monitored through various channels including employee life cycle, pulse and census surveys.

To instill and reinforce NiSource's core values and culture, its employees are required to participate in training on ethics and compliance topics each year, including raising concerns, treating others with respect, preventing discrimination in the workplace, and anti-bribery and corruption. Other training opportunities cover data protection, conflicts of interest, and how to use the anonymous ethics and compliance hotline.



NiSource is committed to an environment where employees feel connected, fostering collaboration and driving innovation. NiSource's corporate sustainability goes beyond environmental and fiscal accountability alone. It is a responsibility to be a caring, inclusive and trusted partner who engages communities to achieve meaningful outcomes.

Leveraging companywide Engagement Pulse Surveys to gather feedback allows NiSource to gain valuable insights toward recognizing and respecting the diverse values of its employees. To ensure that all employees understand how their voice is critical for impacting psychological safety, elements of safety and trust have been integrated amid NiSource's core elements of the ethics compliance policies to create and foster a speak up culture.

To support employees, the Employee Resource Groups (ERGs) play a role in creating a space to share and learn from others' experiences. ERGs serve as bridge connectors to educate elements of cultural awareness while enhancing the overall employee experience. Through the various forms of programming, ERGs impact behavior to align with core values and support acknowledging people's differences in a respectful way.

The overall goal for NiSource is to be a workplace where employees value and respect one another and continue to build a culture committed to its core values. Promoting a culture of excellence across the organization and consistently hiring the most qualified candidates ensure there are diverse perspectives that will impact and drive innovation.

NiSource is committed to providing equal employment opportunities for all employees and applicants without regard to race, color, religion, national origin or ancestry, veteran status, disability, gender, age, marital status, sexual orientation, gender identity, genetic information or any protected group status as defined by law.





A woman with blonde hair, smiling, stands in a garden. She is wearing a white long-sleeved shirt under a grey denim apron. She has her arms crossed and is wearing green gardening gloves. The background is filled with various colorful flowers, including red, white, and blue blooms, and green foliage. A semi-transparent green rectangular box is overlaid on the image, containing the text "THE SUPPLIER POOL" in white capital letters.

# THE SUPPLIER POOL



# Economic Inclusion and Supplier Diversity

NiSource is committed to integrating sustainability principles throughout the supply chain operations. This approach focuses on mitigating third-party risk, enhancing supply chain resiliency, promoting economic inclusion, ensuring ethical business practices and advancing sustainability.

NiSource relies on a network of approximately 3,600 suppliers to deliver safe, reliable and affordable energy to customers. This supplier base spans across direct and indirect managed categories including materials and services to support NiSource’s strategic priorities, operations and enable growth.

In 2024, NiSource Supply Chain began a transformational strategic initiative. To strengthen supply chain resiliency and deliver on its integrated supply chain mission, NiSource now focuses on five strategic pillars:

- Robust employee value proposition
- Analytics-backed category management
- Supplier and stakeholder collaboration
- Economic inclusion & sustainability
- Warehouse enterprise solutions

The NiSource Supply Chain Advisory Council was also formed that year, chaired by the Chief Procurement Officer, and includes senior leadership throughout the company’s strategy and operations functions. The Council meets regularly to collaborate on supply chain strategies, performance, processes, and technology.





## ECONOMIC INCLUSION

NiSource is dedicated to fostering economic growth and development in the communities it serves. Category management strategies include actively inviting bids from multiple business types/sizes, including sourcing through qualified local and underrepresented businesses, and providing mentorship and networking opportunities. Expanding on existing business relationships by building relationships with more

local suppliers, small businesses, and diverse suppliers helps NiSource engage a wider range of suppliers, harnessing a broader range of innovative ideas and processes. Other strategies include transparency in reporting by regularly publishing performance metrics that support NiSource's financial and operational Objectives and Key Results. However, NiSource sets no requirements or quotas.

In order to reach this goal, the company continues to refine the way it executes internal Source-To-Pay processes, training teams and consistently monitoring barriers to entry to consider adjustments. NiSource has a clear direction for growing business with its current supplier group and seeks opportunities to develop new partnerships with additional suppliers

who offer high-quality products and services at competitive prices.

In addition to NiSource's continued investment in relationships with existing vendors, NiSource also invests in economic inclusion efforts and community engagement through partnerships with various national and local organizations.

**NISOURCE REMAINS FOCUSED ON ENTERPRISE ECONOMIC INCLUSION GOALS AND COMMUNITY INVESTMENTS BY PARTNERING WITH ORGANIZATIONS THAT PROMOTE WORKFORCE DEVELOPMENT AND ECONOMIC EMPOWERMENT. NISOURCE PARTNERS WITH NATIONAL AND LOCAL ORGANIZATIONS ACROSS THE FOLLOWING DIVERSE CATEGORIES:**

- ▶ Disabled-Owned Businesses
- ▶ Historically Underutilized Business Zone Small Businesses (HUBZone)
  - ▶ Lesbian, Gay, Bi-Sexual, Transgender Businesses (LGBT)
  - ▶ Minority-Owned or Minority Business Enterprises (MBE)
  - ▶ Veteran-Owned Businesses (VBE)
  - ▶ Women-Owned or Women Business Enterprises (WBE)
- ▶ Small Business Concern

# Gauging Economic Impact

This report measures the economic impact and benefits that come from NiSource’s Supplier Diversity Program in 2024. Local economic impact data was established through analysis performed by supplier.io, employing the IMPLAN input-output modeling tool in developing estimates of spend, income and employment impacts. NiSource is executing a multiphase project to continually improve data measurements and reporting processes to increase the integrity of this and future analysis.

## IMPACT BY DIVERSE CATEGORY

	MINORITY-OWNED BUSINESSES	LGBT-OWNED BUSINESSES	WOMEN-OWNED BUSINESSES	DISABLED-OWNED BUSINESSES	VETERAN-OWNED BUSINESSES	SMALL BUSINESSES	HUBZONE BUSINESSES
SPEND	\$225M	\$170K	\$245M	\$455K	\$48M	\$15M	\$323.3K
JOBS SUPPORTED	1028	1	1135	2	220	64	2
WAGES SUPPORTED	\$101.4M	\$121.7K	\$90.3M	\$211.7K	\$20.5M	\$6.9M	\$221.1K

## IMPACT BY STATE

	INDIANA	KENTUCKY	MARYLAND	OHIO	PENNSYLVANIA	VIRGINIA
SPEND	\$67.5M	\$5.2M	\$289.7K	\$92.3M	\$45.4M	\$29.5M
TOTAL JOBS	441	35	1	391	241	145
TOTAL WAGES	\$30.1M	\$2.2M	\$97.5K	\$30.8M	\$20.9M	\$14.3M

By relentlessly expanding its economic inclusion efforts, NiSource is building stronger community infrastructure across its six-state service territory through increased employment, training and educational opportunities.



# Ethical Business Practices and Continuity



**In Q4 2021, the NiSource Supplier Code of Conduct was introduced to engage supply chain partners in support of delivering on ESG targets through 2030.**

Maintaining ethical business practices, third-party risk management and business continuity plans collectively strengthens the company, aligning sustainability principles while safeguarding against risks. This also enables predictability during turbulent times and ensuring sustainable operations. This is accomplished by providing suppliers with a clear and transparent definition of excellence and setting clear and consistent expectations, building strong, long-term relationships with NiSource suppliers, and recognizing and rewarding suppliers' achievements and excellence.

The NiSource Supplier Code of Conduct conveys the company's expectations of ethical business conduct and risk mitigation from Supply Chain partners and serves as a guide for suppliers who conduct business or perform duties on behalf of NiSource. NiSource suppliers are asked to adopt similar practices. Demonstrating preparedness reassures investors, customers and regulatory bodies of NiSource's commitment to long-term stability.

NiSource is evolving its supply chain processes beyond the traditional cost and efficiency measures to include mitigation, management and monitoring of risk factors. The company is further integrating sustainability into the sourcing process and supplier performance scorecards.

As part of NiSource's ongoing journey, the company joined the Sustainable Supply Chain Alliance to assist in advancing sustainable business practices across the utility supply chain and supplier networks. In 2024, the Alliance was represented by more than 30 member utilities across North America. The Alliance maintains a maturity framework, which allows members to benchmark themselves against peers and set clear improvement metrics aligned with the industry.

NiSource also added a position that focuses on supply chain sustainability. This role is responsible for building out processes and policies that ensure consistent



reporting standards and increased transparency throughout the supply chain. Third-party partners are expected to carry the same continuous improvement mindset.

NiSource's Third-Party Risk team reports to the Chief Procurement Officer and ultimately the Executive Vice President and Group President, Utilities. NiSource's Third-Party Risk network includes cross-functional subject matter experts to evaluate risks in cyber, legal, supply chain continuity, safety, sustainability, IT, financial, regulatory, customer and physical safety.

The focus in 2024 was on risk assessments for strategic suppliers. NiSource also monitors suppliers to detect reputational risks, such as organizations with sanctions being placed on the government watchlists and adverse media reports. Proactive strategies reduce financial losses and enhance crisis response effectiveness. These measures collectively strengthen the company, aligning with sustainability principles while safeguarding against risks and ensuring sustainable operations. The Third-Party Risk team reports relevant information through the enterprise risk

management department. Suppliers are reviewed on an annual basis to segment them into management categories, such as strategic, leverage, critical, operational and transactional. As a result of the segmentation, suppliers are monitored regularly to review performance, progress and compliance with the contract and standards. This segmentation process also ties into the organization's risk-based ranking.

Additionally, NiSource has made automation investments in the supply chain systems, enhanced policy updates backed by improvement metrics and focused on supplier risk and performance management.

NiSource remains steadfast in its commitment to sustainability principles. By proactively managing third-party risks, strengthening resiliency, promoting economic inclusion, upholding ethical business practices and driving sustainability, NiSource is fostering sustainable growth and positive social impact.



A photograph of a business meeting. Two people are seated at a desk. The person on the right, wearing a blue button-down shirt, is pointing at a tablet. The person on the left, wearing a white shirt, is looking at a document. On the desk are papers, a pen, and a keyboard. An orange semi-transparent box with the text 'CORPORATE GOVERNANCE' is centered over the image.

# CORPORATE GOVERNANCE

# Board Representation

A strong corporate governance is a critical component in the success of NiSource's business strategy. NiSource is committed to accountability, integrity and compliance in its daily operations. Corporate governance practices are implemented in compliance with SEC regulations, New York Stock Exchange listing standards, and requirements pursuant to the Sarbanes-Oxley Act and related state laws.

The Board of Directors of NiSource Inc. (the Board) is responsible for overseeing management and provides direction and oversight on overall performance, strategic direction and supporting the long-term interests of company stakeholders. The Board takes an active role in monitoring and assessing strategic, compliance, operational and financial risks. The Board also has oversight over risks related to sustainability strategy, including ensuring that sustainability risks and opportunities are directly tied to business strategy and understanding how the company is measuring progress.

The Board administers its oversight function through the utilization of its various committees, including the following standing committees:

- ▶ **AUDIT COMMITTEE**  
Discusses with management and the independent registered public accounting firm the effect of regulatory and accounting initiatives on NiSource's financial statements. It is also responsible for reviewing and evaluating major risk exposures, including cybersecurity and supplier risks, and the steps management has taken to monitor and control such exposures.
- ▶ **COMPENSATION AND HUMAN CAPITAL COMMITTEE**  
Oversees risks related to executive compensation and human capital management matters, including incentive compensation, succession planning, diversity, employee engagement, culture and talent management.
- ▶ **SAFETY, OPERATIONS, REGULATORY, AND POLICY (SORP) COMMITTEE**  
Oversees risks related to safety and operations.

- ▶ **FINANCE COMMITTEE**  
Oversees risks related to NiSource's financial resources and strategies, insurance programs, equity and debt securities, company investments and investor relations activities.
- ▶ **NOMINATING AND GOVERNANCE COMMITTEE**  
Oversees risks related to environmental, social, sustainability and climate change matters, public company governance, CEO succession planning, political spending and stockholder engagement. Although the other standing committees may have certain overlapping responsibilities as it relates to portions of sustainability — e.g., disclosure rules impacting the financial statements and SEC filings — this is the committee primarily responsible for sustainability oversight.

Each standing committee provides regular reports to the Board.

NiSource also has a Risk Management Committee (RMC), responsible for oversight of the risk management process. It consists of cross-functional members of senior management and is led by the Chief Financial Officer, who oversees the enterprise risk function. Senior management regularly provides reports on risks to the Board and its committees that oversee the applicable risks, including those related to sustainability.

## BOARD DIVERSITY

The NiSource Board is composed of 12 members, 11 of whom are independent. NiSource believes a diverse Board composition provides value to the company in furthering innovation, inclusivity and balanced business decisions. Thirty-three percent of the Board is racially and/or ethnically diverse, and 33% is gender diverse.



# Stakeholder Engagement

NiSource spends considerable time and effort listening to its customers, service community, employees, investors, regulators and other key stakeholders. NiSource is committed to engaging with stockholders and soliciting their input on important governance, environmental, social, executive compensation and related matters.

The Nominating and Governance Committee is responsible for overseeing the stockholder engagement process and the periodic review and assessment of stockholder input on governance matters. Management regularly participates in investor and industry conferences throughout the year to discuss performance and share its perspective on the company and industry developments.



# Ethics & Human Rights

## CORE VALUES

NiSource's core values act as guides keeping company executives and employees focused on serving customers safely, ethically and responsibly in a quest to earn trust and build strong relationships amongst colleagues and with customers, business partners and all communities served.

BE SAFE	LOOK FOR A BETTER WAY
Safety first. This means following safety rules, speaking up about risks and encouraging employees to watch out for one another.	Find smarter, safer ways to work and deliver value to customers.
ACT WITH CARE	TAKE ACCOUNTABILITY
Act with respect and integrity means listening, keeping commitments and building trust with customers and communities.	Employees own their actions and follow through on commitments.

These values are at the heart of NiSource's Code of Business Conduct. By living these values, company executives and employees protect NiSource's reputation and assist in making a positive impact on customers and service communities.

## ETHICS AND VALUES

At NiSource, embedding ethical values in organizational culture is essential to the company's success and plays a critical role in NiSource's mission to deliver safe, reliable energy that drives value to customers.

It is the company's responsibility to act as ethical stewards, fostering an environment of respect, dignity and compassion, and to create a culture where every individual has an equal opportunity to contribute to shared growth and success.

## CODE OF BUSINESS CONDUCT

The Code of Business Conduct is designed to ensure that employees adhere to legal and regulatory requirements, mitigate risks and promote ethical behavior. NiSource's ethics program includes leadership tone at the top, clear policies and procedures, regular training and communication, monitoring and auditing, and a system for reporting and addressing violations. NiSource's business ethics program, including the employee training program, is reviewed annually by the executive leadership team and the Audit Committee of NiSource's Board of Directors.

It is NiSource's duty to know, understand and comply with the Code of Business Conduct, built upon the company's core values: **Be Safe, Look for a Better Way, Act with Care, and Take Accountability.**

Ethical decision-making and appropriate behavior are always expected and are part of a company mindset known as OneNiSource. Adherence to the Code must remain steadfast, and it is each employee's responsibility to remain informed and operate in accordance with the NiSource ethical business standards and policies. Doing so ensures jobs are performed safely, responsibly and with integrity.

NiSource's commitment to customers, employees and communities is a central focus and remains the driving force of this company. The following personnel are expected to follow the code:

- Employees
- Officers
- Directors
- Suppliers

## ETHICAL DECISION-MAKING & REPORTING CONCERNS

At NiSource, ethical decision-making is one of the greatest shared responsibilities employees have. If they observe a questionable action or a potential violation of the company's Code of Business Conduct, Supplier Code of Business Conduct or Company Policy — including laws, rules or regulations — they have a duty to report it.

Updated reporting posters were distributed in all employee work locations. The posters include a QR code allowing employees to scan and access a third-party hotline provider to report a concern. Employees can also now access web reporting through a “Speak Up” widget located on the company's intranet.

### Other ways employees can report a concern:

- Directly to their supervisor or another supervisor
- Employee and Labor Relations Center: [employeerelations@nsource.com](mailto:employeerelations@nsource.com)
- Ethics Hotline: 1-800-457-2814\*
- Web reporting: [nsource.ethicspoint.com](https://nsource.ethicspoint.com)\*
- Email: [ethics@nsource.com](mailto:ethics@nsource.com)
- Director, Corporate Ethics

\* THE HOTLINE AND WEB REPORTING OPTIONS OFFER THE CHOICE TO REMAIN ANONYMOUS

## NISOURCE HUMAN RIGHTS POLICY

NiSource's Ethics Program has oversight over the NiSource Human Rights Policy and training. The policy outlines how the company prioritizes human rights in its operations and value chain. Human Rights training requires employees to certify compliance with Company policy. Third-party providers are also expected to be governed by values that are consistent with all others associated with the company.

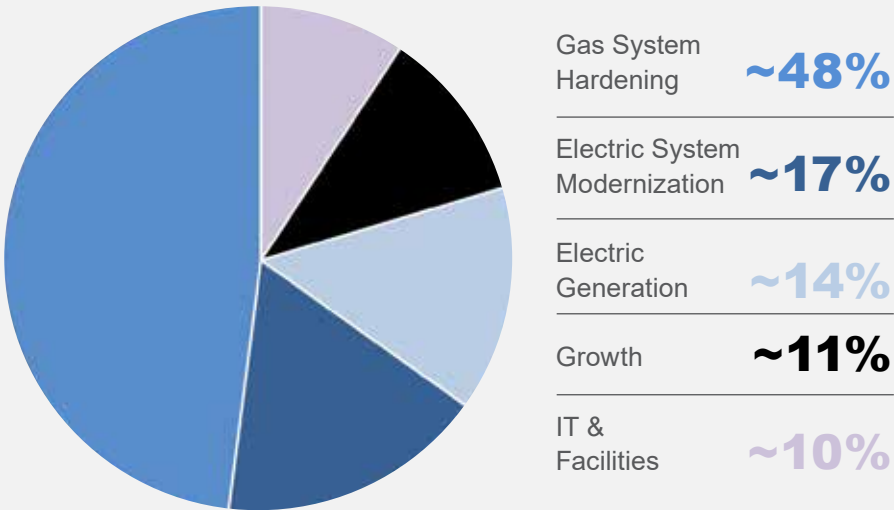




# Financials



2025-2029 BASE PLAN CAPITAL INVESTMENTS



Ensuring the future of NiSource and its operating companies requires a commitment to financial performance. Strong financial stewardship enables NiSource to deliver consistent growth, provide fair returns for investors and ensure safe, reliable service for customers. Strengthening its financial position and executing strategic investments are essential to growth and support a healthy balance sheet.

Yet beyond the numbers lies a deeper commitment — a promise to keep

customers and communities at the center of everything NiSource does. Exceptional financial stewardship fuels a more sustainable future that benefits everyone.

In 2024, NiSource reported adjusted earnings per share (EPS) of \$1.75, marking the third consecutive year of achieving 6%-8% adjusted EPS growth and raising the company's annual earnings guidance. This performance was driven by an 8%-10% rate base growth, reaching a

combined \$21.3 billion in electric and gas rate base for the year.

Looking ahead, NiSource has forecasted \$19.4 billion in capital investment over the next five years. Approximately 14% of this investment will focus on sustainable energy infrastructure, while 65% will be dedicated to safety and reliability. During 2024, the company invested \$3.3 billion in capital projects, with approximately 20% of that spent on decarbonization efforts and 60% on

system hardening and leak detection. Additional capital investments were made for system growth and to advance transformation goals related to work asset management (WAM), an enterprise resource planning system that is optimizing the scheduling, dispatch and execution of NiSource's field operations.

## DRIVING ECONOMIC DEVELOPMENT IN THE COMMUNITY

NiSource plays a critical role in the economic development of the communities it serves by expanding and modernizing infrastructure, attracting businesses and supporting job growth. These investments boost local and state property tax revenues, directly supporting schools, public infrastructure, and local services. The following chart shows amounts in millions.

OPERATING COMPANY	2024 CAPITAL INVESTMENT	2024 PROPERTY TAX REVENUE	2023 CAPITAL INVESTMENT	2023 PROPERTY TAX REVENUE	2022 CAPITAL INVESTMENT	2022 PROPERTY TAX REVENUE
COLUMBIA GAS OF KENTUCKY	\$68.69	\$7.87	\$77.20	\$5.07	\$77.89	\$3.63
COLUMBIA GAS OF OHIO	\$626.59	\$90.19	\$629.65	\$76.44	\$613.58	\$74.98
COLUMBIA GAS OF MARYLAND	\$24.03	\$5.29	\$38.87	\$8.76	\$35.73	\$3.91
COLUMBIA GAS OF PENNSYLVANIA	\$445.15	\$1.15	\$434.63	\$0.71	\$380.48	\$0.36
COLUMBIA GAS OF VIRGINIA	\$181.88	\$9.41	\$149.48	\$8.87	\$165.29	\$9.20
NIPSCO	\$1,964.79	\$45.62	\$2,275.49	\$39.65	\$1,297.03	\$39.05
CORPORATE & OTHER	\$24.94	\$1.96	\$39.84	\$2.10	\$40.74	\$0.96
<b>TOTAL</b>	<b>\$3,336.07</b>	<b>\$161.49</b>	<b>\$3,645.15</b>	<b>\$141.60</b>	<b>\$2,610.74</b>	<b>\$132.09</b>

In 2024, NiSource's operating companies demonstrated a strong commitment to infrastructure modernization and community investment. NIPSCO's \$1.965 billion capital program in Indiana accounted for nearly 15% of all capital expenditures by large public corporations headquartered in the state and exceeded the combined capital outlays of Indiana's state and the five most populous county governments. Columbia Gas of Ohio and Columbia Gas of Pennsylvania invested \$627 million and \$445 million, respectively, representing 2.3% and 1.6% of peer corporate totals. While these percentages may appear modest, they are significant for a single utility and underscore NiSource's leadership in regional investment and resilience.

## CUSTOMER AFFORDABILITY – INFLATION AND OTHER COST PRESSURES

Inflation and other cost pressures have the potential to drive higher utility costs through increased costs of labor, materials and infrastructure maintenance; however, NiSource has worked to mitigate the impact on customers through:

### FLAT OPERATION & MAINTENANCE (O&M) INITIATIVES

Maintaining stable operations and maintenance costs through a strong commitment to operational excellence. This approach has driven cost-saving initiatives across the enterprise, resulting in \$77 million in O&M efficiencies and \$27 million in capital efficiencies in 2024 compared to 2023. Seventy-five percent of the initiatives from 2024 are expected to be sustained in 2025, with the majority of cost-saving and efficiency efforts expected to remain viable over time.

### RATE STABILIZATION MEASURES

Consistent execution of regulatory frameworks that allow for gradual price adjustments rather than sudden spikes. NiSource’s financial plan projects less than 5% of the average annual residential bill increase across all service territories. In 2024, NiSource filed five base rate cases, securing \$390 million in revenue while ensuring affordable, reliable energy for customers. With 140+ regulatory filings, NiSource worked collaboratively with stakeholders to balance affordability and investment needs and was able to negotiate settlements in four of the five rate cases filed in 2024.

### ENERGY MIX EXPANSION

Diversifying energy sources to reduce reliance on volatile fuel prices. NiSource is working toward a cleaner energy future, through its Net Zero by 2040 goal. The company currently has an energy mix of coal-fired generation — with expected full retirement by 2028 — and renewable energy sources like solar, wind and battery storage while continuing to leverage its natural gas infrastructure.

### CUSTOMER ASSISTANCE PROGRAMS

Offering financial assistance and payment plans to help offset rising costs for vulnerable customers. During the 2023/2024 winter heating season, NiSource helped more than 159,000 customers pay their bills by distributing over \$57 million in company and state funding.

### FINANCING PLAN EXECUTION

NiSource delivered on its commitment to strengthen the company’s financial position in 2024, improving its Funds From Operations (FFO)/Debt ratio\* from 14.1% to 14.6%, and maintained its BBB+ equivalent credit ratings. Reducing the cost of capital is one way NiSource drives down passthrough costs to customers.

FOR THE NON-GAAP FFO/DEBT RATIO, SEE SCHEDULE 2 IN THE APPENDIX OF THIS REPORT FOR THE RECONCILIATION FROM GAAP TO NON-GAAP.



During a period of rising inflation and cost pressures, NiSource has successfully kept O&M costs stable, minimizing the monetary impact on customers through proactive mitigation efforts. Without these measures, O&M costs would have risen to \$1.9 billion by the end of 2024. Instead, NiSource achieved \$70 million in savings compared to 2020 O&M actuals, reinforcing its commitment to cost efficiency and customer affordability.

AMOUNTS PRESENTED IN MILLIONS

YEAR	INFLATION <sup>1</sup>	NISOURCE O&M ACTUALS	INFLATION-ADJ O&M <sup>2</sup>
2020	N/A	\$1,585.90	\$1,585.90
2021	7.00%	\$1,456.00	\$1,696.91
2022	6.50%	\$1,489.40	\$1,807.21
2023	3.40%	\$1,494.90	\$1,868.66
2024	2.90%	\$1,515.00	\$1,922.85

<sup>1</sup> SOURCE: U.S. BUREAU OF LABOR STATISTICS ; THE UNADJUSTED 12-MONTH PERCENT CHANGE IN THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS.  
<sup>2</sup> FY2020 IS THE BASELINE METRIC FOR THIS TABLE WITH NO INFLATION APPLIED; THESE FIGURES ASSUME O&M RISES ANNUALLY IN DIRECT RELATIONSHIP WITH INFLATION.

SHAREHOLDER VALUE

In January 2025, the company raised its quarterly dividend to \$0.285, marking 14 consecutive years of dividend increase.

Please see NiSource’s 2024 Annual Report on Form 10-K for further information about the financial performance of the company.



# Government Affairs, Political Engagement and Legislative Advocacy

Guided by its commitments and a focus on delivering sustainable value, NiSource participates in the political process to shape public policy and legislation that helps the company fulfill its mission to deliver safe, reliable energy that drives value to its customers.

NiSource is committed to being a good corporate citizen in the communities it serves. The

company's approach is to ensure that the interests of customers, communities, employees and shareholders are fairly represented in a transparent and straightforward manner.


NiSource's government affairs team in 2024 advocated for legislation at the federal and state levels that ensured customers would have access to affordable and reliable energy and

worked to improve safety in the communities the company serves.

At the federal level, NiSource advocated for the continuation of funding for the Low Income Housing Energy Assistance Program or LIHEAP. LIHEAP is a vital resource to those customers at or near the poverty level to assist them during the winter heating season or summer

cooling season to pay for their increased utility bills.

At the state level, NiSource successfully supported legislation in multiple states to improve work zone safety at company construction sites. Not only do these laws increase safety for employees but they also make the road safer for all communities.



**# Protect LIHEAP**

**1 in 4 Americans reported foregoing basic needs like food and medicine to pay an energy bill in the past 12 months.**

**LIHEAP protects families.**  
Tell Congress to **#ProtectLIHEAP** to help end energy poverty.

Spread the word. Share this post.

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**TODAY IS NATIONAL ENERGY ASSISTANCE DAY**

LEARN MORE ABOUT THE OPTIONS THAT MAY BE AVAILABLE TO YOU

**WE'RE HERE FOR YOU**



# APPENDIX



## SASB, EEI-AGA QUANTITATIVE DATA AND SUPPLEMENTAL SUSTAINABILITY DATA

NiSource sustainability-related reports and disclosures, such as SASB, EEI-AGA Quantitative Data and Supplemental Sustainability Data, can be accessed on the NiSource [Reports and Policies](#) page.

## NISOURCE BIODIVERSITY COMMITMENT, 2024

### Vision Statement

Our vision is to establish a legacy of sustained economic growth, social responsibility and environmental stewardship representative of a premier energy company. Environmental stewardship is one of four pillars that supports NiSource's Sustainability Strategy.<sup>1</sup> As stewards of the environment, NiSource is committed to conserving and enhancing biodiversity on lands under its responsibility. NiSource practices

environmental stewardship by reducing its impact on the environment through pollution prevention and reduction programs, and through innovative conservation approaches. NiSource is making significant investments to ensure that the company can continue to deliver energy to its customers where and when they need it, and in a way that is environmentally responsible.

### NiSource Utility Vegetation Management

NiSource manages six electric and natural gas companies in states stretching from the Mid-Atlantic to the Midwest. Its operating companies include the Northern Indiana Public Service Company (NIPSCO) and the Columbia Gas companies of Kentucky, Ohio, Pennsylvania, Virginia and Maryland. NiSource manages energy generation facilities and transmission and distribution infrastructure across a large, diverse landscape. Its geographic footprint of

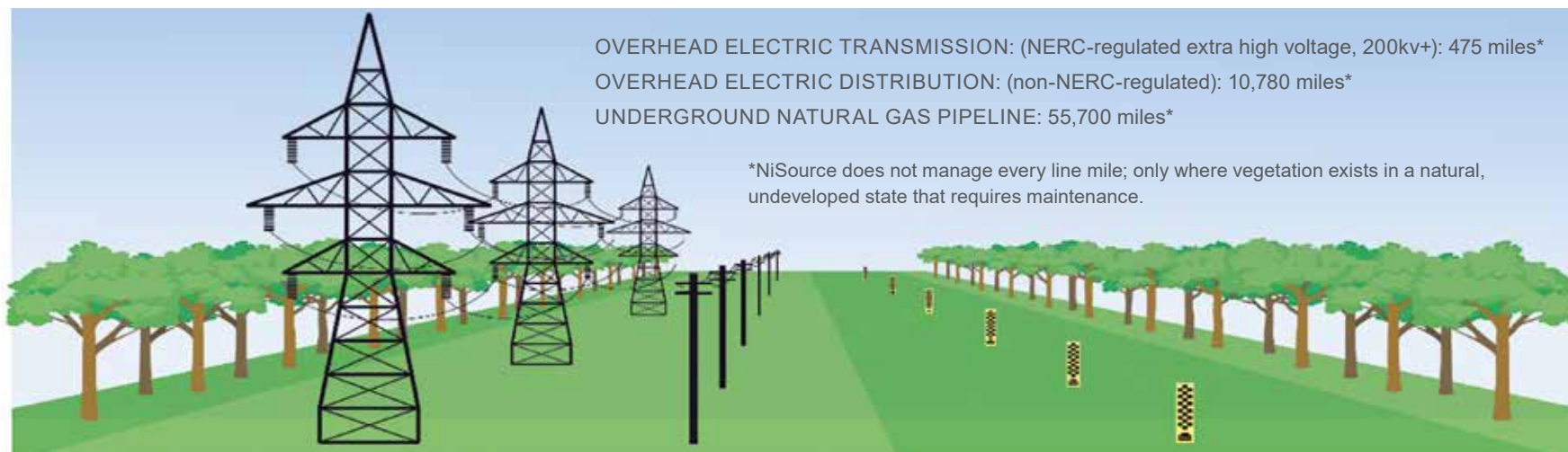
owned lands and easements covers approximately 142,000 acres.

### Utility Vegetation Management Research Trends

In the 1980s and 1990s, academic research emerged concerning habitat fragmentation for caribou herds in Alaska<sup>2</sup> and other potentially negative effects that utility infrastructure may have on undisturbed habitats and native wildlife in Australia.<sup>3</sup> This research left a legacy perception that utility rights-of-way only fragment habitat, providing little value to their surrounding landscapes and ecosystems. While it can be true that long, linear corridors that transect core, contiguous habitat areas can contribute to habitat fragmentation for large charismatic wildlife, like caribou, linear rights-of-way can also act as wildlife corridors providing food, cover and breeding habitat for numerous birds, insects and mammals, if managed properly through integrated

vegetation management.

In response to public concern about the excessive use of herbicides in the 1950s, the longest running research and demonstration study on the effects of utility vegetation management began in 1953 in Pennsylvania on State Game Lands 33.<sup>4</sup> Research on this site, and others like the Green Lane Research and Demonstration Area, have continued to study the effects of various non-selective and selective integrated vegetation management methods on vegetation and wildlife habitat quality. Following more than six decades of ecological research, academic researchers and utility vegetation management practitioners continue to conclude that integrated vegetation management is the most cost-effective and environmentally sound system to safely secure utility infrastructure while providing ecological benefits to the surrounding landscape.



<sup>2</sup>MIGRATORY MOVEMENTS OF THE NELCHINA CARIBOU HERD IN RELATION TO THE TRANS-ALASKA PIPELINE | SEMANTIC SCHOLAR.

<sup>3</sup>FRAGMENTATION OF HABITAT BY ROADS AND UTILITY CORRIDORS: A REVIEW | AUSTRALIAN ZOOLOGIST (ALLENPRESS.COM)

<sup>4</sup>RIGHTS-OF-WAY ECOLOGICAL RESEARCH AT PENN STATE. TRANSMISSION LINE ECOLOGY (PSU.EDU)

## INTEGRATED VEGETATION MANAGEMENT

### What is IVM?

Integrated vegetation management (IVM) is “a system of managing plant communities in which compatible and incompatible vegetation are identified; action thresholds are determined; tolerance levels are established; and control methods are evaluated, selected, and applied to achieve management goals and maintenance objectives.”<sup>5</sup>

### Why Does NiSource Use IVM?

NiSource performs vegetation maintenance in accordance with federal and state regulations, and through its focus on IVM, the company seeks to establish, maintain and enhance early successional habitats, like grasslands and shrub-scrub habitats, on NiSource-owned lands and rights-of-way. These early successional habitats help to provide its customers with safe and reliable energy and contribute to the company’s core value of environmental stewardship.

### Why are Grassland and Shrub-Scrub Habitats Important?

Grasslands and shrub-scrub habitats are desirable vegetation communities because they provide biological control on NiSource-owned and -leased lands that protect infrastructure from coming into contact with incompatible tall-growing woody species that can cause damage

or outages. While grasslands and shrub-scrub habitats are desirable from a safety and reliability perspective, they are also two of the most threatened and rapidly disappearing ecosystems in North America,<sup>6,7</sup> providing wildlife habitat for numerous birds, mammals and pollinating insect species.

## UNDERSTANDING & MANAGING BIODIVERSITY THROUGH IVM

### Understanding Biodiversity-Related Risk

In 2022, NiSource formed a Biodiversity Team, comprising internal and external subject matter experts, to evaluate the risks, impacts and opportunities that biodiversity-related issues have across its business operations. NiSource’s 2022 Biodiversity Risk Assessment was performed using the Task Force for Nature-Related Disclosures LEAP approach (locate, evaluate, assess, prepare), supplemented by biodiversity management and material topics defined by the Global Reporting Initiative and the Dow Jones Sustainability Index. The scope of NiSource’s Biodiversity Risk Assessment includes owned and leased operations, lands adjacent to owned and leased operations, and upstream activities like forest products utilized to protect natural resources during construction (mats) and to distribute energy to customers (poles).

Leveraging the results of the 2022 Biodiversity Risk Assessment, NiSource’s Biodiversity Team developed a long-term strategy and tactical plan to address biodiversity-related risks and to enhance management of biodiversity across an extensive network of owned and leased lands. NiSource’s Corporate Biodiversity Strategy is built on two goals:

1. Creating a net positive impact on biodiversity, and,
2. Strengthening communities through NiSource’s connections with nature.

Activities that comprise NiSource’s long-term Corporate Biodiversity Strategy align with 2030 targets outlined within the Kunming-Montreal Global Biodiversity Framework of the Convention on Biological Diversity,<sup>8</sup> specifically targets:

- #1: Plan and Manage All Areas to Reduce Biodiversity Loss,
- #6: Reduce the Introduction of Invasive Alien Species by 50% and Minimize Their Impact,
- #10: Enhance Biodiversity and Sustainability in Agriculture, Aquaculture, Fisheries and Forestry,
- #11: Restore, Maintain and Enhance Nature’s Contributions to People,
- #12: Enhance Green Spaces and Urban Planning for Human Well-Being and Biodiversity,

#14: Integrate Biodiversity in Decision-Making at Every Level,

#15: Businesses Assess, Disclose and Reduce Biodiversity-Related Risks and Negative Impacts,

#21: Ensure That Knowledge Is Available and Accessible to Guide Biodiversity Action.

### Biodiversity Exposure, Assessment & Management Plans

NiSource’s Biodiversity Team continually evaluates the company’s understanding of the opportunities that business operations provide to maintain and enhance biodiversity. In 2019, NiSource undertook its first company-wide evaluation of energy generation, transmission and distribution lands for protected areas classified by the International Union for the Conservation of Nature (IUCN), Key Biodiversity Areas (KBAs), and critically endangered and vulnerable IUCN Red List Species. Results of this evaluation helped NiSource to better understand direct and indirect impacts of its actions, to develop biodiversity management plans for high biodiversity areas and to enhance conservation activities for sensitive species.

In 2024, NiSource revised its biodiversity exposure evaluation using updated data describing its owned and leased properties, as well as updated external data delineating protected areas,<sup>9,10</sup>

<sup>5</sup>MILLER ET AL., 2021. INTEGRATED VEGETATION MANAGEMENT, BEST MANAGEMENT PRACTICES, 3RD EDITION.

<sup>6</sup>SEIDL, ANDREW, LARRY VANTASSELL, AND NEAL WILKINS. “UNITED STATES GRASSLANDS AND RELATED RESOURCES: AN ECONOMIC AND BIOLOGICAL TRENDS ASSESSMENT.

<sup>7</sup>LARK, T.J., SPAWN, S.A., BOUGIE, M. ET AL. CROPLAND EXPANSION IN THE UNITED STATES PRODUCES MARGINAL YIELDS AT HIGH COSTS TO WILDLIFE. NAT COMMUN 11, 4295 (2020).

<sup>8</sup>KUNMING-MONTREAL GLOBAL BIODIVERSITY FRAMEWORK (CBD.INT).

<sup>9</sup>WORLD DATABASE OF PROTECTED AREAS.

<sup>10</sup>PROTECTED AREAS DATABASE OF THE US (PAD-US 4).

biologically key areas outside of protected areas<sup>11</sup> and potential habitat for sensitive wildlife species.<sup>12</sup>

NiSource does not operate in World Heritage areas. However, where the company shares management responsibilities with its partners at global and nationally important protected areas (IUCN II-IV), NiSource employs a mitigation hierarchy to protect sensitive habitats and species. Results of its 2019 biodiversity exposure evaluation were used to develop twenty-six (26) biodiversity management plans for areas of high biodiversity value (IUCN II-IV & Key Biodiversity Areas). In 2019, NiSource developed the target to complete all 26 biodiversity management plans by 2023 and achieved this target. Biodiversity management plans are maintained and updated periodically according to NiSource's vegetation maintenance and monitoring schedules.

### Mitigation Hierarchy

NiSource's commitment to biodiversity is achieved through the application of a mitigation hierarchy that applies to each aspect of asset development, operation and maintenance. Its planning framework is designed to avoid new development in global and nationally important biodiversity areas, to minimize and restore unavoidable negative impacts from operations, and to offset any remaining impacts within biologically sensitive areas. NiSource uses this framework to manage biodiversity-related risks and to balance sustainable management of natural resources with

development priorities. Additionally, NiSource is working toward transformative actions that seek to prioritize enhancement of ecosystem services and positive environmental justice outcomes in underserved communities.

### Avoidance

Avoidance typically applies to project siting, design and scheduling. NiSource avoids siting new infrastructure in globally and nationally important biodiversity areas, as well as key local and regional areas like native prairies, savannas and wetlands. Careful siting of infrastructure, selection of best management practices (BMPs) and seasonal scheduling can greatly reduce, and in some cases avoid, negative impacts to biodiversity and natural resources.

### Reduce

NiSource practices a variety of reduction activities across its business operations. NiSource's hydroelectric generation facilities in Northern Indiana follow protocols developed in coordination with the U.S. Fish & Wildlife Service to reduce negative downstream effects on federally endangered mussels during abnormally low flows on the Tippecanoe River. This example is described in greater detail within the No Net Loss & Net Positive Impact, Compliance with the Endangered Species Act section below.

### Regenerate

NiSource's IVM program focuses on selective removal of incompatible, tall-growing woody species that threaten electric and natural gas infrastructure.

Selective treatments limit off-target effects to the surrounding, compatible vegetation, like milkweeds and nectar-bearing forbs, which provide ecological value to birds, mammals and pollinating insects. As opposed to traditional utility vegetation management, which may focus on non-selective vegetation maintenance methods, NiSource employs IVM, which is a regenerative system of management that seeks to establish, maintain and enhance biological control by low-growing, compatible, wildlife-friendly plants on the lands that the company manages.

### Restore

Differing from the NiSource IVM program, restoration activities are most often projects.

The state-dedicated Calumet Prairie Nature Preserve and adjacent NIPSCO rights-of-way contain the largest natural sedge meadow and wet prairie community complex in Indiana. The wetland complex contains one of the largest populations of spotted turtles (*Clemmys guttata*) in the state of Indiana as well as numerous other state-listed species. In 2011, NIPSCO partnered with the DNR and U.S. Army Corps of Engineers to restore 144 acres of the wetland complex including 25 acres on NIPSCO rights-of-way. The project restored structural function and ecological integrity of the sedge meadow through the removal of invasive species and undesirable woody vegetation. In 2019, NIPSCO supported an additional 30 acres of wetland restoration within the preserve in partnership with the DNR. These additional restoration activities included invasive species control and

native plant introductions. NIPSCO is also seeking further restoration efforts on the 63-acres of adjacent rights-of-way and implementation of a Spotted Turtle Habitat Management Plan to protect and enhance the extent and population within the Calumet Prairie Complex. In 2022, NIPSCO provided financial support to Loyola University to study the spotted turtle population at the complex. The findings indicated that the NIPSCO rights-of-way is providing critical habitat for this imperiled species.

### Transform

NiSource's Corporate Biodiversity Strategy, commitment to biodiversity and commitment to IVM are transformative initiatives that secure its business

operations from biodiversity-related risk, contribute to operational flexibility through innovative conservation activities and provide positive examples that contribute to better management of utility lands. NiSource continues to work with and form new conservation partnerships to share the cost and responsibility of environmental stewardship.

## NO NET LOSS & NET POSITIVE IMPACT

### Compliance with the Endangered Species Act (ESA)

NiSource avoids sourcing raw materials from and operating within areas of critical biodiversity, but it's important to note that many areas classified for conservation of critical biodiversity were designated

<sup>11</sup>WORLD DATABASE OF KEY BIODIVERSITY AREAS.

<sup>12</sup>IUCN RED LIST OF THREATENED SPECIES.



after the establishment of NiSource infrastructure. An example of how NiSource reduces sourcing of upstream materials, contributing to no net loss<sup>13</sup> of federally listed species, occurs within renewable energy generation operations. NiSource recognizes that hydroelectric facilities, while providing renewable energy, can pose threats to biodiversity, particularly aquatic fauna. During normal run-of-river operations for the Oakdale and Norway hydroelectric dams in northern Indiana, both established before federal energy policy and designation of critical habitat, NiSource, pursuant to regulations of the North American Electric Reliability Corporation and the U.S. Fish & Wildlife Service, minimizes water withdrawals during abnormally low flows and lake levels to protect federally listed mussels on the Tippecanoe River.

### Proactive Habitat Management through the ESA / Monarch CCAA

Recognizing that global biodiversity loss poses threats to ecosystem services and for operational flexibility, NiSource was a founding member and maintains a certificate of inclusion within the Nationwide Candidate Conservation Agreement for Monarch Butterfly on Energy and Transportation Lands.<sup>14</sup> NiSource's certificate of inclusion ensures that NiSource will continue normal IVM practices on generation, transmission, and

distribution lands should the U.S. Fish & Wildlife Service list the monarch butterfly as threatened or endangered.

In exchange for long-term operational flexibility, NiSource commits to implementing conservation measures on lands that it manages to protect and conserve the flora that support monarch butterfly habitat (milkweed and other nectar-bearing floral resources) and to assess monarch habitat quality through biological effectiveness monitoring activities. Through this agreement, NiSource commits to no net loss, and where feasible, works to enhance habitat resources for net positive impact<sup>15</sup> on the monarch butterfly on the owned and leased lands that it manages for energy generation, transmission and distribution.

### NO NET DEFORESTATION COMMITMENT

#### Deforestation Definition

NiSource considers the term deforestation to mean the purposeful clearing of mature or old-growth forests.

NiSource accepts the Bureau of Land Management's definition of mature forests as, "the stage of forest development immediately before old growth. The mature stage generally begins when a forest stand moves beyond self-thinning, and is often marked by abundance

of large trees, vertical canopy layers, aboveground biomass accumulation and stand height, as well as other attributes," whereas old-growth forests are defined as, "dynamic systems distinguished by old trees and related structural attributes. Old growth encompasses the later stages of stand development that typically differ from earlier stages in a variety of characteristics, which may include tree size, accumulations of large dead woody material, number of canopy layers, species composition and ecosystem function."<sup>16</sup>

NiSource does not consider the following IVM activities to be deforestation:

- Reclamation activities that involve the clearing of immature shrubs and trees to maintain rights-of-way widths.
- Tree trimming of forest edges to maintain rights-of-way widths and clearance distances between woody vegetation and electric conductors.
- Maintaining low-growing grassland and shrub-scrub habitats through the selective control of immature tree saplings and woody vines that threaten utility infrastructure.

### No Net Deforestation Mitigation Hierarchy

The majority of NiSource's owned and leased rights-of-way are maintained in low-growing grassland and shrub-scrub cover types that provide for the safe and reliable transmission and distribution of energy.

When siting new infrastructure, NiSource avoids siting rights-of-way through mature and old-growth forest due to the increased operational challenge and costs associated with clearing forested lands. Where avoidance is not possible, NiSource mitigates and minimizes the effect of fragmentation on core forested habitat by siting along paths that reduce core habitat fragmentation. Where mitigation and minimization are not possible, NiSource invests in reforestation and afforestation projects (restoration), as well as urban tree planting projects that help to compensate for the loss of mature and old-growth forests.

NiSource is currently developing a formal no net deforestation policy, expected to achieve no net deforestation of mature and old-growth forests by 2030. The company's no net deforestation plan will be monitored by NiSource's Environmental Permitting Department for evaluation and net compensation planning.

<sup>13</sup>NO NET LOSS IS DEFINED AS "STATUS ACHIEVED WHEN BIODIVERSITY GAINS FROM THE COMBINATION OF AVOIDANCE, MITIGATION, REHABILITATION, AND TARGETED CONSERVATION ACTIONS MATCH BIODIVERSITY LOSSES FROM THE IMPACTS OF A SPECIFIC DEVELOPMENT PROJECT SUCH THAT THERE IS NO OVERALL REDUCTION IN THE TYPE, AMOUNT, OR CONDITION OF BIODIVERSITY OVER SPACE AND TIME." FAUNA & FLORA INTERNATIONAL, THE MITIGATION HIERARCHY: NO NET LOSS AND NET POSITIVE IMPACT. (FAUNA-FLORA.ORG). THE TEXT "FAUNA & FLORA INTERNATIONAL, THE MITIGATION HIERARCHY: NO NET LOSS AND NET POSITIVE IMPACT. (FAUNA-FLORA.ORG).

<sup>14</sup>FAQ: CANDIDATE CONSERVATION AGREEMENT WITH ASSURANCES FOR THE MONARCH BUTTERFLY | U.S. FISH & WILDLIFE SERVICE (FWS.GOV).

<sup>15</sup>NET POSITIVE IMPACT IS DEFINED AS "TARGET FOR PROJECT OUTCOMES IN WHICH THE IMPACTS ON BIODIVERSITY (I.E., THE VARIETY OF ECOSYSTEMS AND LIVING THINGS) CAUSED BY THE PROJECT ARE OUTWEIGHED BY THE ACTIONS TAKEN TO AVOID AND REDUCE SUCH IMPACTS, REHABILITATE AFFECTED SPECIES/LANDSCAPES, AND OFFSET ANY RESIDUAL IMPACTS." NET POSITIVE IMPACT ON BIODIVERSITY : THE CONSERVATION CASE | IUCN THE TEXT "NET POSITIVE IMPACT ON BIODIVERSITY : THE CONSERVATION CASE | IUCN.

<sup>16</sup>MATURE AND OLD-GROWTH FORESTS. 2023. US BUREAU OF LAND MANAGEMENT.

## Sustainable Forest Resource Tier-1 Suppliers

### *Sustainable Electric Pole & Wooden Mat Supply Chains*

In addition to NiSource's planned no net deforestation policy, 100% of NIPSCO overhead electric wooden distribution poles and wooden construction mats are sourced from suppliers that utilize sustainable forestry practices.

## Engagement with Partners

NiSource and its local operating companies regularly engage with stakeholders and community partners on a wide range of environmental and conservation initiatives throughout its service territory. Through these efforts, NiSource is seeking to magnify biodiversity protection and conservation by leveraging resources while also increasing environmental education and awareness. External stakeholders include local and national environmental nonprofits, state and federal agencies, environmental consultants, customers and local communities. By leveraging its resources and personnel, NiSource often extends conservation and biodiversity protection well beyond its managed rights-of-way.

In Indiana, for example, NiSource has helped secure private, state and federal grant dollars for integrated vegetation management, pollinator habitat restoration and landscape level habitat restoration projects within co-managed and adjacent protected areas. NIPSCO is also restoring over 1,000 acres of electric and natural gas pipeline transmission rights-of-way for key biodiversity areas. Conservation goals for these projects include the protection

of plant species of greatest conservation need (SGCN); enhancement of sedge meadow, wet prairie and upland sand prairie habitats; enhancement of wildlife SGCN species such as the spotted turtle and eastern massasauga rattlesnake; and protection of diverse wetlands and remnant native plant communities. NiSource is also controlling large invasive species populations adjacent to protected areas and enhancing pollinator conversion areas, such as mowed turf grass, old fields and agricultural lands via collaborative efforts.

As a contributing partner of the Indiana Dunes Ecosystem Alliance Framework, Conservation Action Plans in the Calumet Region, gROWing Chicago Habitat, and Calumet Land Acquisition and Habitat Restoration Plan, NIPSCO is providing technical assistance for various planning initiatives, as well as improving habitat quality and connectivity on its rights-of-way located within these important conservation areas. Notable partners in its conservation efforts include the Urban Waters Federal Partnership, Save the Dunes, The Nature Conservancy, the National Park Service, Rights-of-way as Habitat Working Group, the National Parks Conservation Association, the Indiana Department of Natural Resources, the Audubon Society, The Wetlands Initiative, Audubon Great Lakes and various local parks.

Columbia Gas has established pollinator habitat sites in Virginia, Ohio and Pennsylvania and maintained certifications through the Wildlife Habitat Council, and it is developing additional partnerships with the Audubon Society of Southwestern

Pennsylvania, the Pennsylvania Department of Transportation, the University of Kentucky, Lexington Parks and Recreation, and private businesses.

NiSource is providing utility vegetation management crews with integrated vegetation management training in plant identification, and in pollinator habitat establishment and enhancement practices, such as implementation of pipe zone-border zones on natural gas distribution rights-of-way.

This commitment is also a part of NiSource's workplace culture, where every day its employees are engaged in volunteer opportunities focused on protecting and enhancing the environment, from tree planting events, community clean-up efforts, and land restoration projects. Many of these team-building projects are led by the NiSource Environmental Action Team (NEAT), an employee-based organization. In 2023, NiSource employees performed more than 400 hours of volunteer work throughout the community, with many focused on environmental projects. And the NiSource Charitable Foundation gave more than \$400,000 to nearly 50 nonprofit organizations focused on environmental stewardship issues and projects. The company also provided 17 Environmental Action Grants totaling approximately \$70,000 to support environmental restoration and education projects in 2023, including seven projects totaling approximately \$30,000 to provide support for pollinator habitat restoration and education.

NiSource's continuing efforts are improving engagement between staff and its community partners, and a culture of environmental stewardship, and contributing to enhanced wildlife quality across NiSource's large service territory.

## Forward-Looking Statements

This report contains "forward-looking statements," within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. Forward-looking statements in this report include, but are not limited to, statements regarding [our financial guidance, plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis; and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should," "could," "would," "aims," "seeks," "expects," "plans," "anticipates," "intends," "believes," "estimates," "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on

assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, among other things: our ability to execute our business plan or growth strategy, including utility infrastructure investments, or business opportunities, such as data center development and related generation sources and transmission capabilities to meet potential load growth; our ability to manage data center growth in our service territories; potential incidents and other operating risks associated with our business; our ability to work successfully with our third-party investors; our ability to adapt to, and manage costs related to, advances in technology, including alternative energy sources and changes in laws and regulations; our increased dependency on technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demand; our ability to attract, retain or re-skill a qualified, diverse workforce and maintain good labor relations; our

ability to manage new initiatives and organizational changes; the performance and quality of third-party suppliers and service providers; our ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal, including any future associated impact from business opportunities such as data center development as those opportunities evolve; potential cybersecurity attacks or security breaches; increased requirements and costs related to cybersecurity; the actions of activist stockholders; any damage to our reputation; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the physical impacts of climate change and the transition to a lower carbon future; our debt obligations; any changes to our credit rating of the credit rating of certain of our subsidiaries; adverse economic and capital market conditions, including increases in inflation or interest rates, recession, or changes in investor sentiment; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; compliance with changes in, or new interpretations of applicable laws, regulations and tariffs, including impacts

of state and federal orders on our ability to carry out our business plan and growth strategy the cost of compliance with environmental laws and regulations and the costs of associated liabilities; changes in tax laws or the interpretation thereof; and other matters set forth in Item 1, “Business,” Item 1A, “Risk Factors” and Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” of our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, and matters set forth in our subsequent Quarterly Reports on Form 10-Q, some of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time.

All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

### Non-GAAP Disclosure Statement

Beginning with the first quarter of 2024, NiSource Inc. changed its disclosure of non-GAAP results and guidance for net operating earnings available to common shareholders to adjusted net income available to common shareholders and for net operating EPS to adjusted EPS

to better align with the presentation used by many companies to report their non-GAAP results. The change reflects a name change only and the calculations of each of these non-GAAP metrics remains consistent with the historical calculations.

This presentation includes financial results and guidance for NiSource with respect to adjusted EPS and funds from operations/debt, which are non-GAAP financial measures as defined by the Securities and Exchange Commission. The company includes these measures because management believes they permit investors to view the company’s performance using the same tools that management uses and to better evaluate the company’s ongoing business performance. Reconciliations of historical non-GAAP financial measures to the most comparable GAAP financial measures can be found in the Appendix to these materials. With respect to guidance, it should be noted that there will likely be a difference between these measures and their GAAP equivalents due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other unusual or infrequent items included in GAAP results. The company is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis. In addition, the company is not able to provide a reconciliation of its non-GAAP net operating earnings guidance or its funds from operations/debt guidance to their GAAP equivalents without unreasonable efforts.



## SCHEDULE 1

Reconciliation of Consolidated Net Income Available to Common Shareholders to Adjusted Net Income Available to Common Shareholders (Non-GAAP).  
(unaudited).

IN MILLIONS, EXCEPT PER SHARE AMOUNTS	FOR THE YEAR ENDED			
	2024	2023	2022	2021
<b>GAAP NET INCOME AVAILABLE TO COMMON SHAREHOLDERS</b>	<b>\$739.7</b>	<b>\$661.7</b>	<b>\$749.0</b>	<b>\$529.8</b>
<b>ADJUSTMENTS TO OPERATING INCOME</b>				
<b>OPERATING REVENUES</b>				
WEATHER-COMPARED TO NORMAL <sup>1</sup>	60.4	60.6	(24.9)	1.2
FAC ADJUSTMENT <sup>2</sup>	---	---	8.0	---
<b>OPERATING EXPENSES</b>				
GREATER LAWRENCE INCIDENT	---	---	---	9.2
PLANT RETIREMENT COSTS	---	---	---	14.1
NISOURCE NEXT INITIATIVE <sup>3</sup>	---	---	3.3	24.7
MASSACHUSETTS BUSINESS RELATED AMOUNTS <sup>4</sup>	---	---	(105.0)	6.8
<b>TOTAL ADJUSTMENTS TO OPERATING INCOME</b>	<b>60.4</b>	<b>60.6</b>	<b>(118.6)</b>	<b>56.0</b>
<b>OTHER INCOME (DEDUCTIONS)</b>				
INTEREST RATE SWAP SETTLEMENT GAIN	---	---	(10.0)	---
<b>INCOME TAXES</b>				
TAX EFFECT OF ABOVE ITEMS <sup>5</sup>	(15.5)	(15.8)	27.8	(14.6)
<b>PREFERRED DIVIDENDS</b>				
PREFERRED DIVIDENDS REDEMPTION PREMIUM <sup>6</sup>	14.0	9.8	---	---
<b>TOTAL ADJUSTMENTS TO NET INCOME</b>	<b>58.9</b>	<b>54.6</b>	<b>(100.8)</b>	<b>41.4</b>
<b>ADJUSTED NET INCOME AVAILABLE TO COMMON SHAREHOLDERS</b>	<b>\$798.6</b>	<b>\$716.3</b>	<b>\$648.2</b>	<b>\$571.2</b>
<b>DILUTED AVERAGE COMMON SHARES</b>	<b>456.0</b>	<b>447.9</b>	<b>442.7</b>	<b>417.3</b>
<b>GAAP DILUTED EARNINGS PER SHARE<sup>7</sup></b>	<b>\$1.62</b>	<b>\$1.48</b>	<b>\$1.70</b>	<b>\$1.27</b>
<b>ADJUSTMENTS TO DILUTED EARNINGS PER SHARE</b>	<b>0.13</b>	<b>0.12</b>	<b>(0.23)</b>	<b>0.10</b>
<b>ADJUSTED EARNINGS PER SHARE</b>	<b>\$1.75</b>	<b>\$1.60</b>	<b>\$1.47</b>	<b>\$1.37</b>
<b>% GROWTH IN ADJUSTED EARNINGS PER SHARE YEAR OVER YEAR</b>	<b>9.4%</b>	<b>8.8%</b>	<b>7.3%</b>	<b>---</b>

<sup>1</sup>REPRESENTS THE ESTIMATED IMPACT OF ACTUAL WEATHER DURING THE PERIOD COMPARED TO EXPECTED NORMAL WEATHER. BEGINNING IN 2024, THE ADJUSTMENT FOR NIPSCO OPERATIONS EXCLUDES THE IMPACT OF NON-CONTROLLING INTEREST.

<sup>2</sup>REPRESENTS FUEL COSTS DEEMED OVER-COLLECTED FROM CUSTOMERS THROUGH THE FAC MECHANISM AND ORDERED TO BE REFUNDED TO CUSTOMERS.

<sup>3</sup>REPRESENTS INCREMENTAL SEVERANCE AND THIRD-PARTY CONSULTING COSTS INCURRED IN CONNECTION WITH THE NISOURCE NEXT INITIATIVE.

<sup>4</sup>2022 REPRESENTS PROCEEDS FROM A PROPERTY INSURANCE SETTLEMENT RELATED TO THE GREATER LAWRENCE INCIDENT. 2021 PRIMARILY REPRESENTS FINAL NET WORKING CAPITAL ADJUSTMENTS TO THE PURCHASE PRICE FOR THE LOSS INCURRED ON THE SALE OF THE MASSACHUSETTS BUSINESS.

<sup>5</sup>REPRESENTS INCOME TAX EXPENSE ASSOCIATED WITH ADJUSTMENTS TO GAAP AMOUNTS CALCULATED USING THE APPLICABLE STATUTORY TAX RATES FOR LEGAL ENTITIES.

<sup>6</sup>2024 REPRESENTS THE DIFFERENCE BETWEEN THE CARRYING VALUE ON THE REDEMPTION DATE OF THE SERIES B PREFERRED STOCK AND THE TOTAL AMOUNT OF CONSIDERATION PAID TO REDEEM. 2023 REPRESENTS THE DIFFERENCE BETWEEN THE CARRYING VALUE ON THE REDEMPTION DATE OF THE SERIES A PREFERRED STOCK AND THE TOTAL AMOUNT OF CONSIDERATION PAID TO REDEEM PLUS AN EXCISE TAX LIABILITY INCURRED UNDER THE IRA, NET OF THE FAIR VALUE OF COMMON SHARES ISSUED DURING 2023.

<sup>7</sup>GAAP DILUTED EARNINGS PER SHARE INCLUDES THE EFFECTS OF INCOME ALLOCATED TO PARTICIPATING SECURITIES.

## SCHEDULE 2

Reconciliation of Net Cash Flows from Operating Activities to FFO to Debt (Adjusted) (Non-GAAP) *(unaudited)*.

\$ IN MILLIONS

ANNUAL FFO/DEBT RECONCILIATION				
	2024	2023	2022	2021
NET CASH FLOWS FROM OPERATING ACTIVITIES	1,782	1,935	1,409	1,218
ACCOUNTS RECEIVABLE	(102)	184	(216)	(40)
INVENTORIES	102	234	(259)	(113)
ACCOUNTS PAYABLE	72	(172)	165	55
EXCHANGE GAS RECEIVABLE/PAYABLE	(134)	127	58	(114)
OTHER ACCRUALS	10	(103)	73	43
PREPAYMENTS AND OTHER CURRENT ASSETS	(76)	37	(10)	(37)
OTHER ADJUSTMENTS	(35)	21	28	28
<b>FUNDS FROM OPERATIONS (ADJUSTED)</b>	<b>1,944</b>	<b>1,607</b>	<b>1,570</b>	<b>1,396</b>
LONG-TERM DEBT	12,075	11,056	9,524	9,183
CURRENT PORTION OF LONG-TERM DEBT	1,281	24	30	58
SHORT-TERM BORROWINGS	605	3,049	1,762	560
OTHER ADJUSTMENTS	(657)	(2,711)	440	440
<b>TOAL ADJUSTED DEBT</b>	<b>13,304</b>	<b>11,418</b>	<b>11,756</b>	<b>10,241</b>
<b>FFO TO DEBT (ADJUSTED)</b>	<b>14.6%</b>	<b>14.1%</b>	<b>13.4%</b>	<b>13.6%</b>

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