

NISOURCE INC.

2022 Carbon Intensity Electricity Mix Metrics Independent Verification Statement

INTRODUCTION

Trinity Consultants, Inc. ("Trinity") was contracted by NiSource Inc. ("NiSource") to verify its reported carbon intensity electricity mix metrics for its North America operations for the 2022 calendar year time period. NiSource is reporting these metrics to the Edison Electric Institute ("EEI") with the intent of providing carbon emission intensity rates to customers for the purpose of Scope 2 greenhouse gas ("GHG") accounting. Specifically, the EEI metrics inform customers of their estimated carbon emissions per megawatt-hour consumed based on NiSource's current resource mix and accounting for renewable energy certificate (RECs) ownership and retirements. Pursuant to EEI provisions, NiSource has the option to have these metrics verified by an accredited Verification Body ("VB").

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 EEI 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 GHG emissions was conducted using World Business Council for Sustainable Development ("WBCSD") / World Resources Institute ("WRI") Greenhouse Gas Protocol.
- ▶ GHG emission quantities were verified for the period of January 1st to December 31st, 2022.
- ▶ Carbon intensity electricity mix metrics (in units of CO₂ lbs/MWh) for NiSource includes:
 - Utility Specific Residual Mix Emissions Rate: Delivered Electricity (2022)
 - Utility Average Emissions Rate: Delivered Electricity (2022)
- ▶ Verification and assurance activities were conducted from April 2023 through June 2023.

HEADQUARTERS

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 GHG emissions. The data report is reviewed against the criteria and standards (as applicable and relevant) stated below:

- ▶ WRI / WBCSD 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.
- ▶ ISAE 3000 – Assurance Engagements Other Than Audits or Reviews of Historical Financial Information.

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 metrics;
- ▶ Review suitability of calculations, and conversion and emission factors;
- ▶ Review the corporate consolidation of data for specified environmental metrics, 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 carbon intensity electricity mix assertions for the calendar year 2022 are as follows:

- ▶ 1,397 CO₂ lbs/MWh for Utility Specific Residual Mix Emissions Rate: Delivered Electricity (2022)
- ▶ 1,188 CO₂ lbs/MWh for Utility Average Emissions Rate: Delivered Electricity (2022)

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 metric assertions and/or environmental data report to EEI 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 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 5, 2023