



NISOURCE 2022

Safety Report





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A MESSAGE FROM OUR CHIEF SAFETY OFFICER

Bill Jefferson

Central to NiSource's mission to deliver safe, reliable energy that drives value to our customers is our focus on keeping everyone safe each day. We can't be successful in our mission unless we're safe – which is why it is and will continue to be the organization's top priority.

And our approach to safety – which includes the process improvements, investments and industry best practices we're instituting – enables us to hold each other accountable to perform with excellence and do the right things to keep the public and our employees safe above all else.

Throughout this year's annual safety report, you will see examples of how we're driving consistency and striving to continuously improve the way we work across the six states we serve. We are seeing progress and positive results along our safety journey. As an example, we received industry recognition in 2022 for the successful implementation of a comprehensive Safety Management System (SMS). NiSource became only the second energy company in the industry to receive this recognition.

Meanwhile, we continue to modernize our infrastructure and invest in the reliability and integrity of our assets to mitigate risks and address potential hazards. We're also leveraging proven technologies and continuing to explore ways to positively enhance our overall safety culture.

As chief safety officer, nothing is of greater importance to me than ensuring the safety of our customers, communities and workforce. The millions of homes and businesses we serve depend on service that is safe first and foremost, and we thank all our employees, contractors and business partners for their dedication to this critical shared responsibility.



DRIVING A CONSISTENT APPROACH TO SAFETY IN OUR OPERATIONS

OPERATIONAL

Excellence

AREAS OF FOCUS

Across NiSource and our Columbia Gas and Northern Indiana Public Service Company (NIPSCO) operating companies, we are focused on building simple and innovative solutions for the field, streamlining decision-making, enhancing process management discipline and continually improving our capabilities. These areas of focus fuel our ability to achieve operational excellence and our goals to:

- Drive toward top decile safety performance
- Execute core utility operations and construction activities compliantly, reliably and efficiently
- Drive industry-leading, risk-informed asset management capabilities across gas and electric operations
- Maintain a safety and people-first mindset to avoid serious injuries or other harm
- Add layers of protection and create event-free operations
- Invest in and prioritize our most critical risks
- Deliver efficient, affordable and sustainable solutions for our customers



INDUSTRY *Recognition* FOR SAFETY AND RISK

To fulfill our vision of being a trusted energy provider, we follow safety practices recommended by leading industry organizations. These practices help us identify and address potential risks, resulting in improvements to our operational and environmental safety.

Using the American Petroleum Institute's Recommended Practice 1173 (API RP 1173*) for Pipeline Safety Management Systems (SMS) as our guide, we have made significant progress in our safety journey.

We began our SMS implementation in 2015, and in September 2022, we were recognized by LRQA – a leading global provider of professional engineering and technology services – and achieved certification of conformance in API PR 1173. NiSource is only the second energy provider in the world to achieve this distinction.

*** ABOUT AMERICAN PETROLEUM INSTITUTE'S RECOMMENDED PRACTICE 1173**

API RP 1173, Pipeline Safety Management Systems, is a recommended practice released by the American Petroleum Institute establishing a pipeline safety management systems framework for organizations that operate hazardous liquids and gas pipelines jurisdictional to the U.S. Department of Transportation. For more information, please visit [**PIPELINESMS.ORG**](https://www.pipelinesms.org).



A SAFE AND *Trusted* ENERGY PARTNER

Safety Management at NiSource and its subsidiaries is an integrated approach to reducing risk and helps drive greater focus on operational excellence. This approach provides a framework for the company's operating model with the goal to ensure we are focused on operational rigor and continuous improvement and effectively enables our Safety Management System (SMS).

NiSource is an early adopter of SMS. Under our approach, all our employees are asked to live the "Core 4" behavioral values in their everyday work, which includes:

- Following Our Processes and Procedures
- Identifying and Reporting Risks
- Identifying and Proactively Taking Action to Prevent Things That Can Go Wrong
- Continually Improving Processes and Procedures to Protect One Another, Our Customers and Communities

Moving forward, NiSource will continue to mature SMS and drive operational excellence through employee feedback, regularly reviewing and assessing progress and identifying opportunities for continuous improvement.



**NISOURCE'S CORE 4
RESPONSIBILITIES FOR
ALL EMPLOYEES AND
CONTRACTORS**



Enhancing **RISK MODELING CAPABILITIES TO PRIORITIZE WORK**

NATURAL GAS

To determine how we best prioritize our work to ensure we maintain a safe and reliable gas and electric system, and to stay ahead of issues before they occur, we utilize Probabilistic Risk Assessment (PRA) models. These models are also an important factor in determining which portions of our system need to be replaced or upgraded under our ongoing infrastructure modernization program.

Over the last four years, NiSource has implemented a variety of PRA models focusing on:

- Gas Transmission
- Gas Distribution
- Gas Measurement
- Regulation
- Cross Bore
- Damage Prevention

These models use data from various internal and external sources, including but not limited to leak data, material failure reports, Corrective Action Program (CAP) trending, flood patterns, soil conductivity and geography. Incorporating this data into the modeling improves the accuracy and thoroughness of our assessments.

These risk metrics not only provide insight into system-wide asset health; they also highlight drivers that allow us to make the best business decisions that help lower risk for our customers, the public and our employees.

Most recently, we went live with the measurement and regulation risk models, which incorporates industry-leading assessments and data inputs. This hydraulic model enables us to update risk profiles based on system demand – a powerful tool when prioritizing seasonal work and determining our highest threat areas. The model incorporates remote pressure monitoring, asset age and health, and station-specific data and thereby enables us to make risk-informed decisions that will drive our modernization programs throughout our service territory.



Enhancing RISK MODELING CAPABILITIES TO PRIORITIZE WORK

ELECTRIC

NIPSCO Electric is NiSource's electric distribution operating company that serves our Indiana customers across 20 counties. Similar to our gas operations, we also utilize a risk-based approach and modeling to ensure the safety of our electric system and to serve as a guide for decisions around our long-term infrastructure modernization work. This approach identifies the highest-risk assets within NIPSCO's electric system and focuses mitigation planning on assets with the highest risk of failure.

All major electric transmission and distribution assets, such as substation transformers, substation breakers and circuits, and relays are included in the modeling. The model utilizes a multitude of asset health and criticality components.

The scores derived from this risk model provide focus to high-threat areas and assist in prioritizing mitigation activities that include, but are not limited to, inspections, maintenance, load growth and grid modernization.

Natural Gas

MEASUREMENT AND REGULATION OF STATION RECORDS, ENHANCEMENTS AND MODERNIZATION

NiSource's measurement and regulation stations are the parts of our system that measure, regulate, control and monitor pressure to pipeline networks. Having accurate and accessible records of these systems during field work activities is vital to both emergency response and continued safe operations.

Since 2019, NiSource has completed a review of 100 percent of measurement and regulation station drawings that supply gas to our pipeline networks. These drawings have been made available through our Geographical Information System (GIS), allowing digital and remote access to this information at all times. This work paves the way for an enhanced visual representation of measurement and regulation stations

in GIS, improved risk modeling capabilities and maturity of new visual and spatial representation technologies.

In 2022, Indiana's last low-pressure measurement and regulation stations were retired as a result of a new modernized system installation project. Additionally, NiSource continued the installation of:

- Additional layers of over-pressure protection at new stations
- Enhanced physical security technologies at critical supply points
- Physical barriers to protect against outside force (e.g., mowers, farm equipment, vehicles)
- Multi-layer coating systems to reduce atmospheric corrosion impact

PROJECT SPOTLIGHT

Modernization

Example of a recently completed, multi-year project that includes a total of approximately 67 miles of new plastic mainline gas pipeline, approximately 5,800 new customer gas service lines and approximately 5,600 new customer gas meter upgrades (Kokomo, IN).



NATURAL GAS INFRASTRUCTURE MODERNIZATION

Infrastructure modernization is our program to replace gas pipe materials that are approaching the end of their useful life and require replacement. Pipeline replacement areas are prioritized through our Distribution PRA model, allowing us to strategically evaluate a variety of risk-based information and make short and long-term planning decisions.

In 2022, more than 265 miles of priority pipe (including cast iron, wrought iron and bare steel) were replaced. In Pennsylvania and Kentucky, we retired our last remaining sections of known cast iron pipe. We also retired 48 miles of first-generation plastic pipe, which is an area of growing focus.

Our priority pipe replacement is a key component of our infrastructure modernization programs and investment planning. By replacing priority pipe, we are reducing the number of leaks and enhancing safety for the public and our customers.

REMOTE PRESSURE MONITORING ENHANCEMENTS

The Gas System Remote Pressure Monitoring Program enables us to proactively respond to potentially abnormal operation system conditions more rapidly. This program is centered on the installation of equipment that enhances our situational awareness by capturing and observing real-time system pressure conditions.

Since 2019, more than 700 additional pressure systems have had remote pressure monitoring devices installed, resulting in real-time monitoring for 100 percent of low-pressure systems. This ongoing program is the backbone to NiSource's initiatives to move into a predictive and proactive data analysis platform within the centralized gas control function, further enhancing safety, reliability and optimization of equipment.

UNDERGROUND GAS STORAGE MODERNIZATION (WELLHEAD)

NiSource's underground storage facilities help optimize the overall supply portfolio during peak demand periods by balancing system supply and customer costs.

Safe and reliable operation of our underground storage assets is a priority for NiSource. These assets are used to process, store and distribute natural gas for below-ground geological formations. To ensure their integrity, safety and reliability, we adhere to components outlined in our underground storage modernization program.

Enhanced risk management activities have resulted in increased underground storage assessments and equipment replacement prioritization. This supports our ongoing effort of providing a supply of natural gas from underground storage facilities that is safe, reliable and cost-effective.

Examples of these efforts include the integrity-focused replacement of wellheads, the installation of outside force protection from vehicles and the completion of risk assessments. Additionally, our ongoing integrity evaluation activities for our wells in Pennsylvania and Indiana are ahead of target for PHMSA compliance deadlines, with 47 percent of wells being evaluated since 2018.

GAS EQUIPMENT

In Action



ABOVE: On-site equipment that receives, stores, transmits and alarms system pressure data.

BELOW: Withdraw well that has been replaced due to our integrity program, including the installation of outside force protection.



GAS TRANSMISSION IN-LINE INSPECTION PROGRAM

We use targeted risk-based replacement decisions to ensure that NiSource addresses our highest overall pipeline risks programmatically to advance our overall commitment to public safety. To support this, we utilize in-line inspections to monitor and track the pipeline's health and fix irregular conditions before a leak or failure occurs.

In-line inspection is a nondestructive examination procedure that measures and records the geometry and wall thickness to indicate a change in the condition of a pipeline. Using in-line inspection in a transmission pipeline identifies threat conditions that help enable us to proactively mitigate targeted segments for replacement. Additionally, these tools are used to clean the pipeline without impacting the flow of gas, which enhances downstream operations within regulator stations.

NiSource's commitment to improving the understanding of transmission assets has led to an increase in ILI-capable pipelines from 6 percent in 2017 to more than 30 percent at the end of 2022. This activity helps us remain on track with industry requirements to understand the condition of 100 percent of our transmission piping by 2032.

BELOW: An in-line inspection launcher barrel. This is used to launch in-line inspection tools into a transmission pipeline for inspection.



OUR PROGRESS *Natural Gas*

PRIORITIZED ASSET RISKS	EOY 2021	EOY 2022
Isometric Drawings (All Pressure Stations)	87%	100%
Low Pressure Systems ASV and Remote Pressure Monitoring Program	99%	100%
Service Lines Mapped	92%	95%
Well Logging and Risk Assessments	29%	47%
Eliminating Priority Pipe (Remaining Miles)	3,357	3,101
Survey Distribution Mains with Advanced Mobile Leak Detection	8%	28%
Transmission Pipelines In-Line Inspection Capable	16%	30%
Pressure System Visibility (SCADA)	35%	37%
Eliminating Pre-1985 First Generation Plastic (Miles)	6,429	6,381
Legacy Cross Bore Inspection Program (Remaining Sewer Main Miles)	38,570	38,215

Electric

ELECTRIC INFRASTRUCTURE MODERNIZATION

For our electric operations at our Indiana-based company NIPSCO, risk assessments are utilized to evaluate aging infrastructure. The results help prioritize projects and programs to address risk in a balanced manner.

Reliability performance can be impacted significantly when critical Transmission and Distribution (T&D) assets fail. Our risk-based approach assesses the potential for deterioration by using asset health indices and survivor curves to estimate the end-of-life likelihood for asset groups across its system.

The assets and risk mitigation programs include:

- Transformer and breaker replacement
- Circuit rebuilds
- Steel structure life extension
- Underground cable replacement
- Replacement of other smaller components

This approach provides value for both NIPSCO and our customers. Additionally, a grid with high-performing, low-risk assets supports economic expansion. As these assets are replaced, new technology is also introduced to improve the system, which helps system reliability through system hardening and resiliency.

Large transmission and distribution infrastructure projects include:

- Substation rebuilds
- Transformer replacements
- Breaker replacements
- Circuit rebuilds

Substation rebuilds are driven by both Risk and Capacity requirements. The targeted assets include transformers and breakers as well as their associated support equipment. The goal is to replace all major assets with modern equivalents that are longer lasting, more reliable, and supports the grid modernization efforts.

Since 2016, NIPSCO has replaced 79 T&D transformers and rebuilt over 340 miles of circuits. Additional smaller component projects, like the relay modernization program, have contributed to the overall performance of the larger system. Since that time, we have also modernized 68 percent of our transmission and distribution transformers, breakers and bus relays.

ELECTRIC INFRASTRUCTURE

In Action



ABOVE: New generation of substation switchgear being installed at a distribution substation.

BELOW: A mobile substation utilized to support substation rebuild projects.



WOOD AND STEEL POLE LIFE EXTENSION

The steel structure life extension program extends the life of NIPSCO's steel structures and rehabilitates those that do not meet accepted strength requirements. This project will increase electric system reliability through system hardening and resiliency.

NIPSCO expects to inspect over 1,700 steel structures between 2021 and 2026. This project will increase transmission system reliability through system hardening and resiliency.

Wood poles are the largest asset classification in NIPSCO's distribution system. Inspections determine the wood pole's remaining life. With each inspection, the wood pole will either be treated to reduce the rate of future decay or reinforced if structural integrity is only degraded at the groundline. If it does not pass, the pole will be replaced. The program improves system reliability and safety during major events by ensuring poles meet strength requirements set forth in the National Electric Safety Code.

In addition to improving reliability, these programs and projects also improve safety while reducing customer costs.

We have plans to inspect approximately 184,000 wood poles between 2021 and 2026 with a forecasted replacement rate of 5-6 percent. Results for 2021 and 2022 can be viewed on the next page.

UNDERGROUND CABLE

Underground cable installed during the 1970s and into the 1980s utilized non-jacketed cable with early generation dielectric composition. As such, this generation of cable experiences increased failure rates that can result in increased, prolonged outages. Testing indicates that cable failures in this population segment are 13 percent above the national average. Replacement of this vintage cable with new designs expected to last more than 40 years will improve system reliability.

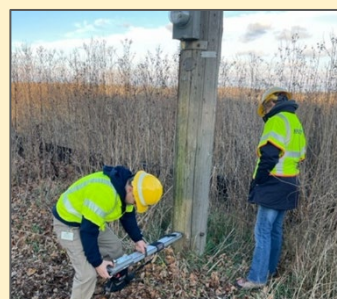
Results from NIPSCO's 2021 and 2022 electric reliability performance show significant risk reduction on the sections of cable that have been replaced. These sections experienced 84 percent fewer interruptions and 85 percent fewer customers being affected when an interruption occurs.

We anticipate replacing approximately 253 miles of underground cable between 2021 and 2026.



POLE LIFE *Extension*

LEFT: Wood pole structural integrity testing using intelligent drilling technology. **RIGHT:** Subgrade life extension coating for a direct steel lattice tower.



A *Smarter* ELECTRIC SYSTEM FOR THE FUTURE

LEVERAGE PROVEN TECHNOLOGY

Included in the company's electric modernization efforts are investments in proven, smart technologies designed to achieve significant improvements in customer service, service reliability, resiliency and grid security for the future.

We plan to deploy a new, more robust telecommunications network and an advanced metering infrastructure (AMI) system. We also expect to construct a new centralized electric control center, implement a new distribution Supervisory Control and Data Acquisition (SCADA) system, and install intelligent sensing and automation equipment throughout our distribution system. Through SCADA, NIPSCO has remote visibility of equipment within 100 percent of our transmission substations. Complete remote visibility of equipment within all of our NIPSCO substations is targeted to be completed by 2030.

Incorporating grid modernization technologies allows us to provide value to our customers through predictive maintenance efforts and extension of asset life cycles.

ADVANCED METERING INFRASTRUCTURE (AMI)

We are in the process of deploying an AMI system – also referred to as "smart grid" – across the NIPSCO electric service territory. This work includes the replacements of existing meters that currently utilize the remote, drive-by automated meter reading (AMR) system.

Deployment of AMI involves installing integrated meters, establishing communication networks, and utilizing information technology systems to record customer meter interval data and deliver that data to the utility.

Use of AMI allows for the transmission of alerts, alarms and meter health data to the utility, and it enables two-way communications between the utility and customer's meter. All of these features enhance control room situational awareness.

Deployment of AMI is expected to be complete by 2026.

ELECTRIC DISTRIBUTION AUTOMATION

Electric distribution automation (DA) technology reduces the frequency, impact and duration of storms and other outage events on the distribution system, allowing components to "self-heal" when interruption occurs. DA-enabled reclosers can detect, locate and isolate problems on distribution lines.

These devices provide enhanced visibility to operators, which allows repair crews to be dispatched to faults more quickly and accurately. NIPSCO has determined the strategic placement of DA-enabled reclosers based on customer impact and overall circuit performance.

NIPSCO has deployed 7 percent of its total planned DA-enabled reclosers. This deployment will continue through 2030, and once fully deployed, it is forecasted that customer interruptions will decrease by approximately 30 percent.

OUR PROGRESS *Electric*

PRIORITIZED ASSET RISKS	EOY 2021	EOY 2022
Circuit Rebuild (Transmission, Distribution and Storage System Improvement Charge (TDSIC) Total Miles Completed)	288	345
Transformer Replacements (TDSIC Total Units Replaced)	72	79
Modern Relays (% Upgraded)	64%	68%
Increasing Electric Vegetation Management Annual Mile Trim (Miles per Year)	530	661
Inspecting, Treating and Replacing Wood and Steel Structures (% of Population in Adherence of Inspection Cycle)	68%*	77%*
Circuit Self-Healing Teams Utilizing ~750-Line Reclosers (Distribution Automation % Deployed)	4%	7%

*Percent complete of the circuit rebuild miles identified within the TDSIC 2021-2026 Plan



TECHNICAL *Training*

Safety is at the heart of everything we do at NiSource. Our robust safety training program keeps us focused and prepared to deliver safe and reliable energy to our customers. It ensures we perform with excellence while holding each other accountable.

In 2022, the Technical Training team was heavily focused on the training delivery of our transformation initiatives. This includes supporting operations with the following operational pilots and continuous improvement processes.

- Job Site Scouting, Locate and Turnback pilots
- Site Restoration customer communications
- Site Restoration Specialist positions rollout
- Materials and Inventory Warehouse positions rollout
- Tablet deployments

We made broad governance updates to all gas training and on-the-job training programs to incorporate standard operating procedures, high consequence tasks, standard changes and feedback. Additionally, we

initiated the design and implementation of electric on-the-job training programs for lines, structures and substations.

To support our frontline, we conducted the first electric line school in two years, producing 28 new candidates, and relaunched new-to-role frontline leader training for more than 50 leaders in 2022.

Last year, we also completed the Next Level Leadership (NLL) program rollout across NiSource companies. NLL is a 12-week field leader development program to enable frontline leaders to lead teams better, manage our business and focus on safety. NLL was delivered to over 250 leaders, including the development of new operational and scheduling dashboards.



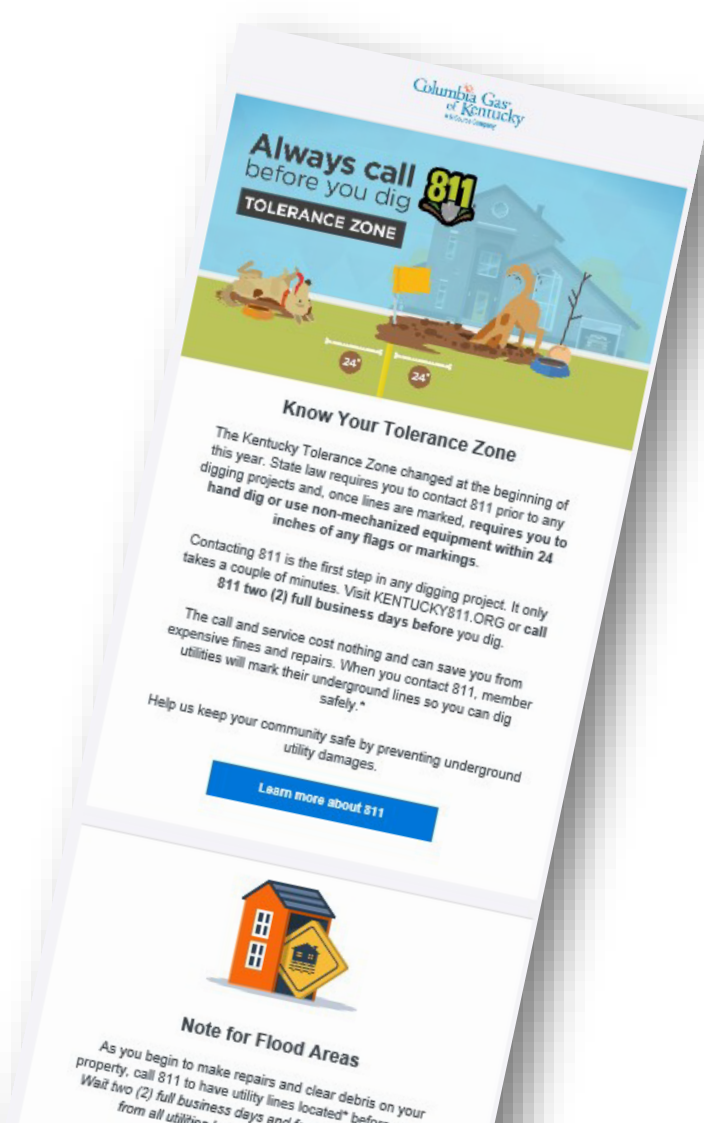
KEEPING OUR CUSTOMERS *Safe*

NiSource employees are dedicated to providing safe service to the communities we serve.

Customers with questions about their service can find detailed information on many of our communications channels, or they can call our customer care center.

We proactively share important safety messages with our customers throughout the year.

In emails, printed materials, mobile apps, social media and on the web, we remind customers about safety topics such as ice and snow issues, how to report gas odors and emergencies, damage prevention, and carbon monoxide and methane awareness through coordinated campaigns. We also send targeted emails to customers to help them prepare for potential events such as winter storms, floods or high winds, along with tips to stay safe and how to report outages.





PUBLIC *Awareness* AND DAMAGE *Prevention*

Public Awareness is a public outreach and engagement plan followed by all pipeline operators under CFR 192.616 and API RP 1162. NiSource utilizes the constructs set forth by these codes to outline our educational communications to improve on emergency response, public safety and continuous improvement.

Additionally, we leverage our industry community partnership such as the Common Ground Alliance and we work closely with our contractor resources to help promote messages and follow the same steps to keep the public safe.

For NiSource, Public Awareness is a strategic driver not only for damage prevention, but for tailoring specific public safety messaging to stakeholder groups in our communities, including the affected public, emergency officials, public officials and excavators. Our detailed plans allow us to connect with our communities through various channels and tools to convey important safety information, programs and best practices.

In 2022, NiSource upgraded our Damage Prevention Risk Model (DPRM). Using this upgraded software, any employee can now document one-on-one conversations with customers and the public about pipeline safety. Tracking this additional activity is greatly beneficial to the compliance, auditing and reporting process to ensure important safety information is reaching the public.

Alongside the update of our software, many of our operating companies and the National Energy Foundation collaborated with Energy Safe Kids. The program helps teachers and their students to think, talk and take action with their energy safety habits. The school-based educational program promotes energy safety awareness and encourages them to become Energy Safe Kids.



KNOW YOUR HOMESM

KNOWING YOUR HOME & WORKPLACE IS THE FIRST STEP TO KEEPING THEM SAFE

Para la traducción en español, diríjase a la página 12



Columbia Gas
A NiSource Company

IN CASE OF EMERGENCY, CALL CO
EN CASO DE EMERGENCIA, LLAME A CO

1-800-544-5606,

Why Are You Receiving This

Because you live or work in the gas natural gas pipeline system, you play a role in keeping that system safe, reliable and

We operate an underground network of equipment that bring clean-burning natural gas to homes, businesses and factories in your area.

As part of our effort to increase your knowledge and maintenance, this brochure will respond to a natural gas leak or idea, how to detect and report suspicious equipment, and most importantly, how to protect against personal injury. Please share this with others at your address, and keep it for future reference.

Pipelines Deliver Our Nation's

Many people don't realize the importance of the natural gas pipeline system. Each day, the system carries over 100 million miles of pipeline safely carrying natural gas to customers' homes, businesses and

The natural gas industry has a proven record of safe delivery of natural gas to the community. It is not only our commitment, but also

National Pipeline Mapping

Visit the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration (PHMSA)* website at phmsa.dot.gov for more information and to view pipeline locations using the National Pipeline Mapping System (NPMS)** public map view.

* PHMSA is the federal agency that regulates safety aspects of the natural gas industry.

**NPMS data is for reference purposes only. It should never be used as a substitute for always contacting 811 prior to excavation activities.

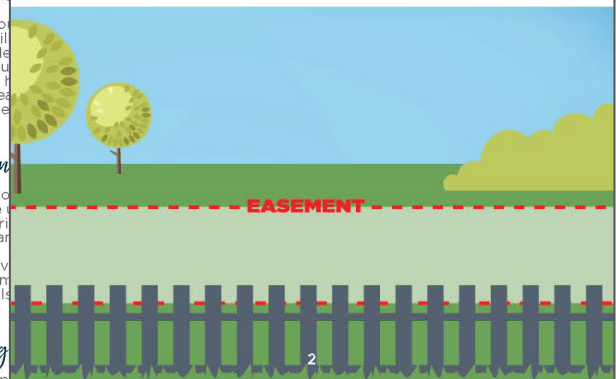
Pipeline Rights-Of-Way

A pipeline right-of-way is the strip of land over and around a pipeline. Rights-of-way are kept clear of obstructions to enable Columbia Gas to safely protect, operate, patrol, inspect, maintain and repair our pipelines. Columbia Gas regularly inspects our rights-of-way.

It's important that property owners not install any structures, store anything that could be an obstruction, or plant trees or shrubs along the right-of-way. Normal gardening and agricultural activities are generally acceptable. But you should never dig or construct anything in the area without first contacting 811 and having a Columbia Gas representative mark the pipeline, stake the right-of-way and explain our construction guidelines.

A right-of-way agreement between Columbia Gas and the property owner is called an easement. Easements provide us with permanent, limited interest to the land to enable us to access, operate, test, inspect, maintain and protect our pipelines. Although agreements may vary, rights-of-way can extend up to 25 feet each way from the center of the pipeline.

If Columbia Gas has an easement on your property, you should be aware of the guidelines for encroachment and construction near these easements. Call Columbia Gas at **1-800-544-5606** for more information about the easement on your property. Learn more at ColumbiaGasVA.com/Encroachment.



Protecting Natural Gas Lines Is A Shared Responsibility

Don't DIY

Hire a qualified professional to:

- Inspect/install your appliances
- Inspect/install your gas lines
- Identify, repair and alert you of safety concerns

You're responsible to maintain all the gas lines and appliances inside your home.

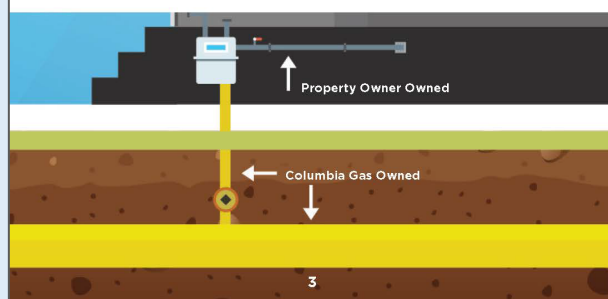
We're here to help, you can find a local contractor by going to ColumbiaGasVA.com/SafetyContractors or choose your own.

Natural gas travels through large underground pipes called transmission lines. These lines travel through the ground near city streets and through the main lines, natural gas is carried to your home or business through service lines, which stop at the gas meter.

Columbia Gas owns and maintains the pipeline up to and including the meter. We conduct routine inspections of all company-owned pipe up to the meter, repairing and replacing lines and meters as necessary.

The property owner owns the "house lines" - any pipe that extends beyond the meter to appliances inside the home or business, or to other locations on the property, such as pool heaters, garages, or other appliances. It is the responsibility of the property owner to initiate any inspection and necessary repair or replacement of house lines through a qualified professional, such as a qualified heating/cooling contractor or plumber.

If there is a buried house line pipe between the meter and your appliances, it might become subject to corrosion and leakage over time. Buried pipe should be inspected periodically for leaks and for corrosion if the pipe is metallic.



CUSTOMER AND COMMUNITY

Education

Sample pages of the public awareness mailing that is sent every two years. It includes various pipeline and other safety information, and it's mailed to everyone who lives within 660 feet of either side of our gas transmission pipelines.

CROSS BORE PROGRAM

A cross bore is a situation in which other buried utilities conflict with our gas lines, resulting in an increased risk of damage to our facilities. The cross bore remediation program investigates and eliminates legacy cross bores throughout NiSource's systems.

Cross bores are one of the top risks associated with our gas distribution system. To mitigate the risk, this program proactively investigates systems to discover and remediate legacy cross bores, utilizing a model that learns from findings to help prioritize areas with the highest threats. In 2022, we exceeded 2021 activity level by finding and remediating 234 cross bores and inspecting more than 350 miles of sewer main.

We continue to innovate our cross bore remediation program and are becoming even more efficient. By leveraging the PRA cross bore model forecasts, we are focusing on the highest density of cross bores on our systems. This optimizes risk mitigation while providing additional safety to the public and our customers.

We also take measures to find and prevent cross bores. For example, licensed plumbers are incentivized to report suspected cross bores. Additionally, NiSource has robust standards and procedures to prevent new cross bores from occurring when installing new mains and services that include sewer inspections before and after installation.

RED TAG

A red tag is used in the event an unsafe condition is discovered on a customer's premises – typically inside a home or business – to alert a customer of the hazard that needs attention. In 2022, NiSource standardized the red tag across its operations, attaching it to appliances where the unsafe condition was found.

Recommendations from Associated Electric and Gas Insurance Services, a leading energy industry insurer, were adopted in the design of the new tag, resulting in the tag being bilingual and a carbon copy and requiring a customer signature. Digital reporting was also created to capture related data for enhanced analytics to keep customers safe.

DANGER (PELIGRO)

NOTICE OF HAZARDOUS CONDITION (AVISO - CONDICIONES POTENCIALMENTE PELIGROSAS)

CUSTOMER NAME (CLIENTE): _____

ADDRESS (DIRECCIÓN): _____

PHONE (TELÉFONO): _____

PSID/SITE ID: _____

METER NUMBER (NÚMERO DE MEDIDOR DE GAS): _____

GAS TURNED OFF AT (GAS APAGADO EN): ☐ TENANT (INQUILINO) ☐ OWNER (PROPIETARIO)

DATE (FECHA): _____

TIME (HORA): _____

APPLIANCE TYPE (TIPO DE ARTEFACTO): ☐ METER (MEDIDOR DE GAS) ☐ APPLIANCE (ARTEFACTO DE GAS) ☐ CURB (BORDILLO)

IF YOUR SERVICE WAS TURNED OFF AT THE METER OR CURB, YOU WILL NEED TO CONTACT THE GAS COMPANY FOR THE RELIGHT. (SI SU SERVICIO FUE APAGADO EN EL MEDIDOR DE GAS O EN LA ACERA, COMÚNIQUESE CON LA COMPAÑÍA DE GAS PARA VOLVERLO A ENCENDER.)

RED TAG CONDITIONS FOUND (CONDICIONES DE ETIQUETA ROJA)

☐ GAS LEAK ON PIPING (FUGAS EN LAS TUBERÍAS DE GAS)

☐ GAS LEAK AT APPLIANCE (FUGAS EN LOS CONECTORES DE LOS ARTEFACTOS DE GAS)

☐ LEAK APPLIANCE CONNECTOR (CONEXIÓN DE GAS INCORRECTA)

☐ IMPROPER GAS CONNECTION (INSTALACIÓN/CONEXIÓN INCORRECTA)

☐ DEFECTIVE VENT/CHIMNEY (CHIMNEA/VENTILACIÓN DEFECTUOSA)

☐ NOT VENTED PROPERLY (VENTILACIÓN INADECUADA)

☐ UNVENTED (BIN VENTILACIÓN)

☐ OBSTRUCTED FLUE/VENT (CHIMNEA/VENTILACIÓN DEFECTUOSA)

☐ IMPROPER COMBUSTION (COMBUSTIÓN INCORRECTA)

☐ SUFFICIENT (SUFICIENTE)

REMARKS (OBSERVACIONES): _____

SAFETY TOOLS

In Action



ABOVE: A sewer inspection camera used for cross bore detection.

BELOW: Red tag awareness social media campaign



ADVANCED LEAK DETECTION WITH PICARRO TECHNOLOGY

In our journey to continually reduce risk, NiSource continued our partnership with Picarro, an industry leader in analytics-driven methane detection. The Picarro-equipped vehicles we're using are designed to sniff the air and identify potential leaks in the natural gas delivery system using cutting-edge technology that's 1,000 times more sensitive than traditional leak detection equipment.

In 2022, Picarro vehicles were able to survey 15,230 miles of distribution pipe (or 28.3 percent of NiSource's total distribution system) and mitigate 3,400 SCFH of emissions.

Advanced mobile methane detection vehicles were deployed to Kentucky and Virginia in addition to the ones that were deployed in 2021 in Indiana, Maryland, Ohio and Pennsylvania, bringing the fleet of Picarro-enabled vehicles to 10 by the close of 2022.

Picarro technology has proven its value by identifying large leaks quickly and precisely. For example, NIPSCO's Picarro-equipped vehicle identified a leak at a home in Michigan City, Ind., during a routine survey over the summer. Because of the elevated methane readings, survey technicians were dispatched for further examination. NIPSCO gas service workers investigated 12 homes, and one of those homes had a significant (Grade 1) leak that required immediate repair.

Resources like the Picarro-equipped vehicles are critical to meet NiSource's commitment to safety and our goal of reaching net zero greenhouse gas emissions from our operations by 2040 – assuming supportive regulatory and legislative policies, favorable stakeholder environments and the continued advancement of existing technologies.

BELOW: NiSource's Picarro-equipped vehicles featured at the New York Stock Exchange.





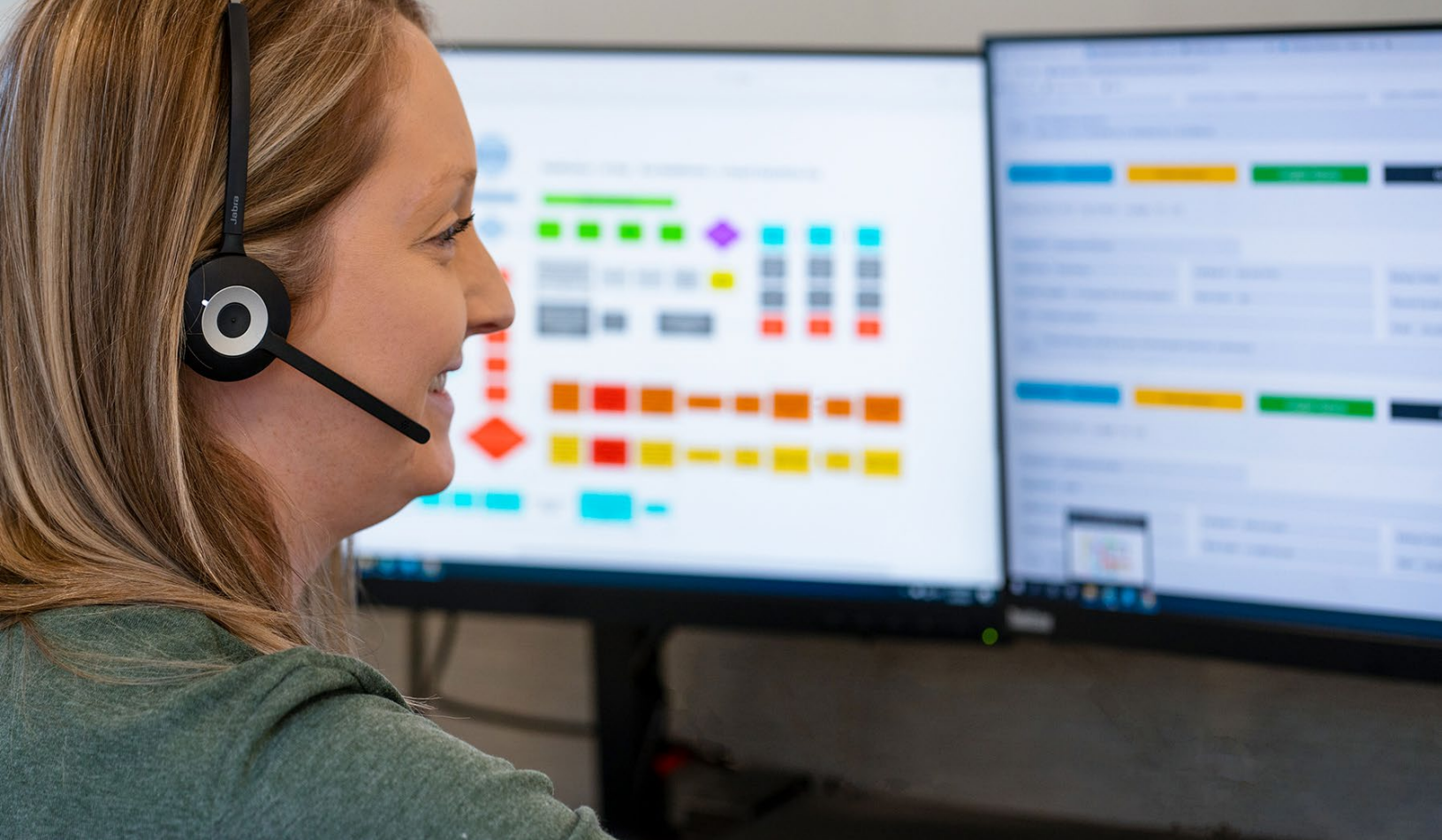
Emergency PREPAREDNESS AND RESPONSE

When an emergency situation arises, it is critical that we are prepared to respond. The Emergency Management team provides awareness and understanding of all roles during an emergency to appropriate employees across the NiSource footprint through ongoing training and regular exercises. The goal is to ensure Incident Management teams can timely and effectively respond to incidents with potentially wide ranges of scale and complexity anywhere in NiSource's service territory.

As we move into 2023, NiSource is focused on continued growth to provide support and build awareness of emergency management activities.

TRAINING AND EXERCISE PROGRAM (2022)

- Executed 12 operational exercises, including tabletops in each state and at each supplemental gas facility, a full-scale exercise at the Ohio Training Center and a functional exercise with the NIPSCO hydroelectric facilities. These exercises
- involved 245 NiSource employees, representing frontline employees, local Incident Management teams, supporting staff from across NiSource and 57 public safety participants
- Approximately 2,700 frontline employees, leaders and managers completed 4,700 micro-computer-based modules explicitly designed to build Incident Command System (ICS) awareness and understanding
- NiSource employees devoted more than 15,200 hours to building emergency management capabilities
- Worked with Instructional Design to review and update 18 position-specific ICS workbooks
- Provided coaching sessions to 45 employees with Command and General Staff roles
- Delivered advanced ICS training (ICS 300/400) to 59 employees with Command and General Staff roles; also conducted Homeland Security Exercise and Evaluation Program (HSEEP) training for 12 employees to build consistency in the design, execution and evaluation of NiSource-sponsored exercises



SOPHISTICATED *Security*

CYBERSECURITY

Cyberattacks are an ongoing threat to all industries, including the energy industry. The federal government has warned that increasingly sophisticated cyberattacks pose a threat to critical infrastructure assets, including natural gas pipelines and electric generation and transmission systems. As a critical infrastructure operator, NiSource works with government, industry groups and trade associations to identify common threats and assess our countermeasures.

We comply with mandatory reporting measures, designate a cybersecurity leader, provide vulnerability assessments and comply with cybersecurity requirements set forth by state and federal agencies. NiSource also introduced a cyber behavior accountability policy to be followed by all employees and contractors to ensure diligence in reducing cybersecurity threats and maintaining the security of our information and critical infrastructure.



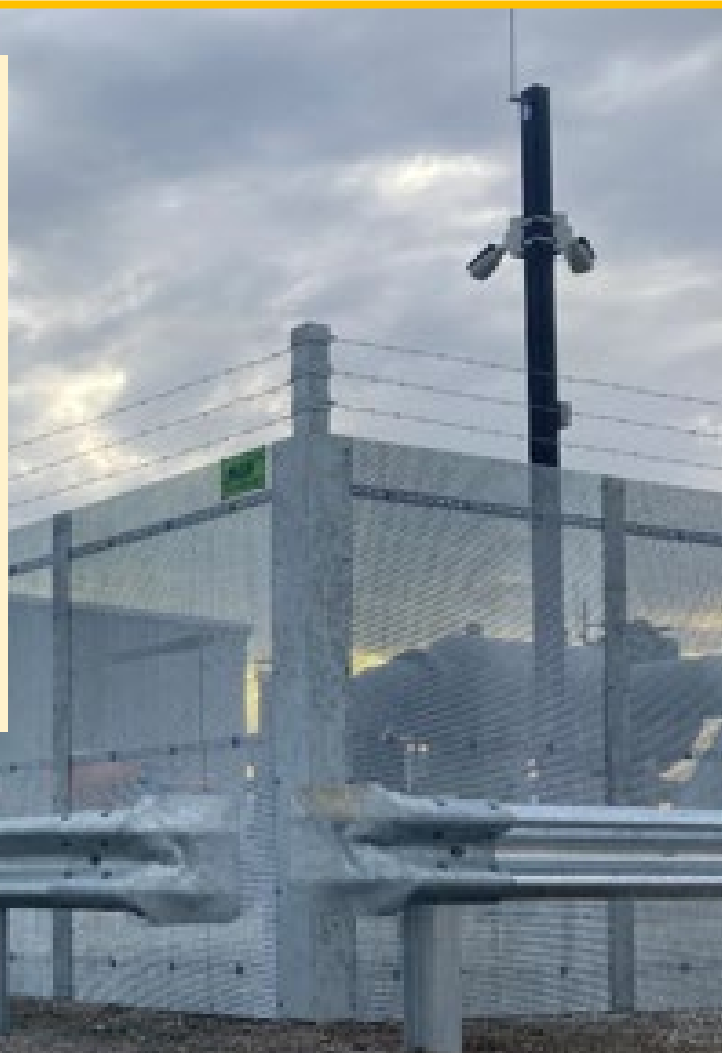
PHYSICAL/INFRASTRUCTURE SECURITY

Physical security, just like cybersecurity, is an important part of protecting the electric grid and natural gas system from damage to maintain reliable and safe service for our customers. It is a constant focus for NiSource and each of our operating companies. Because of the security needs around our electric and natural gas infrastructure, we can generally share the following:

- NiSource has an array of existing protections in place across its electric and natural gas system. Our operating companies continually monitor threats and risk to our physical assets.
- NiSource operations and security personnel are in regular communication with local, state and federal law enforcement partners to ensure understanding of potential risks and ensure coordinated response readiness.
- NiSource and our operating companies have response plans in place to deploy additional security personnel and upgraded physical security measures if there is any increase in threat level to our facilities.

OUTSIDE FORCE *Protection*

Includes fencing, cameras, talk-down speakers, thermal imaging and movement-tracking capabilities.





SAFETY *Scorecard*

SAFETY INDICATOR	2022 TARGET	2022 ACTUAL
OSHA DART RATE	0.87	0.78
FIELD SAFETY OBSERVATIONS	35,600	53,448
EXECUTIVE SAFETY OBSERVATION	436	524
DAMAGES PER 1,000 LOCATE TICKETS	1.80	2.01
GAS EMERGENCY RESPONSE WITHIN 45 MINUTES	97%	97%
PRIORITY PIPE RETIRED	270.36 Miles	265.70 Miles

FORWARD-LOOKING STATEMENTS

This document 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. These forward-looking statements include, but are not limited to, statements concerning our 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 document include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in 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 natural gas costs 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 demands; the attraction and retention of a qualified, diverse workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the actions of activist stockholders; the performance of third-party suppliers and service providers; potential cybersecurity attacks; increased requirements and costs related to cybersecurity; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; 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 ability to manage the financial and operational risks related to achieving our carbon emission reduction goals, including our Net Zero Goal; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; inflation; recessions; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; 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; potential remaining liabilities related to the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney’s Office to settle the U.S. Attorney’s Office’s investigation relating to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; 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, 2022, 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.

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