

NISOURCE INC.

2021 Key Performance Indicators Independent Verification Statement

INTRODUCTION

Trinity Consultants, Inc. (“Trinity”) was contracted by NiSource Inc. (“NiSource”) to verify its environmental key performance indicators (“KPIs”) for its North America operations for the 2021 calendar year time period. NiSource is reporting its 2021 environmental KPIs as part of its responses to the 2021 Dow Jones Sustainability Index (“DJSI”) Online Questionnaire. Pursuant to DJSI provisions, NiSource has the option to have this annual report independently verified by an accredited Verification Body (“VB”). The environmental performance index (“EPI”) inventory compiled by NiSource and the EPI inventory verification performed by Trinity is a component of NiSource’s long-term environmental sustainability management strategy.

NiSource has sole responsibility for the preparation of the data collection, analysis, compilation, and external report. Trinity’s verification and assurance engagement are based on the assumptions that the NiSource’s data and information are sufficient, accurate, and complete. Trinity’s responsibility in performing the verification and assurance work is to the management of NiSource only and is solely for NiSource’s benefit in accordance with the terms of the contract. Our assurance statement, however, represents Trinity’s independent opinion and is intended to inform all stakeholders, including NiSource. Trinity disclaims any liability or responsibility on Trinity’s work to DJSI or to any other party who may have access to this statement or the verification and assurance report.

ASSURANCE STANDARD

Trinity’s work was conducted following our standard assurance methodology and approach for external verification of sustainability reports, in part based on the International Standard on Assurance Engagements (“ISAE”) 3000, Assurance Engagements Other Than Audits or Reviews of Historical Financial Information, suitably adapted.

SCOPE OF VERIFICATION AND ASSURANCE

The scope of work and tasks performed by Trinity as previously agreed with NiSource includes the following:

- ▶ Verification was carried out to a level of limited assurance.
- ▶ The verification of greenhouse gas (“GHG”) Scope 1 and Scope 2 emissions was conducted using World Business Council for Sustainable Development (“WBCSD”) / World Resources Institute (“WRI”) Greenhouse Gas Protocol.
- ▶ Environmental performance indicators were verified for the period of January 1st to December 31st, 2021.
- ▶ Environmental performance indicators for NiSource includes:
 - DJSI 2.3.1 – Direct Greenhouse Gas Emissions
 - ◆ Scope 1 GHG emissions
 - DJSI 2.3.2 – Indirect Greenhouse Gas Emissions
 - ◆ Scope 2 GHG emissions

HEADQUARTERS

- DJSI 2.3.3 – Energy Consumption
 - ◆ Total non-renewable energy consumption
 - ◆ Total renewable energy consumption
- DJSI 2.3.4 – Water Consumption
 - ◆ Withdrawal: Total municipal water supplies (or from other water utilities)
 - ◆ Withdrawal: Fresh surface water (lakes, rivers, etc.)
 - ◆ Withdrawal: Fresh groundwater
 - ◆ Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted
 - ◆ Total net freshwater consumption
- DJSI 2.3.5 – Waste Disposal
 - ◆ Total waste recycled/reused
 - ◆ Total waste disposed
 - ◆ Waste landfilled
 - ◆ Waste incinerated with energy recovery
 - ◆ Waste incinerated without energy recovery
 - ◆ Water otherwise disposed
 - ◆ Waste with unknown disposal method
- DJSI 2.3.6 – NO_x Emissions
 - ◆ Direct NO_x emissions
- DJSI 2.3.7 – SO_x Emissions
 - ◆ Direct SO_x emissions
- DJSI 2.3.8 – Ash and Gypsum Waste
 - ◆ Ash and gypsum waste composted, reused, recycled, or recovered
 - ◆ Total ash and gypsum waste recycled/reused
 - ◆ Total ash and gypsum waste disposed
- DJSI 2.3.9 – Direct Mercury Emissions
 - ◆ Direct mercury emissions
- DJSI 2.3.10 – Dust Emissions
 - ◆ Direct dust emissions
- DJSI 2.3.12 – Hazardous Waste
 - ◆ Total hazardous waste recycled/reused
 - ◆ Total hazardous waste disposed
 - ◆ Hazardous waste landfilled
 - ◆ Hazardous waste incinerated with energy recovery
 - ◆ Hazardous waste incinerated without energy recovery
 - ◆ Hazardous waste otherwise disposed
 - ◆ Hazardous waste with unknown disposal method
- DJSI 2.3.13 – SF₆ Emissions
 - ◆ SF₆ emissions
- DJSI 2.5.11 – Scope 3 GHG Emissions
 - ◆ Purchased goods and services (upstream GHG emissions)
 - ◆ Transportation and distribution (downstream GHG emissions, Gas NiSource owns)
 - ◆ Transportation and distribution (downstream GHG emissions, Gas NiSource does not own)
- DJSI 3.1 – Social Reporting
 - ◆ Quantitative social indicators (>75%) for calendar year 2021
- ▶ Verification and assurance activities were conducted from April 2022 through June 2022.

VERIFICATION METHODOLOGY

The objective of verification and assurance engagement by Trinity was to provide an independent and objective review of the emissions data report for North America enterprise-wide emissions for Scope 1 and 2, as well as other environmental KPIs for the calendar year 2021. The data report is reviewed against the criteria and standards (as applicable and relevant) stated below:

- ▶ World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol - A Corporate Accounting and Reporting Standard
- ▶ ISO14064-3:2019 – Greenhouse Gases Part 3: Specification with Guidance for the Validation and Verification of Greenhouse Gas assertions.
- ▶ International Standard on Assurance Engagements (“ISAE”) 3000

Trinity applied a risk-based approach throughout the assurance engagement, concentrating on the areas that Trinity believes are at risk of materiality.

The following tasks and methodologies were applied during the verification of NiSource's GHG data, inventory, supporting documents, and management processes:

- ▶ Review documentation and interview relevant staff to understand and evaluate the processes and systems used to collect, compile, consolidate, analyze and report data for the specified environmental KPIs;
- ▶ Review suitability of calculations, and conversion and emission factors;
- ▶ Review the corporate consolidation of data for specified environmental KPIs, and compare it to data submitted from the individual facilities; and
- ▶ Select underlying facility source data on a sample basis (as applicable and relevant) and conduct a desktop review of these sample data to confirm specified site data for the NiSource facilities.

CONCLUSIONS

NiSource's environmental key performance indicators assertions for the calendar year 2021 are as follows:

- ▶ DJSI 2.3.1 – Direct Greenhouse Gas Emissions
 - Scope 1 GHG emissions of 8,174,818 metric tonnes CO_{2e}
- ▶ DJSI 2.3.2 – Indirect Greenhouse Gas Emissions
 - Scope 2 GHG emissions of 30,246 metric tonnes CO_{2e}
- ▶ DJSI 2.3.3 – Energy Consumption
 - Non-renewable fuels purchased and consumed of 24,968,035 MWh
- ▶ DJSI 2.3.4 – Water Consumption
 - Withdrawal: Total municipal water supplies (or from other water utilities) of 0.09394 million cubic meters
 - Withdrawal: Fresh surface water (lakes, rivers, etc.) of 38.63 million cubic meters
 - Withdrawal: Fresh ground water of 4.00 million cubic meters
 - Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted of 28.57 million cubic meters
 - Total net freshwater consumption of 14.15189 million cubic meters
- ▶ DJSI 2.3.5 – Waste
 - Total waste recycled/reused of 3,417.81 metric tonnes
 - Total waste disposed of 22,853.78 metric tonnes
 - Waste landfilled of 22,842.87 metric tonnes
 - Waste incinerated with energy recovery of 0.00 metric tonnes

- Waste incinerated without energy recovery of 2.97 metric tonnes
- Water otherwise disposed of 7.95 metric tonnes
- Waste with unknown disposal method of 0.00 metric tonnes
- ▶ DJSI 2.3.6 – NO_x Emissions
 - Direct NO_x emissions of 4,252.82 metric tonnes
- ▶ DJSI 2.3.7 – SO_x Emissions
 - Direct SO_x emissions of 1,527.10 metric tonnes
- ▶ DJSI 2.3.8 – Ash and Gypsum Waste
 - Ash and gypsum waste composted, reused, recycled, or recovered of 65.72%
 - Total ash and gypsum waste recycled/reused of 181,004 metric tonnes
 - Total ash and gypsum waste disposed of 135,342 metric tonnes
- ▶ DJSI 2.3.9 – Direct Mercury Emissions
 - Direct mercury emissions of 0.02394 metric tonnes
- ▶ DJSI 2.3.10 – Dust Emissions
 - Direct dust emissions of 110.81 metric tonnes
- ▶ DJSI 2.3.12 – Hazardous Waste
 - Total hazardous waste recycled/reused of 14.89 metric tonnes
 - Total hazardous waste disposed of 276.22 metric tonnes
 - Hazardous waste landfilled of 268.20 metric tonnes
 - Hazardous waste incinerated with energy recovery of 0.00 metric tonnes
 - Hazardous waste incinerated without energy recovery of 8.01 metric tonnes
 - Hazardous waste otherwise disposed of 0.00 metric tonnes
 - Hazardous waste with unknown disposal method of 0.01 metric tonnes
- ▶ DJSI 2.3.13 – SF₆ Emissions
 - SF₆ emissions of 0.5870 metric tonnes
- ▶ DJSI 2.5.11 – Scope 3 GHG Emissions
 - Upstream Scope 3 GHG emissions of 1,957,256 metric tonnes CO_{2e}
 - Downstream (Gas NiSource owns) Scope 3 GHG emissions of 9,141,819 metric tonnes CO_{2e}
 - Downstream (Gas NiSource does not own) Scope 3 GHG emissions of 39,036,085 metric tonnes CO_{2e}
- ▶ DJSI 3.1 – Social Reporting
 - Quantitative social reporting indicators including the totals of employees, management team, generations represented, executive leadership, board of directors, and employee count representation by employment status (regular/temporary by gender, full/part-time by gender) and by gender and state, as reported under the Workforce Statistics of the 2021 NiSource Supplemental Sustainability Data, provided in Attachment 1.

Based on verification activities performed, Trinity attests with a **limited assurance** that no discrepancies were identified that would indicate that the activity data, emissions calculations, and equations supporting the company's submitted environmental KPI assertions and/or environmental data report to DJSI are not represented fairly in accordance with WRI/WBCSD GHG Protocols.

LIMITATIONS

Trinity's work did not include visits or physical inspections of any of NiSource's operating facilities. Trinity's approach to this verification was not intended to detect all weaknesses in management controls. The verification was performed on corporate management controls on a sample basis, as noted previously. Further, it should be noted that the reliability of environmental data may be subject to inherent uncertainties, based on the established methods used to measure or calculate the underlying information.

INDEPENDENCE

Trinity is an independent professional services firm that specializes in environmental, health and safety, and sustainability compliance, risk, and performance management. Trinity is ISO 9001:2015 certified at its corporate office in Dallas, Texas. Trinity's Quality Management System, based on the ISO standard, is implemented throughout its consulting operations including verification services companywide. No member of the verification/assurance team has a business relationship with NiSource, its Managers, or Directors other than for verification of the subject sustainability data and reporting, or has had any involvement in writing the DJSI questionnaire response, data collection or validation, or the development or implementation of data systems. This verification has been conducted independently, and we believe that there has been no conflict of interest.

TRINITY CONSULTANTS

A handwritten signature in black ink that reads "Charles C. Lee". The signature is written in a cursive, flowing style.

Charles C. Lee, Ph.D.
Principal Consultant | Manager of Consulting Services – Irvine
California Air Resources Board Accredited Lead Verifier

June 30, 2022

Attachment 1
Supplemental Sustainability Data – Workforce Statistics



Supplemental Sustainability Data

Workforce Statistics

	2021
Total Board of Directors	12
Male	8
Female	4
Minority	4

	2021
Total Executive Leadership	7
Male	5
Female	2
Minority	3

	2021
Total Management Team*	683
Gender	
Male	458
Female	225
Not Declared	0
Race/Ethnicity	
American Indian/Alaska Native	3
Asian	18
Black/African American	55
Hispanic/Latino	28
Native Hawaiian/Oth Pac Island	0
Not Specified	0
Two or More Races	6
White	573
Minority (sum of non-white)	110

* Category does not include employees on leaves of absence.

	2021
Total Employees*	7,342
Gender	
Male	5,379
Female	1,963
Not Declared	0



Supplemental Sustainability Data

Workforce Statistics

Total Employees*	7,342
Race/Ethnicity	
American Indian/Alaska Native	17
Asian	74
Black/African American	592
Hispanic/Latino	309
Native Hawaiian/Oth Pac Island	3
Not Specified	1
Two or More Races	115
White	6,231
Minority (sum of non-white)	1,110

* Category does not include employees on leaves of absence.

	2021
Total Generations Represented*	5
Traditionalists	3
Baby Boomers	1,245
Generation X	2,774
Millennials/Generation Y	3,169
Generation Z	151

* Category does not include employees on leaves of absence.

Employees (Regular or Temporary, by Gender)		
		2021
Regular	Male	5,375
Regular	Female	1,954
Temporary	Male	4
Temporary	Female	9
Total		7,342

Employees (Full or Part Time, by Gender)		
		2021
Full-time	Male	5,366
Full-time	Female	1,906
Part-time	Male	13
Part-time	Female	57
Total		7,342



Supplemental Sustainability Data

Workforce Statistics

Employees (by Gender and State)		
State		2021
DC	Male	2
	Female	0
DE	Male	0
	Female	0
FL	Male	1
	Female	0
IN	Male	2,270
	Female	791
KY	Male	202
	Female	50
MA	Male	4
	Female	1
MD	Male	65
	Female	6
NC	Male	0
	Female	0
NH	Male	0
	Female	1
OH	Male	1,624
	Female	659
PA	Male	803
	Female	374
SC	Male	0
	Female	1
TN	Male	0
	Female	2
TX	Male	1
	Female	1
VA	Male	405
	Female	79
VT	Male	0
	Female	0
Total		7,342