NiSource

ESG Update

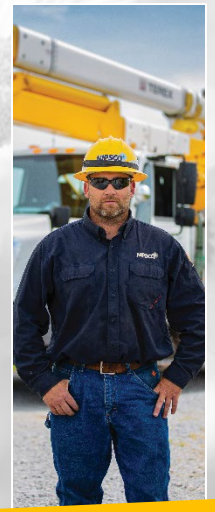
September/October 2021






NiSource®



FORWARD-LOOKING STATEMENTS

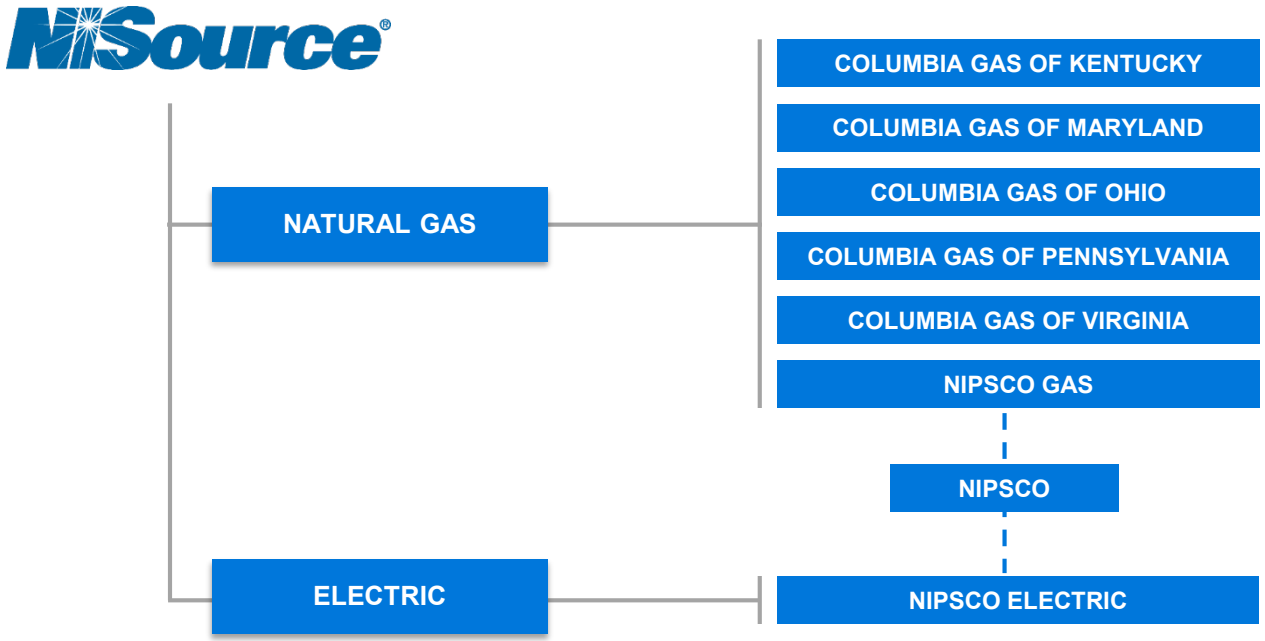
This presentation contains “forward-looking statements,” within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Investors and prospective investors should understand that many factors govern whether any forward-looking statement contained herein will be or can be realized. Any one of those factors could cause actual results to differ materially from those projected. These forward-looking statements include, but are not limited to, statements concerning our plans, strategies, objectives, expected performance, expenditures, recovery of expenditures through rates, stated on either a consolidated or segment basis, and any and all underlying assumptions and other statements that are other than statements of historical fact. Expressions of future goals and expectations and similar expressions, including "may," "will," "should,“ "could," "would," "aims," "seeks," "expects," "plans," "anticipates, " "intends," "believes," "estimates,“ "predicts," "potential," "targets," "forecast," and "continue," reflecting something other than historical fact are intended to identify forward-looking statements. All forward-looking statements are based on assumptions that management believes to be reasonable; however, there can be no assurance that actual results will not differ materially.

Factors that could cause actual results to differ materially from the projections, forecasts, estimates and expectations discussed in this presentation include, among other things, our ability to execute our business plan or growth strategy, including utility infrastructure investments; potential incidents and other operating risks associated with our business; our ability to adapt to, and manage costs related to, advances in technology; impacts related to our aging infrastructure; our ability to obtain sufficient insurance coverage and whether such coverage will protect us against significant losses; the success of our electric generation strategy; construction risks and natural gas costs and supply risks; fluctuations in demand from residential and commercial customers; fluctuations in the price of energy commodities and related transportation costs or an inability to obtain an adequate, reliable and cost-effective fuel supply to meet customer demands; the attraction and retention of a qualified workforce and ability to maintain good labor relations; our ability to manage new initiatives and organizational changes; the performance of third-party suppliers and service providers; potential cyber-attacks; any damage to our reputation; any remaining liabilities or impact related to the sale of the Massachusetts Business; the impacts of natural disasters, potential terrorist attacks or other catastrophic events; the impacts of climate change and extreme weather conditions; our debt obligations; any changes to our credit rating or the credit rating of certain of our subsidiaries; any adverse effects related to our equity units; adverse economic and capital market conditions or increases in interest rates; economic regulation and the impact of regulatory rate reviews; our ability to obtain expected financial or regulatory outcomes; continuing and potential future impacts from the COVID-19 pandemic; economic conditions in certain industries; the reliability of customers and suppliers to fulfill their payment and contractual obligations; the ability of our subsidiaries to generate cash; pension funding obligations; potential impairments of goodwill; changes in the method for determining LIBOR and the potential replacement of the LIBOR benchmark interest rate; the outcome of legal and regulatory proceedings, investigations, incidents, claims and litigation; potential remaining liabilities related to the Greater Lawrence Incident; compliance with the agreements entered into with the U.S. Attorney’s Office to settle the U.S. Attorney’s Office’s investigation relating to the Greater Lawrence Incident; compliance with applicable laws, regulations and tariffs; compliance with environmental laws and the costs of associated liabilities; changes in taxation; and other matters set forth in Part I, Item 1, “Business,” Item 1A, “Risk Factors” and Part II, Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” of our annual report on Form 10-K for the year ended December 31, 2020, and Part II, Item 1A, “Risk Factors,” of our quarterly report on Form 10-Q for the quarter ended March 31,2021, many of which risks are beyond our control. In addition, the relative contributions to profitability by each business segment, and the assumptions underlying the forward-looking statements relating thereto, may change over time. All forward-looking statements are expressly qualified in their entirety by the foregoing cautionary statements. We undertake no obligation to, and expressly disclaim any such obligation to, update or revise any forward-looking statements to reflect changed assumptions, the occurrence of anticipated or unanticipated events or changes to the future results over time or otherwise, except as required by law.

Regulation G Disclosure Statement

This presentation includes guidance for NiSource with respect to net operating earnings per share and adjusted funds from operations / total debt, which are non-GAAP financial measures as defined by the Securities and Exchange Commission's (SEC) Regulation G. The company includes these measures because management believes they permit investors to view the company’s performance using the same tools that management uses and to better evaluate the company’s ongoing business performance. With respect to such guidance for net operating earnings per share, it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various factors, including, but not limited to, fluctuations in weather, the impact of asset sales and impairments, and other items included in GAAP results. NiSource is not able to estimate the impact of such factors on GAAP earnings and, as such, is not providing earnings guidance on a GAAP basis. With respect to such guidance for adjusted funds from operations/ total debt it should be noted that there will likely be a difference between this measure and its GAAP equivalent due to various adjustments the S&P and Moody's rating agencies apply when calculating their metrics. NiSource is not able to provide a reconciliation of its non-GAAP net operating earnings or adjusted funds from operations / total debt guidance, to their GAAP equivalents without unreasonable efforts.

PREMIER REGULATED UTILITY BUSINESS



Significant Scale across Six States

~3.2M
Gas Customers

~500K
Electric Customers

NI
LISTED
NYSE

10%–12%
Compelling expected annual total shareholder return proposition 2021-2024*

* Estimated total shareholder return at a constant P/E ratio
Note: Structure is post sale of Columbia Gas of Massachusetts, which closed in October 2020

NiSource's – Long-Term Strategic Aspirations

Aspirations are the pillars through which NiSource can prioritize and deliver on long-term risk-adjusted strategy

Customer –

Achieve top quartile satisfaction, meet customer expectations as they conduct business according to their changing preference, build trusted relationships, ensure safety, reliability, value, and service

Workforce –

We strive to be an employer of choice that attracts, develops and retains people with unique backgrounds and experiences that enables a high performing culture. We will reflect the communities we serve by building an inclusive environment that supports our diverse workforce and creates equity for all.



Safety –

Lead the industry in occupational and public safety performance to fulfill NiSource's customer promise by measurably and efficiently de-risking the business. Exhibit zero tolerance for harm to our employees, contractors, customers, and the public.

Financial –

Deliver industry-leading, risk-adjusted, long-term shareholder value.

Sustainability –

Enable our customers to pursue their energy and sustainability preferences, safely, reliably, and affordably, while meeting the increasing expectations of investors and regulators, and adjusting to the changing dynamics around the energy business. Convene and influence key stakeholders to shape sustainable plans for delivering the energy needs of our communities

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INVESTMENT HIGHLIGHTS

1. Diverse Portfolio of Sustainable Assets with Significant Renewable Investment Opportunities
2. Proven History of Consistent Earnings and Rate-Base Growth, Supporting Cash Flow Generation
3. Stable and Growing Customer Base with Midwestern Centric Footprint
4. Committed to Maintaining Current Investment Grade Ratings
5. Industry Leading Focus on Safety, Risk Management and Customer Reliability

Key Financial Commitments / Stats

7%-9%
Projected NOEPS* CAGR 2021-2024

5%-7%
Expected Annual Near-Term NOEPS* Growth (2021-2023)

10%-12%
Expected Utility Rate Base Growth CAGR 2021-2024

14%-15%
Long-term FFO**/Debt Target

~$14B
Regulated Electric and Gas Rate Base

$40B
Planned Long-Term Infrastructure Investments
(includes $2B in renewables)

100%
Coal Free by 2028
Driving Toward 90% Reduction in Greenhouse Gas Emissions by 2030

Growing Dividend Targeting 60%-70% Payout Ratio

* Net Operating Earnings Per Share (Non-GAAP)
** Funds from Operations (Non-GAAP)

ELECTRIC OPERATIONS

We are making significant progress accelerating our energy transition to replace existing electrical assets with more renewable alternatives

Progress to Date

2020 – Present: Completed First Two Renewable Projects



- ✓ Rosewater Wind
- ✓ Jordan Creek Wind

2021 – Beyond: Additional Projects in Pipeline

2021

On track to complete **Indiana Crossroads Wind project in 2021**

2022-2023

Received regulatory approval for **eleven more renewable energy projects to be in service in 2022/2023**

2024+

Replacement Capacity for Remaining Coal-Fired Generation has seen significant (primarily renewable) interest following RFP solicitation, generating **182 proposals for 78 projects**

Energy Transition Goals



"Your Energy, Your Future" continues to advance as we work with stakeholders to create a **dependable, affordable, and sustainable energy model**

$2B
in planned renewable energy investments through 2023

90%
reduction in GHG emissions by 2030

$1.6B
TDSIC[1] program electrical system modernization 2021-2026

100%
coal-free by 2028

[1]Transmission, Distribution, Storage Improvement Charge.

NATURAL GAS DISTRIBUTION

Natural gas is critical to the US' diverse energy portfolio - our operations are strategically located adjacent to abundant, low-cost resources

Strategic Investments to Capitalize on Natural Gas with Roadmap to Sustainability

Current – 2024: Safety and Modernization Programs

- **Active Investments are Encouraged through Timely Regulatory Recovery in our Jurisdictions**
- **Enhance System Safety, Reliability, and Environmental Performance**
- **Meeting the Energy Content and Affordability in the Midwest**

Natural gas is the most in-demand and affordable heating source in the Mid-West

30K

new gas customers in 2020

2025 – Beyond: Sustainability of Natural Gas

- Constant improvements to our gas infrastructure will drive further reductions in methane
- Natural gas infrastructure enables us to support the delivery of other environmentally friendly fuel sources, such as renewable natural gas and hydrogen
- Continue to utilize our robust shale resources and policy support, while working closely with regulators in establishing constructive rate case outcomes

Ensure long-term environmental benefits for our Customers

50%

reduction in methane emissions from gas mains and services by 2025

OUR SUSTAINABLE APPROACH TO ESG

Environmental

- Driving toward 90% reduction[1] in greenhouse gas emissions by 2030, inclusive of a 50% reduction in methane emissions from gas mains and services by 2025
- Expected to retire 100% of coal assets by 2028 and replace primarily with renewable generation
- $1.8B-$2.0B of planned renewable investments through 2023

Social

- Transformation focused on customer safety, reliability and affordability
- Economically benefiting customers and communities
- Committed to engagement, diversity, equity and inclusion from the boardroom through the organization and supplier network

Governance

- Leadership enhancements support commitment to customer service and safety
- Diverse, skilled and independent Board recently refreshed
- Robust framework for strategy, risk management and oversight

[1]Compared to 2005 baseline

DRIVING ENVIRONMENTAL BENEFITS

Generation transition to retire 100% of coal by 2028 and pipeline replacements continue to drive improved environmental performance

Cleaner generation mix significantly reducing GHG emissions

Driving down other environmental impacts related to coal

Greenhouse Gas
Reductions from 2005 Levels

63%
By 2020

90%
By 2030

Key Updates

- Generation Transition Advances
  - Received regulatory approval for 14 renewable generation projects to replace coal-fired plant retirement
  - 2021 Integrated Resource Plan (IRP) to address remaining coal-fired generation retirement is well underway
- Replaced 274 miles of priority natural gas pipe in 2020
- Evaluating renewable natural gas opportunities and hydrogen pilot programs
- Detailed planning underway to establish next level targets
- Working to establish a sustainability platform for future financing options
- Joined the Low Carbon Resources Initiative (LCRI) and Energy Capital Ventures (ECV) to help accelerate the development of low-carbon energy technologies

COMMITTED TO CONTINUING TO ENHANCE SOCIAL RESPONSIBILITIES

Continuing to take proactive steps to enhance our social practices



Key Updates

- SMS (Safety Management System) is established and continues to mature as the NiSource core operating model
  - Expanded deployment of advanced leak detection technology for improved risk-informed decision making
  - Leading the effort to establish a natural gas SMS industry collaborative
- Enhancing DE&I initiatives across the organization
  - Hired a DE&I officer
  - Executive leadership team now consists of ~30% women and >40% minorities
- Continuing efforts for economically vulnerable customers through payment assistance programs
- Ongoing support of the NiSource Charitable Foundation and Merrimack Valley

ROBUST GOVERNANCE FRAMEWORK*

Continued enhancements to our best practices governance framework



Key Updates

- Continuing the commitment to an independent and diverse board with the 2020 addition of Lloyd Yates
- Chief Safety Officer has dual reporting relationship to the CEO and the ES&S Committee (per amendments made to the charter in October 2020)
- Added age limit of 72 to board members
- Enhanced alignment of employee and executive incentive programs
  - STI (Short-Term Incentive) includes financial, customer and safety targets…safety weighting was increased from 10% to 30% for 2021
  - The 2021 PSU (Performance-Based Stock Units) include a safety magnifier and an environmental and diversity magnifier

*Please refer to slides on Compensation and Governance Practices in the appendix for additional details

CONTINUING TO FOCUS ON STRENGTHENING NISOURCE DISCLOSURES & REPORTING

Comprehensive NiSource ESG Reporting

- Integrated Annual Report (IAR)
- Form 10-K/10-Q
- Proxy Statement
- LINK https://investors.nisource.com/financial-filings-and-reports/quarterly-and-annual-materials/default.aspx

- SASB (New Reporting – Q3 2021)
- Climate (TCFD) Report (Update – Q4 2021)
- Biodiversity Commitment (New in 2020)
- Edison Electric Institute (EEI)-American Gas Association (AGA) ESG/Sustainability Template
- Global Reporting Initiative (GRI)
- CDP Climate & Water
- Sustainability Scorecard
- Supplemental Sustainability Data
- Published Policies Including Climate Change, EH&S and Sustainability
- LINK https://www.nisource.com/company/sustainability/reports-and-policies

2021 Plan Includes SASB Reporting, Enhanced Climate Report (TCFD) and Updates to the NiSource Climate Change, EH&S, and Sustainability Policies

NISOURCE ESG RATING TRENDS ARE MIXED, GENERALLY FAVORABLE AND NEAR OUR TARGET OF TOP QUARTILE

	Trend	NiSource Rating Information	Where Rating is Used or Audience Able to View Results
S&P Dow Jones Indices (A Division of S&P Global)	↗	One of 7 North American utilities; on index 7 years in a row 73rd percentile in 2020, up from 69th percentile in 2019	Bloomberg Terminals S&P Global website
SUSTAINALYTICS (a Morningstar company)	→	66th percentile (Utilities category), 'Strong' Risk Management	Yahoo Finance, Morningstar, and ESG Risk Ratings Investor Reports
MSCI | MSCI ESG RESEARCH LLC	↗	Upgraded from 'A' to 'AA' rating in June 2021	Barclays, RiskMetrics, RiskManager, MSCI ESG and client platforms
JUST capital	↘	Ranked 32nd of 36 companies in our industry, down from 26th of 37 in 2019	Forbes JUST 100
FTSE Russell / FTSE4Good	↗	Constituent of the FTSE4Good Index Series since 2018 84th percentile, up from 82nd percentile in 2020	FTSE Russell Analytics
ISS CORPORATE SOLUTIONS	↘	Environmental - 4th decile (unchanged from 2020) Social - 5th decile (down from 4th decile in 2020) Governance – 3rd decile (down from 1st decile in 2020)	Corporate Analytics

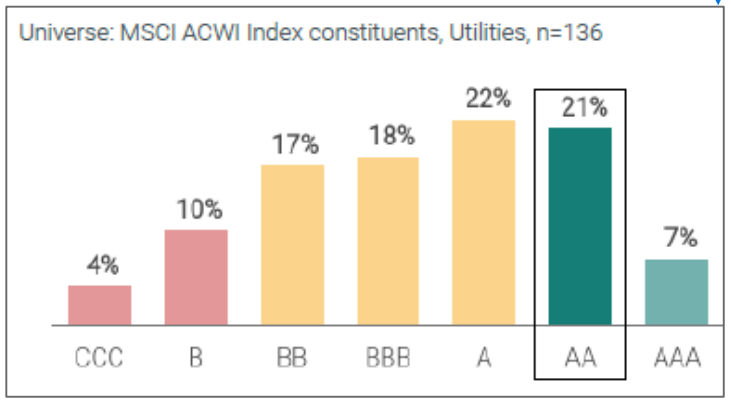
Recent Upgrade

Increasing trends are a result of:

- Environmental improvements
- Enhanced disclosure and communication with raters
- Publication of Biodiversity Commitment

Decreasing trends are a result of:

- Safety performance (Merrimack Valley)
- Existing coal
- Financial returns
- Publicly available information on our cybersecurity program
- Tend to weight lagging indicators








Appendix – additional information






EXECUTIVE SUMMARY

Strategic Framework and Important Actions	Strengthened Commitment to Safety and a Sustainable Strategy for All Stakeholders
Safety and Risk Management	Robust Risk Framework Helps Drive Toward Sustained Industry Leadership in Safety
Environmental Initiatives	Continuing to Build on Foundation of Environmental Stewardship
Diversity, Equity and Inclusion	Prioritizing Diversity, Equity and Inclusion Initiatives and Setting Clear Goals for Progress
Board of Directors	Qualified and Well-Balanced Board Aligned with Company Strategy
Management Team	Appropriate Balance of Skills and Experience to Oversee the Execution of NiSource Strategy
Compensation Overview	Pay-For-Performance Culture Aligned with Strategic Framework to Meet All Stakeholder Commitments
Commitment to Customer Satisfaction	Setting a New Standard in Customer Experience
Cyber Initiatives	Focus on Being Able to Identify, Protect, Detect, Respond and Recover from Incidents
Political Spending	Participating Constructively in the Political Process Where Legal and Appropriate

THE U.S. REGULATED UTILITY INVESTMENT OF CHOICE

Safety and environmental leadership will continue to drive customer value and sustainable growth

Strong Foundation

- Regulatory diversity resulting from multiple jurisdictions provides stability
- Significant scale, with ~$14B of regulated electric and gas rate base[1]
- Proximity to abundant, low-cost natural gas resources supports ongoing rate affordability
- Investments and recovery supported by favorable energy policies and constructive regulatory environments

Clear Path to Drive Incremental Growth

- Enhanced ~$40B infrastructure investment opportunity set driving long-term growth
  - Increase of ~$10B from prior expectation
- Well-established capital investment programs with track record of recovery through regulatory trackers
- Driving 10%-12% expected rate base CAGR 2021-2024

Benefiting Customers and Communities

- Established and maturing Safety Management System (SMS)
- Renewable generation investments to save customers $4B over 30 years and help reduce GHG 90% by 2030[2]
- Investments and focus on organizational efficiency to drive continued customer affordability
- Gas safety and modernization investments advancing environmental benefits

Committed to Shareholder Value

- 100% regulated revenue expected to deliver consistent and predictable earnings growth
- Expected 7%-9% NOEPS[3] CAGR 2021-2024
- Dividend growth to maintain targeted 60%-70% payout ratio
- Balanced financing plan focused on maintaining current investment grade credit ratings and maximizing NOEPS growth

[1]2020E excludes CMA
[2]Compared to 2005 baseline
[3]Net Operating Earnings Per Share (Non-GAAP)

IMPORTANT STRATEGIC ACTIONS AT NISOURCE

Strengthening Commitment to Safety and a Sustainable Strategy for all Stakeholders

- NiSource On-track to Achieve Environment Targets – 90% Reduction in Green House Gas (GHG) by 2030 (from 2005 Levels)
  - Including a 50% reduction in methane emissions from core pipeline replacement programs
  - Executing generation transition that retires 80% of coal-fired generation by 2023 and all coal-fired generation by 2028
  - Evaluating additional renewable natural gas opportunities as well as hydrogen pilot programs
- IRP Milestones Enabling Generation Transition
  - All 2018 IRP renewable generation projects now approved, driving future cleaner energy and significant savings for customers
  - 2021 IRP process underway with new RFP yielding more than 78 individual projects
- NiSource Next Drives Customer Affordability – Executing a multi-year program to deliver long-term safety, sustainable capability enhancements and cost optimization improvements
- Your Energy Your Future Expanding to Gas – Working to broaden existing program focused on generation transition to sustainability initiative across our electric and gas footprint
- Board Includes Significant Industry Experience and Safety Expertise
  - Theodore Bunting, Jr., Lloyd Yates and Michael E. Jesanis bring significant energy industry, regulated and integrated utility experience; Former Chair of the NTSB, Deborah Hersman, adds widely respected safety expertise
- Safety Management System (SMS) Established and Continues to Mature as Core Operating Model
  - SMS is a comprehensive approach to managing safety, emphasizing continual assessment and improvements as well as identifying and mitigating potential risks proactively
- Columbia Gas of Massachusetts Sale Completed in 2020

SAFETY PERFORMANCE AND EMERGENCY RESPONSE

Driving Toward Sustained Industry Leadership in Safety

- Safety Management System (SMS) vision is to lead and exceed anchored by three pillars
  - Culture - all employees are empowered to identify and report risks
  - Asset management - accountability to effectivity evaluate, prioritize and mitigate identified risks
  - Process safety - layers of protection for safe work with a focus on enhanced, consistent standards and processes
- Quality review board (QRB) was established in 2019 and advises management on SMS and Enterprise Risk Management (ERM)
- Established a Corrective Action Program (CAP) tool and process for employees to use to report risks
- Automatic Shut-off devices to protect against over pressurization expected to be added to all low pressure systems by YE2021

Key Performance Category	2020 YE Status	Goal
DART* Rate	**Second Quartile**	**Industry Top Decile**
OSHA Injury Rate	**Top Quartile**	**Industry Top Decile**
Miles of Priority Pipe Replaced	**274**	**> 350 Per Year**
Natural Gas System Leaks Found	**20% Reduction in leaks found (2020 vs. 2019)**	**Continued Reduction**
Emergency Response Time (<45 minutes)	**97%**	**98%**

*Days away, restricted or transferred

CONTINUING TO ENHANCE ENVIRONMENTAL STEWARDSHIP

The ESS Committee Provides Oversight over Environmental Stewardship Initiatives and Execution

Environmental Impact Targets

Eliminating Owned Coal Generation by 2028 and Replacing with Cleaner and Lower-Cost Energy Achieving:

	Emissions Reductions	2020 Reduction*	2030 Reduction Target*	
ALL OPERATIONS	Greenhouse Gas	63%	**90%**	
ELECTRIC BUSINESS	Air Emissions --Nitrogen Oxide --Sulfur Dioxide --Mercury	 89% 98% 96%	**99%**	**$4 Billion in Long-Term Cost Savings Projected for Our Electric Customers**
	Water Withdrawal Water Discharge	91% 95%	**99%**	
	Coal Ash Generated	71%	**100%**	
GAS BUSINESS	Methane from Mains & Services	39%	**>50%**	

*Compared to 2005

Environmental Execution

- Coal retirements reduce greenhouse gas emissions consistent with the goals of the Paris Agreement
- $1.8B-$2.0B planned renewable generation investments in 2021-2023
- Accelerated natural gas pipeline modernization reduces leaks and methane emissions
- Enhanced reporting: Climate Report incorporates TCFD recommendations, EEI-AGA ESG/Sustainability template, plan to report SASB metrics

Environmental/ESG Recognition

- In 2020 named to the Dow Jones Sustainability North America Index for the seventh consecutive year and the FTSE4Good Index Series
- 'AA' Rating from MSCI in June 2021
- Founding member of the EPA's Methane Challenge Program in 2016

ROBUST FRAMEWORK FOR RISK MANAGEMENT AND OVERSIGHT

The Board and Management Have Both Augmented Committees and Structures to Facilitate the Board's Oversight of Senior Management and Risk Management

Board Oversight

The Board sets the strategy for the five-year operating plan and oversees management's execution thereof, including key sustainability and risk management initiatives

The Audit Committee regularly reviews key risks facing the Company and mitigation efforts

- Chief Strategy & Risk Officer provides regular reports on the ERM program and Risk Management Committee activities
- Chaired by Theodore H. Bunting Jr. who joined the board in 2018 and includes Wayne DeVeydt, Deborah Henretta and Carolyn Woo

The Environmental, Safety & Sustainability Committee was founded in 2015 and oversees the programs, performance and risks related to environmental, safety and sustainability matters

- NiSource is one of the few among its peers with a Board committee dedicated to safety and sustainability
- Chaired by Aristides Candris and includes Deborah Hersman, Michael Jesanis and Lloyd Yates
  - Ms. Hersman joined the board in 2019 and formerly Chaired the National Transportation Safety Board

Management Oversight

Senior leaders serve on Risk Management Committee (RMC), which was formed with NiSource's inception in 2000

- Formal bi-monthly meetings with executive leadership to review risks and mitigations
- Committee consists of Executive Leadership Team (ELT) plus the head of internal Audit

NiSource is a leader among peers by having both a dedicated Chief Strategy and Risk Officer (Shawn Anderson) as well as a Chief Safety Officer (Chuck Shafer)

- Chief Strategy Officer reports directly to the CEO
- Chief Safety Officer has dual reporting relationship to the CEO and the ES&S Committee (per amendments made to the charter in October 2020)

Quality Review Board (QRB) was established in 2019 and advises management on SMS and Enterprise Risk Management (ERM)

Announced acceleration of SMS in 2018 using probabilistic risk assessment as a quantitative way to assess risk. SMS continues to mature as the core operating model at NiSource

EXPANDING DIVERSITY, CREATING AN INCLUSIVE CULTURE AND DEVELOPING ENGAGED EMPLOYEES

Prioritizing Inclusion, Equity and Diversity

- Diversity is a critical consideration for NiSource's Board, as evidenced by its current strong representation of diversity, setting expectations from the top
- NiSource added a Chief DE&I Officer (Juan Carlos Ayala) to further advance company focus and efforts
- Management further aligned with diversity efforts in 2021 via new diversity performance goals added to long-term compensation framework
- Supporting Cultural Awareness Initiatives and Development Opportunities for Under-represented Groups
- Developed "Inclusive Index" as part of Annual Employee Survey; Providing Inclusive Leadership Training for all Managers
- NiSource Mentoring Program and Targeted Development for Diverse Talent Program Focused on Traditionally Under-represented Leaders

Engaging Employees

- Annual Employee Surveys Driving "Action Items"
- Employee Resource Groups and Inclusion and Diversity Councils Open to all Employees

Giving Back and Making a Difference in Our Communities

- $7.4M Donated to targeted nonprofit organizations in our communities in 2020
- Provided $10M as part of a 5 year commitment to Merrimack Valley following sale of CMA

Progress/Recognition

- CEO Signed on to the CEO Action for Diversity & Inclusion Pledge in 2017
- Named one of American's Best Large Employers by *Forbes* since 2016
- Member of the Bloomberg Gender Equality index since 2018

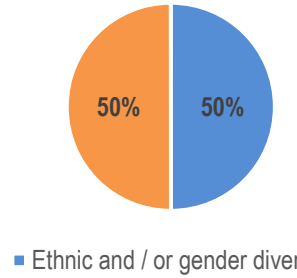
BOARD COMPOSITION AND EVALUATION

Diverse, Refreshed Board with a Broad Range of Relevant Experience and Skills

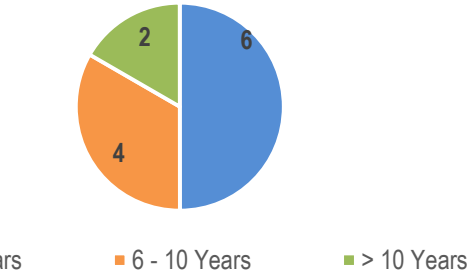
Rigorous Board Evaluation and Selection Process

- Annual and ongoing evaluation of full Board, Board Committees and individual Directors overseen by the Nominating and Governance Committee
- In searching for Director candidates, the Nominating and Governance Committee uses a professional search firm, considers recommendations from current Board members and existing shareholders and hosts interviews of candidates before making its recommendation to the Board
- The Nominating and Governance Committee considers the skills, expertise, experience and qualifications that will best complement the overall mix of skills and expertise of the Board in view of our strategy and the risks and opportunities we face
- Diversity is a critical consideration for NiSource's Board, as evidenced by its current diversity, because a breadth of perspectives is necessary to fully evaluate ideas and challenge the status quo
- The Nominating and Governance Committee also assesses the diversity of the Board as part of its annual self-assessment process
- Retirement policy added in 2021 that requires Board members to retire at age 72

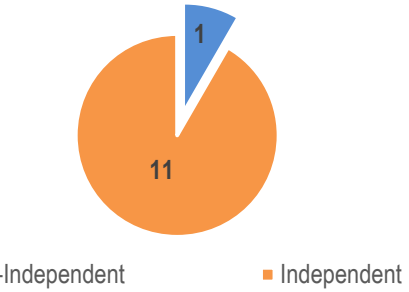
Diverse Composition



Refreshed Board with Balance of Tenures



Highly Independent



NISOURCE BOARD OF DIRECTORS

Directors with a Wide Range of Experience and Expertise



Peter A. Altabef
Age: 62
Elected: 2017
Occupation: Chairman. & CEO, Unisys Corp.
Board Committees: Finance (C)*, Nom & Gov**



Theodore H. Bunting, Jr.
Age: 62
Elected: 2018
Occupation: Retired Group Pres., Entergy Corp.
Board Committees: Audit (C), Nom & Gov



Eric L. Butler
Age: 61
Elected: 2017
Occupation: Pres. & CEO, Aswani-Butler Associates
Board Committees: Comp (C), Nom & Gov



Aristides S. Candris
Age: 70
Elected: 2012
Occupation: Retired Pres. & CEO, Westinghouse
Board Committees: ESS*** (C), Nom & Gov



Wayne S. DeVeydt
Age: 51
Elected: 2016
Occupation: Executive Chair of Surgery Partners, Inc.
Board Committees: Audit, Finance



Joseph Hamrock
Age: 58
Elected: 2015
Occupation: Pres. & CEO, NiSource Inc.



Deborah A. Henretta
Age: 60
Elected: 2015
Occupation: Partner G100 Companies
Board Committees: Audit, Comp



Deborah A. P. Hersman
Age:51
Elected: 2019
Occupation: Consultant Waymo, LLC
Board Committees: ESS, Finance



Michael E. Jesanis
Age: 65
Elected: 2008
Occupation: Retired Pres. & CEO National Grid USA
Board Committees: Comp, ESS



Kevin T. Kabat
Age: 64
Elected: 2015
Occupation: Independent Chairman of the Board, NiSource Inc.; Retired CEO of Fifth Third Bancorp
Board Committees: Nom & Gov (C)



Carolyn Y. Woo
Age: 67
Elected: 1998
Occupation: Retired Pres. & CEO, Catholic Relief Services
Board Committees: Audit, Finance



Lloyd M. Yates
Age: 60
Elected: 2020
Occupation: Retired EVP, Duke Energy
Board Committees: Comp, ESS

*(C) Chair
** Nominating and Governance
*** Environmental Safety and Sustainability

NISOURCE BOARD OF DIRECTORS

Robust Experience, Independent Perspectives and the Necessary Skills to Support NiSource Strategy

Area of Expertise	% of Directors	Commentary
Industry Experience		
• Gas Distribution or Transmission	50%	*Ensures Board has the knowledge to keep abreast of industry trends and be a leader in the utilities space*
• Electricity Distribution, Transmission or Generation	50%	
• Energy Markets or Technology	67%	
Operations & Leadership		
• Other Operations/Customer Service	92%	*Provides the Board with the experience to oversee the execution of strategy*
• CEO (current or prior)	83%	
• Strategic Planning	100%	
• Technology	58%	
• Talent Management	100%	
ESG		
• Environmental, Sustainability, Corporate Responsibility and Ethics	100%	*Ensures that NiSource will consider the concerns of all stakeholders and focus on long-term value creation*
• Community Service / Non-Profit Board	92%	
Oversight		
• Safety	67%	*Focuses the Board on the most material risks, including safety and regulatory, facing the Company*
• Government and Regulatory	92%	
• Risk Management	100%	
Finance		
• Financial or Capital Markets	83%	*Provides the Board with the skills to review strategic alternatives and financing options as well as oversee the auditing process*
• Financial Literacy and Expertise	100%	
Public Company Board Experience	75%	

MANAGEMENT OVERVIEW

Skills and Experience to Lead Commitment to Safety, Customer Experience and Stakeholder Value



Joe Hamrock
- President and CEO since July 1, 2015
- Joined NiSource in 2012, held numerous executive positions with American Electric Power



Pablo Vegas
- EVP/COO & President NiSource Utilities since June 1, 2020
- Joined NiSource in 2016, held various executive positions in utility and consulting industries



Donald Brown
- EVP/CFO & President, NiSource Corporate Services since June 1, 2020
- Joined NiSource in 2015, has more than 20 years of experience, including at UGI Corp., Constellation Energy and Progress Energy.



Violet Sistovaris
- EVP & Chief Experience Officer since June 1, 2020
- Joined NiSource in 1994, has held a variety of leadership and executive positions



Anne-Marie D'Angelo
- EVP, General Counsel & Corporate Secretary of NiSource since Jan 2021
- Joined NiSource in 2019, has held a variety of leadership positions



Shawn Anderson
- Chief Strategy and Risk Officer since June 1, 2020
- Joined NiSource in 2010, has held a variety of leadership positions



Chuck Shafer
- Chief Safety Officer since Oct. 1, 2019
- Joined NiSource in 1989, has 30 years experience in the utility industry

2020 EXECUTIVE COMPENSATION OVERVIEW

Average Say-On Pay Vote for the Last Five Years is 97%

Compensation Committee changes to 2021 incentive programs to better align with long-term ESG initiatives

	Pay Element (% of 2020 CEO / NEOs pay)	Form	Performance Element	Rationale and Link to Strategy
	Base Salary (15% / 28%)	Fixed Cash	• Reviewed annually based on corporate performance relative to business and financial goals, market competitiveness and individual performance relative to the role	• Provides all employees with level of fixed pay that is commensurate with their role and responsibility, enabling us to attract and retain top talent
Variable or "At Risk" (85% / 72%)	Short-term Cash-based Incentive (STI) (18% / 21%)	Performance-Based Cash	• No payout unless an one-year NOEPS performance trigger goal is met • 75% payout based on annual NOEPS performance • 25% payout based on annual performance related to safety and customer care goals	• Directly links compensation to achievement of business and financial objectives over a one-year performance period
	Equity Based Long-Term Incentive (LTI) (67% / 51%)	Performance Stock Units	• No payout unless a three-year cumulative NOEPS performance trigger goal is met • 65% of LTI target opportunity vests based on cumulative NOEPS performance, subject to +/-25% payout modifier based on RTSR performance • 15% of LTI target opportunity vests based on Customer Value Framework performance	• Directly links compensation to achievement of business and financial objectives over a three-year performance period by promoting long-term decision making and driving accountability for safety, customer care, organizational culture improvement and environmental impact performance: the "Customer Value Framework"
		Restricted Stock Units	• 20% of LTI opportunity • Vests based on continued employment over a multi-year period	• Retains our executives by rewarding long-term service

COMPENSATION PRACTICES

Reflects Best Practices

We DO have these practices:

- ✓ Incentive Award Metrics Tied to Key Company Performance Measures
- ✓ Share Ownership Guidelines for Executive Officers and Directors
- ✓ Double-trigger Severance Benefits Upon a Change-in-control
- ✓ Limited perquisites
- ✓ Compensation Recoupment Policy
- ✓ Prohibition Against Pledging Unearned Shares in our Long-term Incentive Plan
- ✓ One-year Minimum Vesting for Equity Awards
- ✓ Annual Say-on-Pay Vote by Stockholders

We DO NOT have these practices:

- X Dividends or Dividend Rights on Unvested Performance Shares or Restricted Stock Units
- X Automatic Single-trigger Equity Vesting Upon a Change-in-control
- X Excise Tax Gross-ups Under Change-in-control Agreements
- X Excessive Severance Benefits
- X Tax Gross-ups for Executive Officers (Other Than Gross-ups Available to All Employees Who Receive Relocation Benefits)
- X Excessive Pension Benefits or Defined Benefit Supplemental Executive Retirement Plans
- X Hedging or Pledging Transactions or Short Sales by Executive Officers or Directors

GOVERNANCE PRACTICES

Reflects Best Practices

We DO have these practices:

- ✓ Majority Vote Standard to Elect Directors
- ✓ Director Resignation Absent Majority Vote
- ✓ Equal Voting Structure (Single Class)
- ✓ Separated Chair and CEO Roles
- ✓ Proxy Access
- ✓ Shareholder Ability to Call Special Meeting

We DO NOT have these practices:

- X Classified Board
- X Supermajority Vote Requirements to Remove Directors
- X Unanimous Written Consent

SETTING A NEW STANDARD IN CUSTOMER EXPERIENCE

Focused on Achieving Top-Tier Customer Satisfaction and Dependable Service

- Fostering a Customer-centric Culture, Enhancing our Processes and Implementing New Technologies to Meet Customers' Changing Expectations
  - Launched a New Customer facing mobile app for Columbia Gas and NIPSCO in August 2021
  - Improved Website functionality by adding ability for customers to digitally Start/Stop/Move service in June 2021
  - Made process and technology improvements to drive Paperless adoption in 2020 and 2021
  - Improved call center productivity without affecting customer experience via enhanced workforce management in 2021
  - Deployed robotic process automations to billing exceptions, automating manual work in 2021
  - Made ongoing improvements to the payment process, including the enablement of PayPal, Venmo, and Amazon Pay
  - Launched New Customer-facing websites for Columbia Gas and NIPSCO during 2019
- Continued Support of Customer Programs to Help Ensure Affordability, Increase Comfort and Reduce Energy Usage
  - Completed an experience audit and used the findings to make customer energy assistance resources more easily accessible to customers, which included direct feedback from customer via NiSource's customer panel
  - Provided customer payment assistance during COVID (before required by law)
  - Requested expanded customer assistance programs in recent rate cases

Key Performance Category	2020 Status	Milestone
Customer Perception (JD Power)	**Second Quartile**	**Industry Top Quartile**
Customer Satisfaction (Post-Interaction Survey)	**90%**	**91%**
Net Promoter Score (New Business)*	**63%**	**57%**

*NPS score represents the question "Would you recommend Columbia Gas/NIPSCO to

NISOURCE CYBER INITIATIVES

- The Chief Information Security Officer and Chief Information Officer Manage Cybersecurity at NiSource and Provide Regular Updates to the Cybersecurity Sub-Committee, Which Then Reports to the Full Risk Management Committee
- The Audit Committee Provides Independent Board Oversight

Identify	• Implementing NIST Cybersecurity Framework (CSF) controls across all of IT • Enhancing control testing for Sarbanes-Oxley (SOX), Personally Identifiable Information (PII) and Payment Card Industry (PCI) • Implementation of Third-Party Risk Management across IT and NERC CIP vendors • Updated IT Policies, Standards, Procedures and Technical Specifications to meet industry best practices and benchmarks
Protect	• Implementation of tools to enhance user access management, Privileged Access Management (PAM), and multi-factor authentication capabilities • Updated security awareness training courses and continuous awareness communications • Implementing controls related to data security across the NiSource environment
Detect	• Maturing cyber capabilities with technology such as log management, security orchestration, automation and response (SOAR), firewall protections, cloud security and endpoint security • Implementing network security tools to monitor baseline activity and anonymous behaviors • Enhancing the vulnerability management program
Response	• Updated incident response plans to follow FEMA Incident Command System (ICS) guidelines • Participated in Cyber Range tabletop exercise to enhance incident response (IR) capabilities and will participate in GridEx in November 2021 • Implementing cyber forensics program including tools and personnel
Recover	• Engaging with Enterprise Risk Management (ERM) and Corporate Insurance to evaluate organizational risk and exposure related to a cyber event • Performing lessons learned exercises after each IR event • Updated cyber recovery plans to align with the IT Disaster Recovery plan

NISOURCE KEY RELATIONSHIPS

NiSource Engages with Various External Organizations and Peers in Order to Share Information and Advance our Cyber Intelligence Program

Information Sharing Partnerships

DNG-ISAC

A DIVISION OF NERC E-ISAC ELECTRICITY INFORMATION SHARING AND ANALYSIS CENTER

UNITE Utility Benchmarking for Continuous Improvement

Government Relationships

THE SPIRIT OF ENTERPRISE U.S. CHAMBER OF COMMERCE

DEPARTMENT OF ENERGY UNITED STATES OF AMERICA

State Reps

U.S. DEPARTMENT OF HOMELAND SECURITY Homeland Security

PUC PUBLIC UTILITY COMMISSION

Industry Associations

EEI Edison Electric INSTITUTE

AGA American Gas Association

Political Engagement

NiSource is Committed to Being a Good Corporate Citizen in the Communities in Which it Conducts Business, Which Includes Participating Constructively in the Political Process Where Legal and Appropriate

Political Spending Policy

- **In January of 2021, NiSource's Executive Leadership Team updated our Political Spending Policy that affirms and supports our long-standing commitment to constructive political involvement**
  - Corporate funds may be used, where legally permissible, for indirect political support and to participate in the election of state and local candidates who share NiSource's public policy views or in support of state and local ballot measures having an impact on our business and industry
  - Contributions to federal candidates may only be made by NiSource Inc. Political Action Committee (NiPAC), a non-profit entity that solicits voluntary contributions from eligible employees in compliance with applicable law
- **NiSource's President and CEO and the Nominating and Governance Committee of the Board are responsible for overseeing corporate political spending**
  - The EVP & Chief Operations Officer must approve all indirect political spending and the EVP & General Counsel reviews political spending with the President & CEO and the Nominating and Governance Committee at least once a year
- **NiSource's political spending is in support of our business plan and is not based on the personal interests or political preference of any of our individual officers, directors or employees**
- **NiSource annually discloses:**
  - Lobbying portion of trade associations dues where dues are greater than $25,000
  - Federal lobbying expenditures
  - List of associations (name only) where some portion of corporate membership dues may be attributed to lobbying
  - Contributions to political parties, committees, ballot measures
  - Total of NiPAC contributions and number of candidates supported
- **Additional detail about NiSource's contributions can be found on our website**