

NISOURCE INC.

2022 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 2022 calendar year time period. NiSource is reporting its 2022 environmental KPIs as part of its responses to the 2022 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, Scope 2, and Scope 3 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, 2022.
- ▶ Environmental performance indicators for NiSource includes:
 - DJSI 2.2.1 – Direct Greenhouse Gas Emissions (Scope 1)
 - ◆ Scope 1 GHG emissions
 - DJSI 2.2.2 – Indirect Greenhouse Gas Emissions (Scope 2)
 - ◆ Scope 2 GHG emissions

HEADQUARTERS

- DJSI 2.2.3 – Indirect Greenhouse Gas Emissions (Scope 3)
 - ◆ Scope 3 GHG Emissions
 - Fuel- and energy-related activities (upstream GHG emissions)
 - Use of sold products (downstream GHG emissions, Gas NiSource owns)
 - Use of sold products (downstream GHG emissions, Gas NiSource does not own)
 - DJSI 2.2.4 – NO_x Emissions
 - ◆ Direct NO_x emissions
 - DJSI 2.2.5 – SO_x Emissions
 - ◆ Direct SO_x emissions
 - DJSI 2.2.6 – Direct Mercury Emissions
 - ◆ Direct mercury emissions
 - DJSI 2.2.7 – Dust Emissions
 - ◆ Direct dust emissions
 - DJSI 2.2.8 – SF₆ Emissions
 - ◆ SF₆ emissions
 - DJSI 2.3.1 – Energy Consumption
 - ◆ Total non-renewable energy consumption
 - ◆ Total renewable energy consumption
 - DJSI 2.4.1 – 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 2.4.2 – 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 2.4.3 – 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 2.5.1 – 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 3.1 – Social Reporting
 - ◆ Quantitative social indicators (>75%) for calendar year 2022
- ▶ Verification and assurance activities were conducted from April 2023 through June 2023.

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, 2, and 3, as well as other environmental KPIs for the calendar year 2022. 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 2022 are as follows:

- ▶ DJSI 2.2.1 – Direct Greenhouse Gas Emissions (Scope 1)
 - Scope 1 GHG emissions of 6,350,413 metric tonnes CO_{2e}
- ▶ DJSI 2.2.2 – Indirect Greenhouse Gas Emissions (Scope 2)
 - Scope 2 GHG emissions of 76,591 metric tonnes CO_{2e}
- ▶ DJSI 2.2.3 – Indirect Greenhouse Gas Emissions (Scope 3)
 - Upstream Scope 3 GHG emissions of 2,074,295 metric tonnes CO_{2e}
 - Downstream (Gas NiSource owns) Scope 3 GHG emissions of 10,104,049 metric tonnes CO_{2e}
 - Downstream (Gas NiSource does not own) Scope 3 GHG emissions of 38,884,328 metric tonnes CO_{2e}
- ▶ DJSI 2.2.4 – NO_x Emissions
 - Direct NO_x emissions of 2,840.40 metric tonnes
- ▶ DJSI 2.2.5 – SO_x Emissions
 - Direct SO_x emissions of 1,132.51 metric tonnes
- ▶ DJSI 2.2.6 – Direct Mercury Emissions
 - Direct mercury emissions of 0.01573 metric tonnes
- ▶ DJSI 2.2.7 – Dust Emissions
 - Direct dust emissions of 82.40 metric tonnes
- ▶ DJSI 2.2.8 – SF₆ Emissions
 - SF₆ emissions of 0.5952 metric tonnes
- ▶ DJSI 2.3.1 – Energy Consumption

- Non-renewable fuels purchased and consumed of 19,913,014 MWh
- ▶ DJSI 2.4.1 – Waste
 - Total waste recycled/reused of 2,594.95 metric tonnes
 - Total waste disposed of 48,384.54 metric tonnes
 - Waste landfilled of 48,379.68 metric tonnes
 - Waste incinerated with energy recovery of 0.00 metric tonnes
 - Waste incinerated without energy recovery of 4.86 metric tonnes
 - Water otherwise disposed of 0.00 metric tonnes
 - Waste with unknown disposal method of 0.00 metric tonnes
- ▶ DJSI 2.4.2 – Hazardous Waste
 - Total hazardous waste recycled/reused of 17.28 metric tonnes
 - Total hazardous waste disposed of 386.18 metric tonnes
 - Hazardous waste landfilled of 379.33 metric tonnes
 - Hazardous waste incinerated with energy recovery of 0.00 metric tonnes
 - Hazardous waste incinerated without energy recovery of 6.85 metric tonnes
 - Hazardous waste otherwise disposed of 0.00 metric tonnes
 - Hazardous waste with unknown disposal method of 0.00 metric tonnes
- ▶ DJSI 2.4.3 – Ash and Gypsum Waste
 - Ash and gypsum waste composted, reused, recycled, or recovered of 74.02%
 - Total ash and gypsum waste recycled/reused of 211,843 metric tonnes
 - Total ash and gypsum waste disposed of 77,604 metric tonnes
- ▶ DJSI 2.5.1 – Water Consumption
 - Withdrawal: Total municipal water supplies (or from other water utilities) of 0.09164 million cubic meters
 - Withdrawal: Fresh surface water (lakes, rivers, etc.) of 37.34 million cubic meters
 - Withdrawal: Fresh ground water of 0.94 million cubic meters
 - Discharge: Water returned to the source of extraction at similar or higher quality as raw water extracted of 24.37 million cubic meters
 - Total net freshwater consumption of 14.00164 million cubic meters
- ▶ 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 2022 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 15, 2023

Attachment 1
Supplemental Sustainability Data – Workforce Statistics



Supplemental Sustainability Data

Workforce Statistics

	2019	2020	2021	2022
Total Board of Directors	11	11	12	12
Male	8	8	8	8
Female	3	3	4	4
Minority	3	4	4	4

	2019	2020	2021	2022
Total Executive Leadership	8	7	7	7
Male	5	5	5	4
Female	3	2	2	3
Minority	2	2	3	4

	2019	2020	2021	2022
Total Management Team*	778	682	683	718
Gender				
Male	520	460	458	477
Female	258	222	225	241
Not Declared	0	0	0	0
Race/Ethnicity				
American Indian/Alaska Native	4	5	3	3
Asian	17	15	18	15
Black/African American	51	51	55	65
Hispanic/Latino	26	28	28	38
Native Hawaiian/Oth Pac Island	0	0	0	0
Not Specified	0	0	0	4
Two or More Races	10	8	6	12
White	670	575	573	581
Minority (sum of non-white)	108	107	110	137

* Category does not include employees on leaves of absence.



Supplemental Sustainability Data

Workforce Statistics

	2019	2020	2021	2022
Total Employees*	8,315	7,389	7,342	7,162
Gender				
Male	5,968	5,387	5,379	5,259
Female	2,347	2,002	1,963	1,895
Not Declared	0	0	0	8
Race/Ethnicity				
American Indian/Alaska Native	20	20	17	18
Asian	74	66	74	67
Black/African American	650	604	592	601
Hispanic/Latino	360	286	309	310
Native Hawaiian/Oth Pac Island	3	3	3	3
Not Specified	2	0	1	33
Two or More Races	114	107	115	125
White	7,032	6,303	6,231	6,005
Minority (sum of non-white)	1,221	1,086	1,110	1,124

* Category does not include employees on leaves of absence.

	2019	2020	2021	2022
Total Generations Represented*	4	5	5	5
Traditionalists	4	4	3	1
Baby Boomers	2,020	1,523	1,245	1,012
Generation X	3,096	2,790	2,774	2,722
Millennials/Generation Y	3,110	2,974	3,169	3,230
Generation Z	66	98	151	197

* Category does not include employees on leaves of absence.

Employees (Regular or Temporary, by Gender)		2019	2020	2021	2022
Regular	Male	6,082	5,383	5,375	5,259
Regular	Female	2,379	1,993	1,954	1,895
Regular	Not Declared	0	0	0	8
Temporary	Male	4	4	4	0
Temporary	Female	10	9	9	0
Total		8,475	7,389	7,342	7,162



Supplemental Sustainability Data

Workforce Statistics

Employees (Full or Part Time, by Gender)		2019	2020	2021	2022
Full-time	Male	6,044	1,928	5,366	5,250
Full-time	Female	2,312	5,373	1,906	1,859
Full-time	Not Declared	0	0	0	8
Part-time	Male	42	14	13	9
Part-time	Female	77	74	57	36
Total		8,475	7,389	7,342	7,162

Employees (by Gender and State)		2019	2020	2021	2022
AL	Male	0	0	0	0
	Female	0	0	0	1
AZ	Male	0	0	0	0
	Female	0	0	0	1
DC	Male	2	2	2	2
	Female	1	0	0	0
DE	Male	0	0	0	0
	Female	1	0	0	1
FL	Male	0	0	1	6
	Female	0	0	0	7
IL	Male	0	0	0	2
	Female	0	0	0	2
IN	Male	2,417	2,352	2,270	2,164
	Female	865	833	791	767
	Not Declared	0	0	0	2
KY	Male	198	190	202	198
	Female	41	33	50	41
	Not Declared	0	0	0	1
MA	Male	616	5	4	2
	Female	248	3	1	0
MD	Male	59	64	65	65
	Female	5	6	6	7
MI	Male	0	0	0	1
	Female	0	0	0	1
NC	Male	0	0	0	4
	Female	0	1	0	3
NH	Male	0	1	0	1
	Female	0	1	1	1



Supplemental Sustainability Data

Workforce Statistics

NJ	Male	0	0	0	0
	Female	0	0	0	1
NY	Male	0	0	0	1
	Female	0	0	0	0
OH	Male	1,625	1,593	1,624	1,622
	Female	722	679	659	622
	Not Declared	0	0	0	2
PA	Male	795	777	803	784
	Female	432	375	374	356
	Not Declared	0	0	0	3
SC	Male	0	0	0	0
	Female	0	0	1	1
SD	Male	0	0	0	1
	Female	0	0	0	0
TN	Male	0	0	0	1
	Female	0	0	2	1
TX	Male	0	0	1	5
	Female	0	0	1	3
VA	Male	374	403	405	398
	Female	73	68	79	76
VT	Male	0	0	0	1
	Female	1	1	0	0
WI	Male	0	0	0	0
	Female	0	0	0	2
WV	Male	0	0	0	1
	Female	0	0	0	1
Total		8,475	7,387	7,342	7,162