

2015



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2015 SUSTAINABILITY REPORT

GRI TABLE

NiSource 2015 Sustainability Report Global Reporting Initiative Indicators

NiSource 2015 Sustainability Report Global Reporting Initiative Indicators This report was produced using the Global Reporting Initiative (GRI) G4 Reporting Guidelines. NiSource self declares – supported with third-party assurance from CH2M – that this report meets the requirements of GRI G4 In-Accordance Core reporting standards. The full 2015 Sustainability Report and Statement of Assurance is available at www.nisource.com/sustainability.

✓ Indicates the response meets the requirements of the GRI G4.

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Forward-Looking Statements

This report contains forward-looking statements within the meaning of federal securities laws. These forward-looking statements are subject to various risks and uncertainties. Examples of forward-looking statements in this report include statements and expectations regarding NiSource's business, performance, infrastructure investments and growth. Factors that could cause actual results to differ materially from the projections, forecasts, estimates, plans and expectations discussed in this report include, but are not limited to, NiSource's debt obligations; any changes in NiSource's credit rating; NiSource's ability to execute its growth strategy; changes in general economic, capital and commodity market conditions; economic regulation and the impact of regulatory rate reviews; compliance with environmental laws and the costs of associated liabilities; fluctuations in demand from residential and commercial customers; economic conditions of certain industries; the price of energy commodities and related transportation costs; the reliability of customers and suppliers to fulfill their payment and contractual obligations; potential incidents and other operating risks associated with our business; the impact of an aging infrastructure; the impact of climate change; potential cyber-attacks; risks associated with construction and natural gas cost and supply; extreme weather conditions; and other matters referenced in the "Risk Factors" section of NiSource's Annual Report on Form 10-K for the fiscal year ended December 31, 2015, and in other filings with the Securities and Exchange Commission. NiSource expressly disclaims any duty to update, supplement or amend any of its forward-looking statements contained in this report, whether as a result of new information, subsequent events or otherwise, except as required by applicable law.

GENERAL STANDARD DISCLOSURES			
Standard Disclosure	Disclosure Requirements	In Accordance with G4 Guidelines	2015 Response
STRATEGY AND ANALYSIS			
G4-1	a. Provide a statement from the most senior decision-maker of the organization (such as CEO, chair, or equivalent senior position) about the relevance of sustainability to the organization and the organization's strategy for addressing sustainability.	✓	<p>See page 1 of the 2015 Sustainability Report, A Message from Our President and CEO, and introduction with metrics for each section.</p> <p>NiSource's Sustainability Strategy and Policy, approved by NiSource's Board of Directors, is available on www.nisource.com.</p> <p>These documents outline the company's commitment to sustainability and how it aligns with the company's business strategy. NiSource's vision is to establish a legacy of sustained economic growth, social responsibility and environmental stewardship reflective of a premier energy company. The 2015 Sustainability Report presents a number of key events, achievements and challenges. NiSource's Sustainability Strategy, approved in January 2014, further identifies the company's short- and long-term strategy. NiSource's Sustainability Policy, Sustainability Strategy and Environmental, Safety & Sustainability Committee charter outline the company's responsibility for identifying impacts, risks and opportunities.</p> <p>In 2014, NiSource conducted a materiality study with internal and external stakeholders, which guides our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Those aspects that ranked highest in materiality to both internal and external stakeholders were no surprise and remain aligned with our business priorities and investments: Employee Safety, Public Safety, Service Reliability and Emergency/Storm Response. Other highly rated categories were Ethics and Transparency and Overall Customer Satisfaction. NiSource also maintains a standing Risk Management Committee responsible for the oversight and governance of various risks the company faces. Detailed company risks, including sustainability risks to NiSource, are available in the Risk Factors section (pages 8-13) of the NiSource 2015 Form 10K available on www.nisource.com. Also see the 2015 Annual Report NiSource.com: Separation Complete and pages 1-4 on www.nisource.com. See Sustainability Scorecard on www.nisource.com/sustainability for targets and goals.</p>
ORGANIZATIONAL PROFILE			
G4-3	a. Report the name of the organization.	✓	NiSource, Inc.
G4-4	a. Report the primary brands, products, and services.	✓	Detailed information is available on www.nisource.com and on pages 6-7 of NiSource's 2015 Form 10-K, also available on www.nisource.com .
G4-5	a. Report the location of the organization's headquarters.	✓	801 East 86th Avenue, Merrillville, Indiana, 46410
G4-6	a. Report the number of countries where the organization operates, and names of countries where	✓	NiSource operates solely in the United States.

	either the organization has significant operations or that are specifically relevant to the sustainability topics covered in the report.		
G4-7	a. Report the nature of ownership and legal form.	✓	NiSource (NYSE: NI) is a Fortune 500, investor-owned corporation incorporated in the state of Delaware.
G4-8	a. Report the markets served (including geographic breakdown, sectors served, and types of customers and beneficiaries).	✓	NiSource utility customers include residential, commercial and industrial users of natural gas and electricity. Customers are located in the United States in our service territory in seven states. Also available on pages 6-7 of NiSource's 2015 Form 10-K available on www.nisource.com .
G4-9	a. Report the scale of the organization, including: <ul style="list-style-type: none"> • Total number of employees • Total number of operations • Net sales (for private sector organizations) or net revenues (for public sector organizations) • Total capitalization broken down in terms of debt and equity (for private sector organizations) • Quantity of products or services provided 	✓	Reporting on the bullet list of items that can be found in the Form 10-K and the Annual Report: <ul style="list-style-type: none"> • Total number of employees- 7,596; See page 7 of NiSource's 2015 Form 10-K • Total number of operations – See page 6 of NiSource's 2015 Form 10-K • Net sales, Total Capitalization – See page 19 of NiSource's 2015 Form 10-K • Quantity of products and services – Total natural gas volumes sold and transported for 2015 were 988.7 MMDth. Total electric sales for 2015 were 16,758.3 Gigawatt Hours. See pages 35 and 37 of NiSource's 2015 Form 10-K. Also see our year-end earnings release on NiSource.com
G4-10	a. Report the total number of employees by employment contract and gender. b. Report the total number of permanent employees by employment type and gender. c. Report the total workforce by employees and supervised workers and by gender. d. Report the total workforce by region and gender. e. Report whether a substantial portion of the organization's work is performed by workers who are legally recognized as self-employed, or by individuals other than employees or supervised workers, including employees and supervised employees of contractors.	✓	7,596 employees. See Appendix (Employee Data) for G4 a.-d.; G4 e.-f. N/A

	f. Report any significant variations in employment numbers (such as seasonal variations in employment in the tourism or agricultural industries).		
G4-11	a. Report the percentage of total employees covered by collective bargaining agreements.	✓	As of December 31, 2015, NiSource had 7,596 employees of whom 3,157 (approximately 41.5 percent) were subject to collective bargaining agreements. See 2015 page 31 of NiSource's Form 10-K on www.nisource.com .
G4-12	a. Describe the organization's supply chain.	✓	NiSource purchases a wide range of products and services from suppliers. For every product or service we procure, the overall goal is the same – to secure the best product and services at the best value. NiSource does not pay a premium to do business with any supplier. We are committed to offering diverse suppliers an opportunity to succeed, including those historically underutilized in the supply chain. See page 10 of the 2015 Sustainability Report for information regarding supplier diversity. NiSource aspires to be best-in-class of regulated utilities and regarded for supplier diversity and community economic inclusion. We actively pursue opportunities to connect with suppliers, including diverse suppliers by participating in and hosting industry and diversity events across our service areas. Additionally, we collaborate with public/private advocacy organizations such as American Association of Blacks in Energy, Ohio Gate, American Gas Association and Indiana Energy Association to coach and develop suppliers to enhance their value to the corporation and increase their economic value in the community. We also support and participate in the Ohio Small Business Administration (SBA) Matchmaker Program, which offers small business exposure and an opportunity to participate in government and corporate procurement opportunities.
G4-13	a. Report any significant changes during the reporting period regarding the organization's size, structure, ownership, or its supply chain, including: • Changes in the location of, or changes in, operations, including facility openings, closings, and expansions • Changes in the share capital structure and other capital formation, maintenance, and alteration operations (for private sector organizations) • Changes in the location of suppliers, the structure of the supply chain, or in relationships with suppliers, including selection and termination	✓	In September 2014, NiSource announced a plan to separate Columbia Pipeline Group (CPG), our natural gas pipeline, storage and midstream business from NiSource's natural gas and electric utilities. On July 1, 2015, NiSource and CPG successfully completed the separation. See Separation Complete within the front cover of the 2015 Annual Report, and in the 2015 Form 10-K, both available on NiSource.com . CPG accounted for approximately 35-40 percent of our operations. This separation impacted all areas of our organization. All measures in the report and GRI table represent only our utility operations and do not include our formerly owned pipeline business. As a result of the separation, our addressable supply chain spend reduced from \$2.6 billion to \$1.7 billion. There are no further material changes to our supply chain.
G4-14	a. Report whether and how the precautionary approach or principle is	✓	NiSource believes its Sustainability Strategy, Sustainability Policy and Environmental Health & Safety Policy reflect the internalization of the precautionary principle within NiSource.

	addressed by the organization.		The company also considers elements of the precautionary principle, based on the policies listed above, including when identifying risks, environmental considerations and stakeholder impact surrounding existing, past and future business operations.
G4-15	a. List externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	✓	<p>We continue to evaluate various external charters and principles to which the company may subscribe based on their applicability to our industry, sustainability and endorsement by peers. External partners we consider when we make sustainability decisions and considerations of charters to implement include: Utility Air Regulatory Group (UARG); Utility Water Act Group (UWAG); Utility Solid Waste Activities Group (USWAG); Coal Ash Consortium; Clean Energy Group; Energy Sustainability Interest Group; Sustainability Leadership Forum; MGP Consortium; Indiana Energy Association (IEA); Edison Electric Institute (EEI); Southern Gas Association (SGA); Midwest Gas Association; Northeast Gas Association; American Gas Association; and the National Safety Council.</p> <p>NiSource is a founding member of the Environmental Protection Agency's Natural Gas STAR Methane Challenge program. See Reducing Methane Emissions and our Carbon Footprint on page 8 of the 2015 Sustainability Report</p>
G4-16	<p>a. List memberships of associations (such as industry associations) and national or international advocacy organizations in which the organization:</p> <ul style="list-style-type: none"> • Holds a position on the governance body • Participates in projects or committees • Provides substantive funding beyond routine membership dues • Views membership as strategic 	✓	<p>Public policy decisions can affect our business, and at NiSource we believe that engaging in the political process is in the best interest of our company, our employees and our stakeholders. We track proposed legislation at the federal, state and local level and advocate our position when appropriate. We strive to educate public officials about our businesses and the impacts of potential policy decisions and also participate in industry trade associations to assist in developing industry-wide positions, including memberships in Edison Electric Institute (EEI), and the American Gas Association (AGA). NiSource President and CEO Joe Hamrock is on the board of the AGA and the board of the American Gas Foundation (AGF). He also serves in a number of leadership roles, including the board of trustees for the Mt. Carmel College of Nursing, Ohio Business Roundtable and Columbus Partnership. Employees in our companies also serve on different committees and subcommittees in various roles.</p> <p>NiSource's Political Action Committee (NIPAC) provides our employees a voice in the political process. NIPAC is a voluntary employee political action committee and, through NIPAC, we make bipartisan political contributions when permitted by law and in accordance with established guidelines. We comply with all Federal Election Commission and state regulations and PAC contributions are publicly disclosed in our filings with state and federal election commissions and agencies.</p>
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES			
G4-17	<p>a. List all entities included in the organization's consolidated financial statements or equivalent documents.</p> <p>b. Report whether any entity included in the organization's consolidated financial statements or equivalent</p>	✓	<p>a. NiSource's reportable segments are: Gas Distribution Operations and Electric Operations. See page 6 of NiSource's 2015 Form 10-K, available on NiSource.com.</p> <p>b. See page 6 of NiSource's 2015 Form 10-K, available on NiSource.com. All report contents represent only continuing operations; All discontinued operations have been removed to ensure the report is representative of our go-forward business.</p>

	documents is not covered by the report.		
G4-18	<p>a. Explain the process for defining the report content and the Aspect Boundaries.</p> <p>b. Explain how the organization has implemented the Reporting Principles for Defining Report Content.</p>	✓	<p>See page 1, A Message from Joe Hamrock, in the 2015 Sustainability Report.</p> <p>See our 2015 Sustainability report, back cover: Report Parameters and Materiality. In addition, we are following the Global Report Indicator (GRI) G4 "In accordance-Core" reporting methodology as the basis of our disclosures.</p>
G4-19	a. List all the material Aspects identified in the process for defining report content.	✓	NiSource conducted an internal and external materiality survey in 2014. The aspects that ranked highest in materiality are: Employee Safety, Public Safety, Service Reliability and Emergency/Storm Response. Other highly rated categories were Ethics & Transparency, and Overall Customer Satisfaction.
G4-20	<p>a. For each material Aspect, report the Aspect Boundary within the organization, as follows:</p> <ul style="list-style-type: none"> • Report whether the Aspect is material within the organization • If the Aspect is not material for all entities within the organization (as described in G4-17), select one of the following two approaches and report either: <ul style="list-style-type: none"> – The list of entities or groups of entities included in G4-17 for which the Aspect is not material or – The list of entities or groups of entities included in G4-17 for which the Aspects is material • Report any specific limitation regarding the Aspect Boundary within the organization 	✓	The material aspects for NiSource (identified in G4-19) are applicable to all NiSource Operating Companies: Columbia Gas of Kentucky, Columbia Gas of Maryland, Columbia Gas of Massachusetts, Columbia Gas of Ohio, Columbia Gas of Pennsylvania, Columbia Gas of Virginia and Northern Indiana Public Service Company (NIPSCO).
G4-21	<p>a. For each material Aspect, report the Aspect Boundary outside the organization, as follows:</p> <ul style="list-style-type: none"> • Report whether the Aspect is material outside of the organization • If the Aspect is material outside of the organization, identify the entities, groups of entities or elements for which the Aspect is material. In addition, describe the geographical location where the Aspect is material for the entities identified • Report any specific 	✓	The material aspects for NiSource (identified in G4-19) are applicable to all NiSource Operating Companies (Columbia Gas of Kentucky, Columbia Gas of Maryland, Columbia Gas of Massachusetts, Columbia Gas of Ohio, Columbia Gas of Pennsylvania, Columbia Gas of Virginia and NIPSCO). The material aspects of Public Safety, Service Reliability and Emergency/Storm Response, and Overall Customer Satisfaction are material to NiSource's customers and local communities in the geographies in which NiSource operates.

	limitation regarding the Aspect Boundary outside the organization		
G4-22	a. Report the effect of any restatements of information provided in previous reports, and the reasons for such restatements.	✓	In September 2014, NiSource announced a plan to separate Columbia Pipeline Group (CPG), our natural gas pipeline, storage and midstream business from NiSource's natural gas and electric utilities. On July 1, 2015, NiSource and CPG successfully completed the separation. See Separation Complete within the front cover of the 2015 Annual Report, available on NiSource.com. CPG accounted for 35-40 percent of our operations. This separation impacted all areas of our organization. All measures in the report and GRI table represent only our utility operations and do not include our formerly owned pipeline business.
G4-23	a. Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	✓	In September 2014, NiSource announced a plan to separate Columbia Pipeline Group (CPG), our natural gas pipeline, storage and midstream business from NiSource's natural gas and electric utilities. On July 1, 2015, NiSource and CPG successfully completed the separation. See Separation Complete within the front cover of the 2015 Annual Report, available on NiSource.com. CPG accounted for 35-40 percent of our operations. This separation impacted all areas of our organization. All measures in the report and GRI table represent only our utility operations and do not include our formerly owned pipeline business.
STAKEHOLDER ENGAGEMENT			
G4-24	a. Provide a list of stakeholder groups engaged by the organization.	✓	We engage with stakeholders who have a unique interest in our business. Stakeholders include our customers, employees, potential employees, community neighbors, local organizations, public officials, regulators, the news media, suppliers, contractors, shareholders and financial analysts. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Internal stakeholders who were invited to participate in the study included all in Manager roles and above across the NiSource organization. External stakeholders who were invited to participate in the study included community and industry partners, customers, government officials, and suppliers.
G4-25	a. Report the basis for identification and selection of stakeholders with whom to engage.	✓	Stakeholders include customers who depend on NiSource companies for their electricity and natural gas; employees and suppliers who carryout NiSource operations and strategy; and our community partners, including nonprofits, industry and government organizations. NIPSCO has five Community Advisory Panels (CAPs) in place across Indiana. These CAPs are a cross section of community groups who are selected by NIPSCO Community Affairs Managers working together to improve communication, share information about new programs and outreach efforts, and develop an ongoing dialogue on issues ranging from environmental concerns to community outreach and philanthropy. CAP members come from a variety of categories including: Government, Business, Media, Not-for-profit, Labor, Special groups, Faith-based, Homeowners, Healthcare, Senior citizens, Agriculture, Public Safety, Students, Civic and Community Improvement. Across our companies, NiSource has a formalized stakeholder outreach process in place for infrastructure

			<p>modernization projects, remediation activities, and other instances (when needed) if local communities are impacted by our business operations.</p> <p>In addition, public notice for utility projects needing permits is provided as necessary, consistent with regulatory requirements. NiSource conducts stakeholder meetings and issues public communications on remediation activities to ensure its projects get the proper feedback and that stakeholder input is considered. For larger sites or sites with special concerns, site-specific websites are created to keep the community involved and informed on site activity. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Internal stakeholders who were invited to participate in the study included all in Manager roles and above across the NiSource organization. External stakeholders included community and industry partners, customers, government officials, and suppliers.</p>
G4-26	<p>a. Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.</p>	✓	<p>See pages 6-7 of the 2015 Sustainability Report: Improving Customer Communications</p> <p>The majority of our engagement is in line with specific projects. We complete hundreds of projects each year across nearly every state we operate in. Investor, customer and regulatory engagement is ongoing and part of the normal business operation. For example, we participate in community events where customers can ask questions and we have the opportunity to share information about the company. Another example is NIPSCO's five Community Advisory Panels (CAPs) in place across Indiana that meet three times per year to discuss topics relevant to NIPSCO operations and customer programs. These CAPs are a cross section of community groups working together to improve communication, share information about new programs and outreach efforts, and develop an ongoing dialogue on issues ranging from environmental concerns to community outreach and philanthropy. Investors are formally engaged on quarterly calls as well as through attendance at conferences throughout the year. NiSource has a formalized stakeholder outreach process in place for infrastructure modernization projects, remediation activities, and other instances (when needed) if local communities are impacted by our business operations. In addition, public notice for utility projects needing permits is provided as necessary, consistent with regulatory requirements. NiSource conducts stakeholder meetings and issues press releases on remediation activities to ensure its projects get the proper feedback during these activities in a manner that is acceptable both to the environment and the community. For larger sites or sites with special concerns, site specific websites are created to keep the community involved and informed on site activity. In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Internal stakeholders who were invited to participate in the study included all in Manager roles and above across the NiSource organization. External stakeholders included community and industry partners, customers, government officials, and suppliers.</p>

G4-27	a. Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raised each of the key topics and concerns.	✓	<p>In 2014, NiSource conducted a materiality study with internal and external stakeholders, which will guide our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Those aspects that ranked highest in materiality to both internal and external stakeholders were no surprise and remain aligned with our business priorities and investments: Employee Safety, Public Safety, Service Reliability and Emergency/Storm Response. Other highly rated categories were Ethics and Transparency and Overall Customer Satisfaction.</p> <p>Topics raised by stakeholders and the company regularly include public safety, costs of services, renewable energy, the environment and community and individual impacts from construction activity.</p> <p>The Environmental, Safety & Sustainability (ESS) Committee assists the Board in overseeing the programs, performance and risks relative to environmental, safety and sustainability matters. Its responsibilities include evaluating the Company's environmental and sustainability policies, practices and performance; evaluating the Company's safety policies, practices and performance relating to our employees, contractors, and the general public; reviewing and assessing shareholder proposals related to the environment, safety and sustainability; reviewing and evaluating the Company's programs, policies, practices and performance with respect to health and safety compliance auditing; and assessing major legislation, regulation and other external influences that pertain to the ESS Committee's responsibilities. Information about investor proposals can be found on page 56 of NiSource's 2016 Proxy Statement.</p> <p>Many of our customer programs (i.e. energy efficiency and renewable power programs) are a direct result of feedback from stakeholders. NiSource is continuously seeking stakeholder input to encourage transparency and influence our approach to safety, infrastructure modernization and our environmental stewardship. Projects we undertake involve extensive stakeholder input and consideration. In many cases we conduct public open houses and meet individually with elected officials, emergency responders and individual residents. We also engage with the local media to ensure public understanding and input. Feedback is primarily solicited through the venues mentioned; in addition our customer service representatives, public affairs team and land agents are continuously receiving feedback and information from stakeholders.</p> <p>The 2015 Sustainability report is structured around key commitments to NiSource stakeholders and how they're being addressed.</p>
REPORT PROFILE			
G4-28	a. Reporting period (such as fiscal or calendar year) for information provided.	✓	Calendar year 2015, published in May 2016.
G4-29	a. Date of most recent previous report (if any).	✓	Calendar year 2014, published in May 2015.
G4-30	a. Reporting cycle (such as annual, biennial).	✓	Annual
G4-31	a. Provide the contact point for questions regarding the report or its contents.	✓	<p>Julie Shea Manager of Sustainability & Support, NiSource 801 E. 86th Avenue Merrillville, IN 46410 jashea@nisource.com</p>

G4-32	<p>a. Report the 'in accordance' option the organization has chosen.</p> <p>b. Report the GRI Content Index for the chosen option.</p> <p>c. Report the reference to the External Assurance Report, if the report has been externally assured.</p>	✓	NiSource is following the Global Reporting Initiative (GRI) G4 "In accordance-Core" reporting methodology, which has been externally assured by a third party, CH2M. Their Statement of Assurance is available in the Sustainability section of www.nisource.com .
G4-33	<p>a. Report the organization's policy and current practice with regard to seeking external assurance for the report.</p> <p>b. If not included in the assurance report accompanying the sustainability report, report the scope and basis of any external assurance provided.</p> <p>c. Report the relationship between the organization and the assurance providers.</p> <p>d. Report whether the highest governance body or senior executives are involved in seeking assurance for the organization's sustainability report.</p>	✓	NiSource sought out and requested external assurance for its 2015 sustainability report and G4 table from a third party, CH2M. Their statement of assurance is available in the Sustainability section of nisource.com . The Environmental, Safety & Sustainability Committee of the Board of Directors meets no less than four times per year to fulfill the committee's responsibilities for assessing the company's sustainability initiatives.
GOVERNANCE			
G4-34	a. Report the governance structure of the organization, including committees of the highest governance body. Identify any committees responsible for decision-making on economic, environmental and social impacts.	✓	<p>The NiSource Board of Directors oversees NiSource's operations. Specific Board committees include Audit; Corporate Governance; Environmental, Safety & Sustainability; Finance; and Officer Nomination and Compensation. Detailed information on the governing body also is available on www.nisource.com and on pages 2-18 of the company's 2015 Proxy Statement available on www.nisource.com.</p> <p>The Audit Committee is responsible for monitoring the integrity of the company's financial statements, the independent auditors' qualifications and independence; the performance of the company's internal audit function and the independent auditors; and compliance with legal and regulatory requirements. The Environmental, Safety & Sustainability Committee fulfills the committee's responsibilities for assessing the company's sustainability initiatives.</p>
ETHICS AND INTEGRITY			
G4-56	a. Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	✓	<p>Detailed information can be found starting on pages 8-9 of the company's 2016 Proxy Statement and page 25 of the NiSource Code of Conduct available at www.nisource.com/ethics.</p> <p>NiSource believes that good, ethical business conduct is the foundation of our workplace -- a workplace where we can enjoy an atmosphere of fairness and honesty, and where talented people have an equal opportunity to contribute to our strength and growth. Our core Code of Conduct values are: Fairness, Honesty, Integrity and Trust. Detailed information</p>

			<p>can be found in NiSource's Code of Business Conduct, Sustainability Policy and Environmental, Health & Safety Policy available on www.nisource.com. All corporate policies are applied and adopted equally across all NiSource businesses. In 2012, NiSource received a third-party assessment of our Code of Business Conduct. The review evaluated eight key areas of our code and rated them against best practices. Our Code was rated as strongest in "tone from the top," inclusive tone, reporting avenues, statements of company values and presentation. In addition, Our Code was ranked in the top 9 percent of all 3,300 codes reviewed and ranked in the top 13 percent of all energy and utility codes. A revised Code of Conduct was published in early 2014 and available at www.nisource.com/ethics.</p> <p>The Board of Directors has a Code of Business Conduct to promote ethical behavior, including the ethical handling of conflicts of interest.</p>
SPECIFIC STANDARD DISCLOSURES			
Materiality Aspect	Disclosure Requirements	In Accordance With G4 Guidelines	2015 Response
DMA	<p>a. Report why the Aspect is material. Report the impacts that make this Aspect material.</p> <p>b. Report how the organization manages the material Aspect or its impacts.</p> <p>c. Report the evaluation of the management approach, including:</p> <ul style="list-style-type: none"> • The mechanisms for evaluating the effectiveness of the management approach • The results of the evaluation of the management approach • Any related adjustments to the management approach 	✓	<p>In 2014, we conducted a sustainability materiality survey with internal and external stakeholders to gain a better understanding of which sustainability issues are of most importance to them.</p> <p>Those aspects that ranked highest in materiality to both internal and external stakeholders align with our well-established business strategy and focus: Employee Safety, Public Safety, Service Reliability and Emergency/Storm Response. Other highly rated categories were Ethics and Transparency and Overall Customer Satisfaction.</p> <p>We've aligned our sustainability report and our strategy to present a sharpened focus on sustainability, through the lens of four of our stakeholder commitments:</p> <ul style="list-style-type: none"> • Industry-leading safety performance. Keeping our customers, communities, employees and business partners safe. • Top-tier customer satisfaction. Making it easy for our customers to do business with us. • Investments that systematically and efficiently deliver service integrity. Improving our environmental performance and providing value to our customers and communities through our investments. • Recognized among the best places to work by all in our communities. Continuing to strengthen our culture and what we're known for - serving our customers with integrity and the highest of ethical business standards, while building diverse, inclusive teams with opportunities to engage and develop. <p>See our 2015 Sustainability Report and Performance Scorecard on www.nisource.com. Introduced with the 2015 Sustainability Report, the Scorecard lays out sustainable goals and metrics that are aligned with commitments to our stakeholders, reflecting our material aspects.</p> <p>As this is the first year of the full application of our materiality assessment results, we will use this year as a benchmark to evaluate our approach in the future.</p> <p>The above applies to all of our material aspects in this table.</p>

Emergency storm response		✓	<p>In 2014, NiSource conducted a materiality study with internal and external stakeholders, which guides our focus and reporting going forward. This effort is in line with the goals of the Global Reporting Initiative and other major international guidelines. Emergency storm response was among those aspects that ranked highest in materiality to both internal and external stakeholders.</p> <p>As a natural gas and electric utility, storms have the potential to impact our customers, employees, contractors and other key stakeholders. Potential impacts include service outages and safety concerns. Thus, our storm response is material to both internal and external stakeholders.</p> <p>See page 3 of the 2015 Sustainability Report, Enhancements Through Technology, and pages 6-7: Improving Customer Communications.</p> <p>NiSource analyzes weather-related risks and opportunities annually. In addition, management reviews risks and opportunities on an ongoing basis.</p> <p>See the Risk Factors section (pages 8-13) of the NiSource 2015 Form 10K available on www.nisource.com.</p> <p>See DMA.</p>
Consistent delivery on financial commitments		✓	<p>See 2015 Form 10-K on www.nisource.com.</p> <p>See 2015 Annual Report on www.nisource.com.</p> <p>See DMA.</p>
Capital investment in infrastructure modernization and growth		✓	<p>Nearly all of NiSource's investments in energy infrastructure are for the public benefit. See 2015 Sustainability Report, pages 7-11, Investments That Systematically and Efficiently Deliver Service Integrity.</p> <p>See the 2015 Annual Report: A Message from Joe Hamrock, NiSource's President and CEO on www.nisource.com.</p> <p>See Sustainability Scorecard on www.nisource.com.</p> <p>See DMA.</p>
Skilled workforce availability / workforce succession		✓	<p>See 2015 Sustainability Report, page 12-14, Recognized Among the Best Places to Work by All in Our Communities.</p> <p>See DMA.</p> <p>See Sustainability Scorecard on www.nisource.com.</p>
Reputational risk		✓	<p>Our reputation ultimately rests on the good judgment and personal integrity of each of our employees, officers, directors and those with whom we do business. We believe, therefore, that our core values must at all times guide our decisions, actions and conduct.</p> <p>Our core Code of Conduct values are: Fairness, Honesty, Integrity and Trust.</p> <p>Detailed information can be found in NiSource's Code of Business Conduct available www.nisource.com/ethics.</p> <p>See DMA.</p>
Total shareholder return as compared to peers		✓	<p>See 2015 Form 10-K on www.nisource.com.</p> <p>See 2015 Annual Report on www.nisource.com.</p> <p>See DMA.</p>
Environmental regulatory compliance		✓	<p>NiSource companies received 0 notices of violation (NOVs) during 2015.</p> <p>At Nisource, our environmental performance is reviewed on a regular basis. We use business/operating plans and</p>

			<p>balanced scorecards to establish and measure performance on environmental objectives and targets.</p> <p>Our legal and other regulatory requirements are tracked and monitored through an electronic regulatory tracking system. Environmental compliance is assessed through our Corporate Environmental Safety & Sustainability auditing program and self-assessments, and non-conformances are identified and tracked to closure. Work management tools are used in all our companies to assign environmental tasks and responsibilities appropriately. Our learning management system assigns and tracks required environmental training. Environmental records are stored/maintained in an electronic records management system.</p> <p>We have systems for the management of agency inspections, corporate level compliance assessments, spill reporting, environmental data management reporting, internal and external communications, and policies and procedures. Various elements of our systems are reviewed via our internal auditing programs on a risk-based frequency. The regulatory portion of our environmental management system continues to be audited / inspected by the local, state, and federal regulatory agencies.</p> <p>See Sustainability Scorecard on www.nisource.com. See DMA.</p>
Air pollutant emissions		✓	<p>See emission tables on page 11 of our 2015 Sustainability Report. See DMA.</p>
Water quality, use and availability		✓	<p>See water table on page 11 of our 2015 Sustainability Report. See DMA.</p>
Greenhouse gas emissions		✓	<p>See GHG data table on page 11 of our 2015 Sustainability report. See DMA.</p>
Employee Safety		✓	<p>See pages 2-5, Industry Leading Safety Performance, in our 2015 Sustainability Report. See Sustainability Scorecard on www.nisource.com. See DMA.</p>
Public safety		✓	<p>See pages 3-5, System Safety in our 2015 Sustainability Report. See Sustainability Scorecard on www.nisource.com. See DMA.</p>
Service reliability		✓	<p>See pages 6-7, Top Tier Customer Satisfaction, in our 2015 Sustainability Report. See Sustainability Scorecard on www.nisource.com. See DMA.</p>
Ethics and transparency		✓	<p>Our reputation ultimately rests on the good judgment and personal integrity of each of our employees, officers, directors and those with whom we do business. We believe, therefore, that our core values must at all times guide our decisions, actions and conduct. Our core Code of Conduct values are: Fairness, Honesty, Integrity and Trust. Detailed information can be found in NiSource's Code of Business Conduct available at www.nisource.com/ethics. See DMA.</p>
Overall customer satisfaction		✓	<p>See pages 6-7, Top Tier Customer Satisfaction, in our 2015 Sustainability Report.</p> <p>Results compiled from a third party customer survey measure the percentage of utility customers who say the company met or exceeded their expectations following a recent interaction. We also rely on third-party industry data to measure customer satisfaction, including J.D. Power.</p>

			See Sustainability Scorecard on www.nisource.com . See DMA.
Customer privacy and data security		✓	See page 8, Customer Data, in our 2015 Sustainability Report. We maintain policies and procedures to encourage employee and contractor reporting of actual or suspected privacy breaches regarding customer data. During 2015 several incidents were brought to the Company's attention through these channels. In these instances, no breach of customer privacy or loss of data was substantiated which required notification under any regulatory or legal requirement. See DMA.
Energy affordability		✓	See page 7, Mutual Benefits in Energy Efficiency & Assistance Programs, in the 2015 Sustainability Report. Building a cleaner, more efficient and affordable energy future is core to NiSource's environmental goals and our overall sustainability approach. We provide natural gas and electric service to 4 million customers across seven states. Our local utilities – Columbia Gas and NIPSCO – ensure that customers receive safe, reliable and affordable natural gas and electric service each and every day. Our business plan is focused on proactively investing in our energy infrastructure – approximately \$1.4 billion a year – to ensure we meet and improve upon our customer commitments for the next 100 years. We must balance this growth with improving environmental performance and implementing energy efficiency measures for our customers. We strive to provide our customers with the information they need to receive the support they need. Our local operating companies offer a variety of programs and events to connect our customers with the services and support they need to be able to pay or lower their utility bills and improve the comfort of their homes, whether through rebates and incentives for energy efficient upgrades, home check-ups or winterization services. Learn more in our Environmental, Health & Safety Policy, our Sustainability Strategy, and throughout the Sustainability section of www.nisource.com . See Sustainability Scorecard on www.nisource.com . See DMA.
Employee engagement / job satisfaction		✓	See pages 12-14 of the 2015 Sustainability Report, Recognized Among the Best Places to Work by All in Our Communities. Our primary measure for engagement is through our annual employee engagement survey. After a year hiatus from the employee engagement survey to focus on the separation of our natural gas pipeline, storage and midstream business, we will have a new benchmark to measure from starting in 2016. See Sustainability Scorecard on www.nisource.com . See DMA.
Training, education and career development		✓	See pages 12-14 of the 2015 Sustainability Report, Recognized Among the Best Places to Work by All in Our Communities. See Sustainability Scorecard on www.nisource.com . See DMA.
Goodwill and volunteerism in communities		✓	NiSource has a formalized stakeholder outreach process in place for infrastructure modernization projects, remediation activities, and other instances (when needed) if local communities are impacted by our business operations. In addition, public notice for utility projects needing permits is provided as necessary, consistent with regulatory requirements. NiSource conducts stakeholder meetings and issues press releases on remediation activities to ensure its

			<p>projects get the proper feedback during these activities in a manner that is acceptable both to the environment and the community. For larger sites or sites with special concerns, site-specific websites are created to keep the community involved and informed on site activity.</p> <p>See page 14 of the 2015 Sustainability Report, Supporting Our Communities and Employees; and Impactful Community Partnerships. Also, see page 4, A Partnership in Safety. See Sustainability Scorecard on www.nisource.com. See DMA.</p>
Charitable Giving			<p>See page 14 of the Sustainability Report, Supporting our Communities and Employees; and Impactful Community Partnerships.</p> <p>NiSource companies contributed more than \$5 million to non-profit organizations in our communities, including \$1.9 million in giving by the NiSource Charitable Foundation. See Sustainability Scorecard on www.nisource.com. See DMA.</p>

Appendix 1 – Employee Data

Total # of Employees (employment contract)		
Reg./Temp	Part-/Full-Time	Number of Employees
Regular	Full-time	7642
Regular	Part-time	103
Temporary	Full-time	9
Temporary	Part-time	0

Total # of Employees (gender)		
Reg./Temp	Gender	Number of Employees
Regular	F	2034
Regular	M	5711
Temporary	F	6
Temporary	M	3

Total # of Employees (full/part-time)		
Part-/Full-Time	Gender	Number of Employees
Full-time	F	1972
Full-time	M	5679
Part-time	F	68
Part-time	M	35

Total # of Employees (gender & state)		
State	Gender	Number of Employees
DC	F	1
DC	M	1
DE	F	1
DE	M	1
IN	F	877
IN	M	2467
KY	F	36
KY	M	158
MA	F	219
MA	M	543
MD	F	8
MD	M	56
OH	F	698
OH	M	1527
PA	F	143
PA	M	637
VA	F	57
VA	M	324

A black and white photograph of a row of brick houses in a residential neighborhood. The houses are two stories high with multiple windows and gabled roofs. A large tree is on the left, and a sidewalk runs along the front of the houses. The image is slightly faded, giving it a vintage feel.

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