

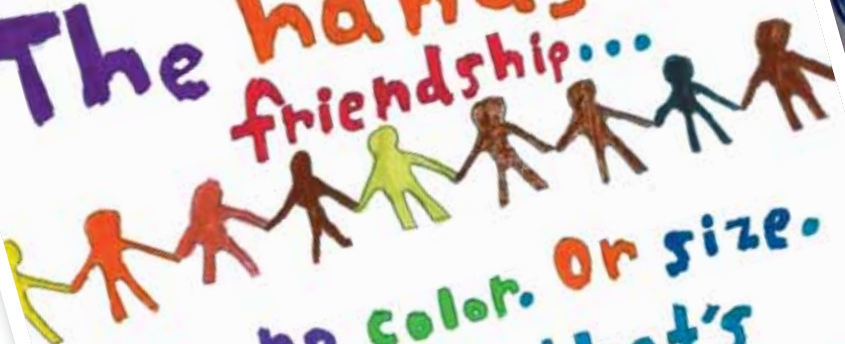
# INCLUSION & DIVERSITY

2013 NISOURCE REPORT



The hands of  
friendship...  
have no color. Or size.  
Or shape. And that's  
the best part about it!

Catherine Lietz



Diversity Is Teamwork



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As part of NIPSCO's Inclusion and Diversity efforts, each year the company holds an I&D calendar contest for school-aged children, grandchildren, nieces and nephews of Indiana-based employees.

## A MESSAGE FROM NISOURCE'S PRESIDENT & CEO

At NiSource, Inclusion and Diversity (I&D) is about how we think, how we act and how we speak with one another – how we treat our customers, coworkers and others with whom we do business. It's about being an organization where individuals can bring their full selves to work, exhibiting all the qualities, characteristics and perspectives that make each of us unique contributors to our company's success.

It's about being an organization where all people thrive, and can do good work together – an environment where the levels of engagement and energy are so strong that we create a powerful competitive advantage. And it's about creating a workplace that people want to be part of – a community that people want to join, stay with and strengthen.

As you'll see highlighted throughout this report, we are building toward that I&D Vision. We are working harder, side by side, to get better and to get stronger. And in the process, we are building America's premier regulated energy company.

If you have feedback on the report, or would like additional information about the progress outlined in the following pages, please don't hesitate to reach out to us.



**Bob Skaggs**  
President & CEO  
NiSource Inc.



Inclusion & Diversity is a key component of our Sustainability Strategy. More about our Sustainability commitments and progress across NiSource can be found in our annual Sustainability Report, which includes information about our commitment to Communities, Customers, the Environment and our Employees. You can read our latest report at [www.nisource.com/sustainability](http://www.nisource.com/sustainability).





## OUR I&D COMMITMENT

### Our I&D Vision

Create an inclusive environment built upon mutual respect, with a firm commitment to attract and retain talent that reflects the communities and customers we serve, and where our employees are given the opportunity to achieve their full potential.

### Our I&D Philosophy

NiSource's success depends on our ability to be open to new ways of thinking that help make us a better community partner and stronger company. Unique ideas, perspectives and talents are encouraged and respected.

I&D is an essential part of who we are at NiSource. We promote inclusive behaviors such as communication, mutual respect, teamwork, valuing differences and acceptance. It's these behaviors that help us meet our commitment to customers and create a richer, more rewarding workplace for everyone on our team.

NiSource's I&D approach is grounded in four primary dimensions: Customers, Communities, Employees and Supplier Diversity. This four-part focus anchors our I&D agenda and shapes the activities, goals and objectives of our many I&D Councils, employee resource groups (ERGs), mentoring programs and various community events. It is through these dimensions that NiSource employees foster, promote and celebrate an inclusive culture.



"It is just amazing the results, feedback, and the broader understanding that one gets when teaming up with a heterogeneous group of people on any given project. In my opinion, I&D is not just the right thing to do or simply something a company should embrace given the political climate or the demographics that make up our society, but a business imperative, if we as a company aspire to greatness."

Mahamadou Bikienga, Regulatory Analyst, Columbia Gas of Pennsylvania

## NISOURCE I&D STRUCTURE

Over the past few years, NiSource's I&D approach has been grassroots in nature, with teams of employees building initiatives specific to states and regions. Over the past year, we've taken that grassroots spirit and created a structure that will help foster collaboration across NiSource and ensure we are working toward a common vision, while preserving strong local ties. This structure consists of an executive I&D Council, state and regional I&D councils and employee resource groups (ERGs).


### Executive I&D Council

Formed in 2013, the executive I&D Council is an eight-member umbrella organization that guides and aligns I&D activities across NiSource. Council members work with other senior leaders across the company to provide counsel, advocacy and support for I&D activities at the local level and through our ERGs.

### State/Regional Councils & Employee Resource Groups

More than 25 I&D Councils across NiSource generate local strategies and execute on I&D operating plans. Many of the activities described in this report were led by state and regional I&D councils. They, along with our ERGs, link the interests of members to business needs and collaborate with senior leaders, as well as the executive I&D Council, to ensure alignment, provide input into needs and priorities and communicate activities and results.

To facilitate communication among groups, periodic I&D Summits enable representatives from regional councils and ERGs to share ideas and learn from one another. NiSource's intranet, *MySource*, also acts as a bridge, connecting employees with the various I&D initiatives across the company. The intranet also provides resources to enable progress and processes at each of the councils. Each council is guided by our overall mission, but has the autonomy to meet the needs of its local area.



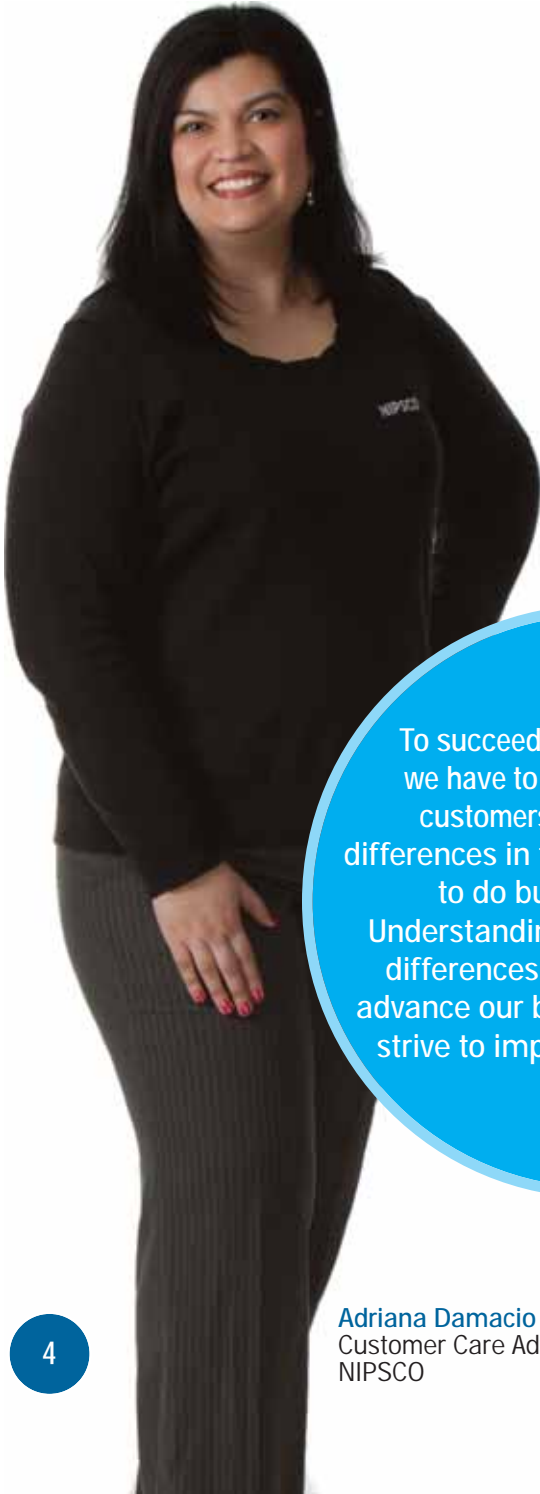
More than 2,000 employees  
across NiSource are  
actively involved in our  
I&D efforts.

*"Fully endorsed by the Board of Directors, NiSource's commitment to I&D helps ensure that employees can bring their full selves to work, and that we can deliver for our customers in a way that's consistent with their needs."*

**Teresa Taylor**  
NiSource Board of Directors

*"The case for building an inclusive and diverse culture is clear, and by being a part of the executive I&D Council, I'm looking forward to having a role in unlocking the full potential of our already-strong I&D efforts across NiSource."*

**Karl Eckweiler**  
Vice President Ethics & Compliance &  
Deputy General Counsel  
NiSource Inc.



## I&D DIMENSION: CUSTOMERS

To put it simply, we want to make it easy for people of different backgrounds, cultures and experiences to do business with us. Understanding our customers is key to delivering a positive customer experience. With more than 3.8 million customers across our service territory – and more than 40 million interactions online and offline each year – not all have the same wants, needs or abilities. It's important to be innovative and create processes and procedures that accommodate and embrace these differences and meet or exceed expectations. Treating customers the way they want to be treated is a good way to do business, and it's the right thing to do.

### Large-Type Bills Now Offered Across NiSource

In 2013, an internal team began reviewing the bill design for each NiSource utility to ensure the bills are easy to read and contain the information customers need and expect to make informed energy decisions – and pay their bill accurately. While redesigned bills may take a while to develop before they are rolled out to customers, a preliminary step that meets a specific customer need is that all of our NiSource utility customers now can receive large-type bills on request. This simple step helps ensure that customers with reduced eyesight can more easily read their bills.

To succeed in the marketplace, we have to stay attuned to our customers and aware of the differences in their needs and ability to do business with us. Understanding and valuing those differences is important as we advance our business strategy and strive to improve as a company.

### Making a Difference for Our Senior Customers – Identifying a Need and Taking Action

We sometimes visit a customer's home and recognize that additional assistance is needed. For example, a routine service call took us to the home of a 91-year-old widow. While restoring service to her home, a Columbia Gas of Ohio technician became aware that the woman's house line leaked and that her appliances lacked adequate shutoff valves. Because of these safety concerns, the technician knew that the heat might not be coming back on, and the woman would have to rely on four ventless space heaters.

The local community action agency had assisted with paying bills in the past, but this time there were no funds to repair leaking natural gas lines. The technician and his supervisor began collaborating with others inside and outside NiSource to see if she

**Adriana Damacio**  
Customer Care Advisor  
NIPSCO

qualified for other assistance. Just 12 days after the initial call, her application was directed to the correct fund, her lines had been repaired and service had been reestablished. She also had a new water heater and a new condensing furnace was set to be installed. The four ventless space heaters are no longer needed.

Every employee can positively influence our customers' experience and perception. Understanding the diversity of our customer base – and enabling our employees to act appropriately – is essential.

### Heating Checks Identify Safety Issues

To kick off the 2013 winter season in a safe manner, Columbia Gas of Pennsylvania employee volunteers and contractors provided complimentary heating services to 44 pre-selected elderly or disabled customers. Each employee partnered with a different contractor to inspect customers' heating equipment in preparation for colder temperatures.

Of the participating households, half had problems with their equipment that could have potentially caused illness during the upcoming winter season. Through the *Clean and Tune* initiative, volunteers discovered seven boilers/furnaces and four hot water tanks that needed to be replaced, eight venting problems were solved, and one service line leak was repaired at no charge to the customer. NiSource companies work extensively with local community and specialized support organizations offering similar programs to ensure the safety of our more vulnerable customers.

### Better Understanding Low-Income Customers

Columbia Gas of Massachusetts held its first *Poverty Simulation* in 2013, with more than 80 employees and many representatives from community agencies participating in the exercise.

The simulation was designed to help employees and community leaders understand and experience the complexities, fears and frustrations of living in day-to-day poverty, as well as create a broader awareness of the realities of poverty. Throughout the simulation, participants act out scenarios in the lives of low-income families.



*"The Poverty Simulation gave me a much better understanding of what a low-income family might go through. It's important for us to see and understand the frustration of what it's like to struggle for things many of us take for granted."*

**Connie Wright**  
Administrative Assistant  
Columbia Gas of Massachusetts



*"To me, I&D is people with different job titles, ages and backgrounds bringing our personal and career experiences into the mix to form a better relationship with co-workers, customers and communities."*

Tina Tolson  
Gas Systems Planning Technician  
NiSource Gas Distribution



In celebration of its customers' backgrounds, Columbia Gas of Virginia sponsored ¿Que Pasa? Festival!, organized by the Virginia Hispanic Chamber of Commerce.

The Massachusetts Department of Public Utilities participated in the simulation alongside representatives from various community agencies that provide shelter for the homeless, domestic violence support and fuel assistance.

The positive feedback exceeded expectations. Participants were not only engaged, but left the experience knowing what it felt like to walk in the shoes of those less fortunate. This simulation is designed to help employees better understand how to work with customers who may be facing poverty, as well as discuss programs and options available within and outside the company.

In 2013, between federal funding and other funds raised by the company and its customers, NiSource's low-income customers received more than \$48 million in assistance.

#### ¿Habla usted español o inglés?

Demographic research shows that the Hispanic population in Virginia doubled between 2000 and 2010. One in every 14 Columbia Gas of Virginia (CGV) customers classify themselves as Hispanic, and in many communities, more than one-third of the residents have limited English fluency.

In response, CGV has provided opportunities for employees to learn about this growing community.

Activities include programs for employees that improve exposure to Hispanic culture and Spanish language training, as well as corporate sponsorships and participation in Hispanic cultural awareness events.

Our business units also have developed and introduced a wide range of multilingual communication tools and information pieces tailored to the unique heritage and cultural backgrounds across our service areas, which include multilingual door hangers and customer service channels. We also have developed new methods to alert our meter readers and customer service teams if a customer is blind, hard of hearing or elderly.



## I&D DIMENSION: COMMUNITY

NiSource's people and infrastructure have a presence in hundreds of communities across 16 states – transporting natural gas and electricity to more than 3.8 million utility customers and other end users through our interstate pipeline infrastructure.

What do these communities have in common? While they embrace many of the same desires, opportunities and challenges regardless of demographics or location, each is unique.

At NiSource, we respect those differences and celebrate our diversity. We are fully committed to being an integral part of the communities we serve and take an active interest in the well-being of our customers. We want to be a good neighbor.

### Donating Money and Time

As part of our philanthropic efforts in 2013, we provided more than \$6.2 million in charitable donations to hundreds of local, regional and national non-profit organizations spanning our service area. Our employees play a critical role in those efforts, donating significant time and personal effort to causes and organizations in which they believe.

We support and encourage employees' community involvement through our *Dollars for Doers* program, which contributes up to \$500 per employee to an organization in return for volunteer time. Through this program, in 2013, we contributed about \$200,000 in charitable donations to local, regional and national non-profit organizations. These contributions spanned our service area and engaged hundreds of employees, communities and customers – and equate to approximately 10,000 hours of volunteer time by our employees.

Our goal is to engage community partners and stakeholders in a collaborative way, creating new opportunities for shared benefits and growth. Volunteerism and philanthropic giving are important to NiSource and our team, providing opportunities to interact, understand and support the local community.



**Sarah Perry**  
Communications Specialist  
Columbia Gas of  
Pennsylvania/Maryland

A full-length portrait of Brooke Leslie, a woman with brown hair, wearing a dark blue blazer over a green shirt and a black and white striped skirt. She is holding a red folder and smiling.

**Brooke Leslie**  
Senior Counsel  
NiSource Inc.

For example, Linda Terzino, NIPSCO relief operator at the company's Michigan City Generating Station, is committed to giving back to her community and is provided support through the Dollars for Doers program.

Linda volunteers for the Indiana Organ Procurement Organization (IOPO). The IOPO raises awareness of organ donation, by providing information people need to make an informed decision about donating organs and registering their personal decision. As a community service, Linda and other trained volunteers offer educational programs and participate in events throughout Indiana. In addition, she was a team leader at the IOPO's annual Show Us Your Heart 15K Run and 5K Run/Walk.

*"I became involved with the IOPO after my son, Aaron, passed away in 2011 from a car accident. He had designated that he was a donor on his license and, in doing so, helped 81 people live on."*  
Linda Terzino  
Relief Operator  
NIPSCO

#### **Columbia Gas of Kentucky Named Corporate Champion of Diversity**

Each year, the Urban League of Lexington-Fayette County presents diversity awards to those who embrace, celebrate and apply holistic inclusion and participation of diverse people. The Urban League acknowledges that diversity makes the workplace a better environment and the community a better place to live, work and raise a family.

Columbia Gas of Kentucky (CKY) was named the Urban League's 2013 Corporate Champion of Diversity at the organization's annual Empowerment Banquet. In accepting the award, CKY President Herb Miller acknowledged employees, many of whom attended the awards ceremony, for their participation and leadership of the company's local I&D efforts.

D. McGinnis Mitchell, president of National Diversity Solutions (left); Janis Carter, Urban League board chair, and P.G. Peeples, Sr., Urban League president/CEO (right) presented the 2013 Corporate Champion of Diversity Award to Herb Miller.



## Celebration of Ethnic Diversity

Multifest is a celebration of ethnic diversity in West Virginia and has become a summer tradition in Charleston. Festival-goers enjoy international art, crafts, cultural street performances and popular music acts singing jazz, reggae, pop, R&B, gospel and hip-hop. Food booths feature Asian, Hispanic, Italian and soul food.



In 2013, one of Columbia Pipeline Group's local I&D councils served as a main sponsor of Multifest, hosting a booth to provide information about careers at NiSource.

I&D council members host a booth at Multifest in Charleston, W.Va.

## Governor's Bowl Food and Fund Drive

Columbia Gas of Virginia (CGV) responded to Governor Bob McDonnell's call to feed Virginia's hungry by participating in the *2nd Annual Governor's Bowl Food and Fund Drive*. Employees collected more than 10,000 pounds of food – a 900 percent increase over 2012.

The food and fund drive is a challenge between chambers of commerce and government agencies to collect monetary donations and non-perishable food items between Memorial Day and Independence Day. The organizations that collect the most food are awarded the prestigious "Governor's Bowl."

Summer is typically a slow season for donations, but it is also a time of year when area residents, especially children, need help. Many children rely on school feeding programs, but when they are out of school for the summer, they may not have access to regular meals.

## AABE Leadership

NiSource is a strong supporter of the American Association of Blacks in Energy (AABE), and a number of NiSource employees served in AABE leadership positions during 2013.

AABE is a resource for policy discussions on the economic, social and political impact of environmental and energy policies, and ensures the involvement of African Americans in governmental energy policymaking.

**Michael Suggs**

National AABE Board of Directors

**Eddie Melton**

President, Indiana Chapter

**Angela Montville**

Vice President, Columbus Chapter

**Crystal Williams-French**

Vice President, Indiana Chapter

**Brian Collins**

Director, Columbus Chapter

**Charles Meadows**

Director, Columbus Chapter

**Laquetta Odum**

Director, Columbus Chapter

**Marcus Preston**

Director, Columbus Chapter

**Carol Wilson**

Director, Columbus Chapter



## Meet Our Recruitment Partners: Online, On Campus & In Your Community

- Community Resource Days
- Indiana Department of Veterans' Affairs
- Jewish Family Services
- Military Alliance Career Fair
- National Black MBAs
- Society of Hispanic Professional Engineers
- Society of Women Engineers
- United States Marine Corps

*"Over the past year the Columbia Pipeline Group has accomplished a great deal in terms of encouraging employees to begin thinking about I&D. We will continue working together to drive I&D efforts and utilize the collective power of our employees to create a sustainable competitive advantage."*

**Sheree Parks Downey**  
Director  
Capital Strategy & Business Improvement  
Co-Chair, CPG I&D Steering Committee



## Keep Brockton Beautiful

Columbia Gas of Massachusetts (CMA) employee volunteers gathered in Brockton, Mass., to participate in the yearly *Keep Brockton Beautiful* community clean-up day. This annual event typically draws between 500 and 800 volunteers to help clean the city. The CMA team cleaned the area around the historic Brockton Fairgrounds, an area close to home since the CMA Operations Center is just down the street.

The Brockton clean-up was one week after the Boston Marathon bombing. The team shared a strong desire to give back, and on this day in 2013, the team gave back to a great community.

The Columbia Gas of Massachusetts clean-up crew poses in front of the statue of Brockton's favorite son, heavyweight boxer Rocky Marciano.



## Employees Donate Backpacks, School Supplies

Two hundred smiles were delivered to 20 elementary schools across portions of Virginia as the 2013-2014 school year began. The smiles came from the 200 backpacks stuffed with school supplies provided by CGV to teachers or administrators for use by students in need.

The CGV I&D regional team worked during the summer to get donations from employees, company contractors, vendors and local businesses to help students in the community.

Along with school supplies, CGV included natural gas safety coloring books and a letter for the parents explaining who helped provide the backpacks.

*"I was amazed at the impact we had delivering these backpacks. The administrators and teachers told us that this donation will help the elementary students feel part of the school because now they would be just like everyone else. It really made my day!"*

Brett Fearnley, Field Operations Leader, Columbia Gas of Virginia



## I&D DIMENSION: EMPLOYEES

Being North America's premier regulated energy company means conducting ourselves in a way that earns respect, supports our goals and inspires us all to do our best work to meet our business strategy. It's what we call doing business "The NiSource Way."

### The NiSource Way

- **Be respectful and inclusive.**  
Value everyone's unique contributions, views and fundamental desire to do good work. Build highly skilled and diverse teams. Support each other. Recognize and reward great work. Celebrate our success.
- **Work together.**  
Get better results by working in partnership with people inside and outside the company. Collaborate. Understand the needs and expectations of our customers and stakeholders so we can do our best to meet or exceed them.
- **Deliver on our commitments.**  
Keep the promises we make to our stakeholders, co-workers, families and ourselves. Provide safe, reliable and dependable service. Execute on our plans. Build shareholder value.
- **Be transparent.**  
Communicate in a truthful, straightforward and timely way. Create relationships built on trust and authenticity.
- **Do the right thing.**  
Work and operate safely, always. Be ethical and honest in everything we do. Protect our environment. Care about our customers. Give back to our communities. Invest in our nation's energy infrastructure. Fuel long-term economic growth.

I&D is an essential part of our workforce strategy—helping us meet our commitment to customers and creating richer, more rewarding careers for everyone on our team. More than 2,000 NiSource employees actively participate in an employee resource group or I&D council activities.

Jeff Dawson  
Apprentice  
Station Mechanic  
NIPSCO

## 2013 NiSource Workforce Stats\*

Total Employees: 8,463  
6,293 (74%) Men  
2,170 (25%) Women  
1,020 (12%) Minorities

Total Management Team: 1,491  
206 (14%) Women (Mgr. & Above)  
60 (4%) Minorities (Mgr. & Above)

Total Generations Represented: 4  
Traditionalists (1925-48) 1%  
Baby Boomers (1949-64) 46%  
Generation X (1965-76) 26%  
Millennials/Gen Y (1977-Present) 26%

Total Executive Leadership Team: 10  
8 Men  
2 Women  
10 Caucasian

Total Board of Directors: 11  
8 Men  
3 Women  
2 Minorities

\* As of December 31, 2013

## Talent Management

We believe that I&D gives us a competitive advantage. That's why we focus on developing a workforce that broadly reflects the communities where we live, work and serve.

Strategic talent management provides a framework that fits our business strategy, the changing demographics of the communities we serve and our long-term talent needs. And it's helped us build a diverse team across 16 states and hundreds of local communities.

In 2013, NiSource expanded its recruitment outreach. Traditional and online recruiting methods, campus and diversity-focused job fairs and a robust internship program – 92 interns in 2013 – all were used to help ensure good representation of diverse candidates. This includes a focus on partnerships to identify military veterans for potential jobs. NiSource jobs, including those in engineering, construction, project management and leadership, cater well to the highly trained men and women coming back to civilian life.

One of those partnerships for reaching diverse candidates is with The ARC Northwest Indiana. The organization serves individuals with disabilities who live more independent lives, including assisting with career placement. As part of a partnership with NIPSCO, which includes participating in sensitivity training and membership to the company's Community Advisory Panel, ongoing discussions are held with Human Resources and The ARC's career placement specialist on all available positions.

One employee who benefited from the partnership is Business Intelligence Analyst Marie VanMatre. Marie was born with severe nerve deafness. With a bachelor's degree in systems analysis & design, an associate's degree in computer science and certification as a fellow of the Life Management Institute, Marie brought with her 16 years of business experience. Beginning at NiSource as a temporary contract worker, within six months she advanced to another department. Eight months later, she was offered, and immediately accepted, a full-time position. In her current role,



### Inclusive Behaviors

Communication  
Mutual Respect  
Teamwork  
Valuing Differences  
Acceptance

Marie performs qualitative analysis and extraction of historical information embedded in various databases and data warehouses. Developing numerous reports, graphs, performance measures and budgets, among other tasks, not only keeps her busy, it allows her to enjoy the work.

*"My goal in life was to be a part of a notable organization that recognizes proven abilities and continuously provides a platform for professional growth. NiSource made that possible."*

Marie VanMatre, Business Intelligence Analyst, NIPSCO



### Women in Leadership

NiSource continued to take steps to build a pipeline of women leaders through corporate-wide and regional leadership summits, a mentoring program, an employee resource group and various other programs.

*The Building the NextGen: Women in Leadership* initiative provides opportunities for women at NiSource to come together to share ideas, build leadership skills and ensure that the strong pipeline of female leaders at the company continues to grow. To date, topics and training have included networking, sharing leadership opportunities and challenges and developing critical skills such as negotiating, critical thinking and influencing strategies.



More than 170 women leaders from across NiSource gathered at the third *Women in Leadership Summit* in October 2013. Sponsored by Executive Vice President and Chief Legal Officer Carrie Hightman and Senior Vice President and Chief Information Officer Violet Sistovaris, the annual summit focuses on providing leadership development and networking opportunities uniquely designed for NiSource's top women leaders. The programming is targeted to the needs of women in leadership positions, as well as those who are accountable for managing a broad program or significant function within the organization.

*"An essential part of being a leader is giving back to fellow employees and the community. The NiSource Building the NextGen: Women in Leadership development program, as well as its I&D initiatives, embed this 'giving back' concept into every element."*

Rich Thompson  
Chairman  
NiSource Board of Directors

## I&D Training

NiSource encourages every employee to complete at least one I&D training course each year and more than 86 percent of the workforce did just that in 2013. More than 7,300 employees attended classroom or computer-based training designed to heighten awareness about the benefits of diversity and suggest tactics for ensuring an inclusive, engaging work environment.

## ERG Members

At the end of 2013, more than 1,100 employees were members of NiSource ERGs.

*“Employee resource groups increase the understanding of the richness of individual experiences.”*

## Rob Campbell

Senior Vice President of Human Resources  
NiSource Inc.

## Workplace Equality, Health & Wellness

Family situations can differ greatly among employees and at NiSource we are deeply committed to respecting those differences. We believe it will make us more competitive in the marketplace as we seek to hire and retain top talent. And we believe it's an appropriate demonstration of the respect and fairness that are the foundations of our Code of Business Conduct available at [www.nisource.com/ethics](http://www.nisource.com/ethics).

NiSource offers:

- Benefits coverage to same-sex domestic partners
- Adoption reimbursement assistance
- Health care benefits to our part-time employees

We are committed to ensuring that all employees are protected from discriminatory practices.

## Employee Resource Groups

To support our I&D efforts, NiSource is the proud supporter of employee resource groups (ERGs). Common interests and a shared sense of purpose are what fuel NiSource's ERGs. Open to all employees, our ERGs assist in welcoming and mentoring new employees, offer professional development and cultural awareness and provide community support through philanthropy, mentoring and volunteerism.

## DAWN (Developing and Advancing Women at NiSource)

*Executive Sponsor: Carrie Hightman, executive vice president and chief legal officer, NiSource*

The mission of DAWN is to live the values of I&D by communicating and exchanging information that enlightens and empowers women both professionally and personally. Open to women and men, this group focuses on creating an environment that attracts, retains and promotes women through a wide range of professional development and community service activities. DAWN also provides a forum for women to discuss shared issues and concerns. Among a variety of initiatives in





2013, one of the highlights was the significant community support the group provided in 2013.

For example, DAWN collected and donated nearly 250 pairs of new and lightly used shoes to help those in need of footwear. The shoes collected through employee donations were given to Soles4Souls, a charity that distributes shoes to people around the world. Since 2005, Soles4Souls has distributed more than 19 million pairs of shoes throughout 127 countries. Gym shoes, dress shoes, high heels, sandals and others were donated at locations across NiSource. Victims of poverty and natural disasters are the primary recipients of the shoes. Another significant fundraiser led by DAWN was a shirt sale to help combat breast cancer. More than \$4,000 was raised from the fundraiser and pink shirts can now be regularly seen across NiSource. In addition to raising funds for the battle against breast cancer, the shirt sale raised awareness about the important steps that can be taken for early detection.

### NiSource GOLD (Generating Opportunities for Latinos and Diversity)

*Executive Sponsor: Violet Sistovaris, senior vice president and chief information officer, NiSource*

Launched in 2010, GOLD provides a support system that emphasizes cultural awareness, outreach and education and professional development. GOLD promotes the advancement, professional development, recruitment and retention of Hispanics and Latinos within NiSource by creating strong relationships with an emphasis on diversity, cultural awareness, education and professional excellence.



In addition to sponsorship of the Mexican and Puerto Rican Independence Day parades in northern Indiana, GOLD members are involved in various volunteer efforts, including Junior Achievement. This commitment by GOLD was expanded across NIPSCO in 2013 when volunteers set a Junior Achievement of Chicago record by sending nearly 70 employee volunteers to three elementary schools to talk with more than 1,500 students about financial literacy.



DAWN collected and donated nearly 250 pairs of new and lightly used shoes to help those in need of footwear.

*"The Hispanic and Latino population is a significant segment of our customer base, and by being part of GOLD, I believe I will become more culturally aware and better understand our customers' individual needs."*

Becky Rinyo  
Analyst 2, Gas Transportation & Sales  
NiSource Gas Distribution and  
GOLD V.P. Communications



Deborah Parker (center), a NiSource board member, shared her professional and personal stories, including insights on the value proposition of I&D at a LEAD event in 2013.

*"NiSource has long supported our nation's veterans and NiVets is just the latest example of this support. Being part of this ERG is a way to give back to our military veterans who came before me and for those who will come after me."*

Joe Mays  
Manager Rates & Contracts  
NIPSCO and  
NiVets President

## LEAD (Leadership & Education for African American Development)

*Executive Sponsor: Joe Hamrock, executive vice president and group CEO, NiSource Gas Distribution*

Launched in June 2013, LEAD focuses on promoting an environment of respect and inclusion by educating, enlightening and empowering African Americans both professionally and personally. With a purpose to create a pipeline of "ready now" African American leaders and engaged employees, LEAD will work with senior leadership to attract, retain and advance African Americans at all levels.



LEAD's first two events featured the insights, inspirational stories and interaction with a variety of special guests, including Deborah Parker, NiSource board member, and the Honorable Karen Freeman Wilson, mayor of Gary, Ind. Through these programs and others, their goal is to empower employees with business knowledge and understanding, including better understanding the regulatory process. LEAD's 2014 plans include additional externally focused, community-based events.

## NiVets

*Executive Sponsor: Jim Stanley, executive vice president and group CEO, NIPSCO*

Our newest employee resource group launched in late 2013, NiVets promotes an inclusive environment which enlightens and empowers veterans and their supporters through education, partnerships and corporate stewardship to enhance our workplace and the communities we live in and serve. Its goals include recruiting, retaining and developing veterans as NiSource employees, and building and enhancing business and community relationships in support of veterans and the issues facing them. NiVets is working on a robust calendar for 2014, which includes:



- Pursuing national partnerships with veteran-focused organizations to advance the support for veterans
- Identifying charities within the NiSource footprint to which NiVets can offer support
- Creating a military-to-NiSource thesaurus to assist in communication
- Implementing training modules to help NiVets members develop and grow

## I&D DIMENSION: SUPPLIER DIVERSITY

Last year marked a record year for NiSource – we exceeded \$100 million in annual direct diverse supplier spending in 2013. We are on track to achieve a long-term goal of at least 15 percent diverse spend within the next five years.

Our progress toward that goal started five years ago, when we embarked on a journey to grow contracts and spending with diverse suppliers. Starting with a baseline spend of about \$12.5 million in 2009, NiSource has grown its program to yield nearly \$300 million in direct diverse spend over the past five years.

Supplier diversity is central to our effort to build a stronger company and support economic growth of communities. We believe that supplier diversity drives tangible benefits for the company, our customers and our stakeholders.

### Supplier Diversity in Action

Columbia Gas of Ohio will soon move into a new headquarters building. NiSource selected Moody Nolan, a local diverse firm, as the interior architectural design firm for that important project. In total, about 30 percent of the construction contracts for the new headquarters have been awarded to diverse companies. This was made possible by partnering with Messer Construction, the main builder on the project, to break up contracts into smaller pieces, which provides diverse suppliers with additional opportunities.

We continue to reach out to the diverse population of our communities to identify and qualify more vendors in technical and nontraditional areas. In 2013, 37 new diverse suppliers received contracts and several existing suppliers received expanded contracts. We remain diligent with encouraging our prime contractors to identify diverse suppliers as subcontractors for work. This one step, among others, will help ensure we utilize diverse suppliers throughout the entire value chain.

**Sandeep Rustagi**  
Director, Financial  
Transformation  
NiSource Inc.

We offer diverse suppliers an opportunity to succeed by building a best-in-class utility supplier diversity and community economic inclusion program. Supplier diversity supports our business objectives and benefits the communities we serve.

*"We've seen firsthand that diverse business partners help us harness new ideas, gain a competitive advantage and strengthen the communities we serve."*

Vickie Davanzo  
Supplier Diversity Manager  
NiSource Inc.

## Diverse Spending by Business Unit

NiSource Gas Distribution	\$53.96M
Columbia Pipeline Group	\$21.42M
NIPSCO	\$19.48M
Corporate Services	\$8.68M
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NiSource-Wide	\$103.54M

Knowing that supplier diversity requires involvement at all levels of our organization, our outreach effort encompasses front-line employees and each level of leadership. We launched a series of road show presentations for our employees who serve as decision makers in the supplier selection process. This creates awareness and offers greater success by providing tools and resources to qualify suppliers for contractual and one-time opportunities.

### Diverse Supplier Outreach

To have more feet on the ground in 2014, we will begin leveraging local relationships to identify and engage more diverse suppliers. One example is at Columbia Gas of Kentucky (CKY), which gains a greater sense of community by intentionally broadening access to participation.

CKY serves as a key sponsor of the Commerce Lexington's Opportunity Exchange. NiSource Supply Chain and Columbia Gas representatives partner to present the NiSource philosophy and the practicality of how a small business can become part of our diverse supply chain. Local suppliers receive education on how we source for materials, goods and services through Supply Chain and at the local level. They also receive practical examples on how we leverage the chamber in identifying and preparing small businesses to do business with us.

Membership with chambers and similar organizations that advocate for diverse suppliers provides a direct link between corporations and diverse businesses and has a primary goal to provide increased procurement and business opportunities.

Similarly, we are actively involved in each of these organizations, from serving as the president of Ohio GATE, to Supplier Diversity Committee representation with the Edison Electric Institute and the Indiana Energy Association (IEA), as well as corporate membership and utility group representation with the National Minority Supplier Development Council (NMSDC). We are committed to offering diverse suppliers an opportunity to succeed. It affirms our commitment to I&D, supports our business objectives and benefits our communities.



*"Even when it seems impossible, I always make time for I&D and keep my involvement a high priority. Interacting with colleagues at all levels of the company has given me a deep appreciation of the talents, perspectives and insights that everyone has to offer."*

Sue Chislow  
Leader, Facility Damages  
NiSource Gas Distribution

NiSource Diverse Supplier Spend Total (\$M)

